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# RSIS COMMENTARIES

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## **South America's Emerging Arms Race: Big Power Links?**

Loro Horta

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*On 3 March, Venezuela deployed thousands of troops to its borders with Colombia and threatened serious consequences if the Colombian military continued its alleged violations of its borders. These tensions come amid some worrisome developments in recent years of an emerging arms race which may draw in outside powers.*

UNNOTICED TO many, an arms race has been developing in South America with the potential of sucking in the United States, a reviving Russia as well as Asia's rising power, China. It is an arms race that is taking place within the context of growing political tensions and deep-seated historical animosity in the South American region.

In the past five years, South America's major powers have engaged in a rapid modernization and expansion of their military assets. Fueled by petrodollars, Venezuela's Hugo Chavez regime has initiated an ambitious military programme, acquiring significant quantities of advance weapons from Russia, China, Spain and other sources. This in turn has led Brazil, Chile, Colombia and Argentina to follow suit, leading to an arms race in South America.

### **Chavez's anti-US stance**

Since he became President in 1998, Chavez has adopted a hostile and confrontationist policy towards the United States. In the past five years the former paratrooper began to turn his attention towards its neighbours, supporting the equally anti-American government of Hevo Morales in Bolivia, giving support to left-wing guerrillas in Colombia and establishing close ties with Cuba's Fidel Castro.

Colonel Chavez's policies, as one would expect, led to an increased atmosphere of tension between Venezuela and the US, while at the same time isolating the country from its major neighbours. Confronted with this situation, Chavez decided to embark on a significant expansion of the Venezuelan military as a way to ensure the survival of his regime and expand its influence in the region.

During Chavez's visit to Moscow in July 2006, Venezuela signed an agreement for the purchase of massive quantities of Russian weapons. Included in Chavez's shopping list are five Project 677 Amur submarines and four Type 636 diesel submarines, 30 SU fighters, 35 helicopters, in addition to 100,000 AK47 assault rifles and various other items.

If Venezuela really goes ahead with its planned purchases, its submarine force will emerge as the most powerful in the region and significantly alter the region's naval balance. Venezuelan arms purchases from Russia alone are expected to reach US\$4 billion with several hundred million dollars to be spent on weapons from China and others sources.

### **The nuclear angle**

In 2006 Venezuela purchased three JVL-1-type radars from China at a cost of US\$150 million and is renting a Chinese satellite for its surveillance needs. But the most worrisome development has been Venezuelan intention to purchase a nuclear reactor from Argentina, raising serious concerns over the possibility that Chavez may be interested in acquiring nuclear weapons. Venezuela's close ties with Iran only increase such fears. Indeed, during Chavez's Russian visit, the Venezuelan leader publicly stated that nuclear weapons were a legitimate means of self-defence.

As a result, Brazil, the region's dominant military power, has initiated its own weapons acquisition programme while hinting that it may reactivate its nuclear programme. In late 2007 General José Benedito Pereira, the man in charge of strategic planning at the Brazilian ministry of defence, stated on television that "the current international situation requires that Brazil keeps the nuclear option open".

The Brazilian navy is also reported to have reactivated its nuclear submarine programme to counter Venezuela's growing submarine fleet. Indeed, in July 2007 President Lulu Da Silva defended the need for the continuation of the nuclear programme while pledging US\$540 million for the navy's nuclear programme. Brazil is expected to increase its weapons purchases by 60 percent this year, with the planned acquisition of fighter jets, transport aircraft, helicopters, missilery and further investments into its already advanced satellite programme.

Argentina, a close ally of Venezuela, in turn has signed an agreement with France for the purchase of Mirage fighter jets, while deals with China will see the delivery of helicopters, mobile radar, artillery, and armoured vehicles to the Argentine military. Chinese arms sales to Argentina are significant for they include the transfer of radar and advance artillery technology, allowing that country to produce such systems in the future.

Argentina has also been actively scouring the European arms market for new submarines and frigates. Argentina is reported to be in the process of buying for the first time weapons from Russia -- a deal that will see the delivery to Argentina of helicopters, armoured combat vehicles and patrol boats in exchange for Argentine beef.

### **The snowball effect**

Argentine rearmament and the close relations between its left wing President Nestor Kirchner and Hugo Chavez have in turn raised serious concerns in Chile, its long time rival. Chile has in recent years acquired various advanced systems such as F-16 Block 50 fighter jets, Scorpene submarines, 300 Leopard 2 tanks, anti-tank weapons and UAVs.

Chile has taken delivery of three frigates from Britain and will soon be receiving from the United States 20 of the highly advanced RGM-84L Harpoon Block II missile, with a range of 80 kilometers to equip its frigates. As a result of Chile's arms acquisition, Peru a country with whom Chile has had a

history of stormy relations, has began its own rearmament, acquiring Lupo class frigates, MIG -29 fighters, modern tanks and submarines.

Confronted with this situation, the smaller and poor states of the region such as Bolivia have turn to China for weapons at affordable prices. Beijing has agreed to sell to Bolivia on generous terms an upgraded version of the J-7 fighter and has already delivered two transport aircraft and air defence equipment. Bolivia has also signed a treaty with Venezuela under which the latter will come to its defence in case of attack by another country. According to a Uruguayan air force colonel intervened by the author, Uruguay may also buy Chinese J-7 fighters in exchange for the pardon of its debt to China.

In addition to old historical rivalries, the current expansion in defence budgets and procurements is taking place amid growing political tensions among the region's countries. Brazil, the region's dominant power, deeply resents Venezuelan meddling in Bolivia and Chavez's use of oil money to buy influence in the region. Venezuela's claim over 30 percent of Guyana's territory further aggravates Brazil's concern over Chavez expansionist designs. There is also a personal animosity between the moderate Brazilian President Lula Da Silva and the erratic Venezuelan leader as both men try to assert themselves as the dominant figures in the region.

### **Regional Stability at stake**

Colombia in turn has accused Venezuela of supporting left wing insurgents in its territory while conducting raids into Venezuela in pursuit of rebel forces. Bolivia's century-old territorial dispute with Chile has in turn brought Chile and Brazil closer together to contain Venezuela's alliance with Bolivia and their increasingly close ties with Argentina. While Colombia has also strengthened its ties with Brazil and Chile and initiated its own rearmament, President Alvaro Uribe has declared that Colombia will save no effort to maintain its defence capabilities.

The situation is further complicated as the competing Latin American countries try to bring in outside powers to shore up their positions. Brazil and Chile are supported by the US while Venezuela, Bolivia and increasingly Argentina are seeking Russian and Chinese support. While the potential for open war between the various countries in the region is low, the combination of historical and contemporary political animosities may severely undermine stability in the region.

*Loro Horta is an associate Research Fellow at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University, Singapore and a visiting scholar at the Centre for International Security Studies at Sydney University Australia.*