

Testimony of Douglas Farah
President, IBI Consultants, LLC

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Hemisphere

Russia's Engagement in the Western Hemisphere

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Chairman Duncan, Ranking Member Sires and members of the committee, thank you for the opportunity to discuss Russia's strategic engagement in the Western Hemisphere and the implications for U.S. policy in the region. I speak only for IBI Consultants and not for any other institution with which I am affiliated. Much of the research used in this testimony is the result of the work of my co-workers Thomas Ewing and Liana Eustacia Reyes.

Over the past three years Russian President Vladimir Putin has made no secret of his desire to restore Russia to superpower status to create a multi-polar world where the United States is not dominant. Leaders of the U.S. defense and intelligence communities have responded to Russia's growing global assertiveness by singling out Russia as the primary military and strategic threat to the United States, particularly following Russia's recent annexation of Crimea and hostile activities in the Ukraine and Syria. However, that threat assessment is seldom applied to Latin America.

Yet given its current positioning, one could argue that Russia now has more influence in Latin America than ever before, even including at the height of the Cold War. This will likely remain true despite the recent announcement of the normalization of diplomatic relations between Cuba and the United States and Russia's ongoing economic turmoil.

During most of the Cold War, the Soviet Union's only reliable ally in Latin America was Cuba, which in turn helped sponsor insurgent movements across the hemisphere. With the 1979 triumph of the Sandinista revolution in Nicaragua, the Kremlin gained a second state partner. But when the Berlin Wall fell 12 years later, Russia's regional influence ebbed to almost nothing in Latin America.

But since 2005, riding on the wave of radical anti-U.S. populism sponsored by Hugo Chávez in Venezuela, Russia is now firmly allied with the ranks of Latin America's populist, authoritarian and virulently anti-American leaders of the Bolivarian Alliance for the Peoples of Our America – (*Alianza Bolivariana para los Pueblos de Nuestra América* – ALBA).¹

The Putin government is providing ALBA nations with weapons, police and military training and equipment, intelligence technology and training, nuclear technology, oil exploration equipment, financial assistance, and an influential friend on the United Nations Security Council and other international forums.

With Russia's help and advise the once-shared hemispheric values of a functioning democratic system are being replaced by a toxic mix of anti-democratic values, massive corruption, and a doctrine that draws on totalitarian models. The ALBA bloc embraces terrorism and terrorist groups such as the FARC in Colombia, Hezbollah and the Spanish ETA and its military doctrine includes the justification for the use of weapons of mass destruction against the United States.

¹ Members of ALBA include Venezuela, Bolivia, Ecuador, Nicaragua, El Salvador, Suriname and several Caribbean islands. Argentina, while not formally a member of the organization, sponsors ALBA events and behaves a member of the alliance, including increasing aggressive attacks on the United States.

Russia, eager to strengthen these governments, now has at least seven unconditional allies in the region,² most of them among the least democratic and most repressive in the hemisphere. During the past two years Russia has expanded its dealings with these nations at a rapid pace.

In return, these allies are shielding Russia from international isolation, providing political and diplomatic support, and opening access to financial markets for sanctions Russian banks and companies.

Russia has also helped create an important regional media and social media network consisting of a host of state sponsored websites, government-owned traditional media and a significant Twitter presence of several presidents. This network offers coordinated messages of unstinting support for Putin while casting the United States as the global aggressor.³ At the same time, ALBA countries are increasing Russia's military access to the hemisphere's ports and airspace, and ultimately, increasing Russia's sphere of influence in a region where the United States has seldom been so directly challenged.

In a high-profile visit to the region in July 2014, Putin offered multiple gifts to his friends. He forgave some \$30 billion, or 90%, of Cuba's unpaid Soviet debt, noted as a possible concession to reestablish the Lourdes listening post facility on the island to bolster Russia's electronic spying capabilities close to the United States.⁴

Additionally, Putin declared a "strategic alliance" with Argentina and discussed satellite and nuclear energy agreements over dinner with Argentine President Cristina Fernandez de Kirchner. He also promised full support in Brazil for a new BRIC⁵ bloc international lending institution to counter the World Bank. And, in a surprise visit to Nicaragua, Putin promised President, Daniel Ortega, Russia's military protection for Nicaragua's new ambitious multi-billion dollar canal project. In addition to Nicaragua's canal project – which is unlikely ever to be completed but could provide Russia with coveted deep sea ports in the hemisphere – Russia is also providing assistance with the development of a regional counter-narcotics and police-training center, named after Marshal of the Soviet Union, Georgy Zhukov, which has been created to displace U.S. counter-narcotics efforts in the hemisphere.

It is worth noting that throughout these agreements and establishment of these strategic alliances, delegations of senior Russian military and foreign relations officials routinely

² These include the Bolivarian bloc of nations (Venezuela, Bolivia, Ecuador, Nicaragua Cuba and El Salvador) as well as Argentina.

³ See: Douglas Farah, "The Advance of Radical Populist Doctrine in Latin America: How the Bolivarian Alliance is Remaking Militaries, Dismantling Democracy and Combatting the Empire," PRISM, Center for Complex Operations, National Defense University, Summer 2015, accessed at: http://cco.ndu.edu/Portals/96/Documents/prism/prism_5-3/The_Advance_Of_Radical_Populist_Doctrine_in_Latin_America.pdf

⁴ Alex Luhn, "Russia to reopen spy base in Cuba as relations with U.S. continue to sour," The Guardian (July 16, 2014), accessed at: <http://www.theguardian.com/world/2014/jul/16/russia-reopening-spy-base-cuba-us-relations-sour>

⁵ The BRIC bloc is composed of Brazil, Russia, India, and China.

travel through the region, including several leaders under sanctions by the United States and European Union for Russia's recent actions in Crimea and Ukraine.⁶

As General John Kelly, commander of the U.S. Southern Command (SOUTHCOM) noted in recent Congressional testimony, "it has been over three decades since we last saw this type of high-profile Russian presence" in Latin America."⁷ In his command's 2015 Posture Statement Kelly added that

Periodically since 2008, Russia has pursued an increased presence in Latin America through propaganda, military arms and equipment sales, counterdrug agreements, and trade. Under President Putin, however, we have seen a clear return to Cold War-tactics. As part of its global strategy, Russia is using power projection in an attempt to erode U.S. leadership and challenge U.S. influence in the Western Hemisphere. While these actions do not pose an immediate threat, Russia's activities in the hemisphere are concerning and underscore the importance of remaining engaged with our partners.⁸

While General Kelly is correct in noting that Russia in Latin America does not yet present an imminent military threat to the United States, Russian officials have been open and explicit about the desire to confront the United States in its main sphere of influence in order to counter what they perceive to be U.S. interference in Russia's border territories. In the current context of Latin America, it is clear the Russians have made greater strides toward their goals than is usually acknowledged.

It is not that the nature of the Russian state is not known or understood. In March 2015, Director of National Intelligence James R. Clapper labeled Russia a "threat actor" and an example of a nation where "the nexus among organized crime, state actors, and business blurs the distinction between state policy and private gain."⁹ The 2015 National Military Strategy presented by the Joint Chiefs of Staff noted that Russia "has repeatedly demonstrated that it does not respect the sovereignty of its neighbors and it is willing to use force to achieve its goals. Russia's military actions are undermining regional security directly and through proxy forces."¹⁰

⁶ These include Viktor Ivanov, head of Russia's Federal Drug Control Service, who attended the inauguration of the school in Nicaragua; Igor Sechin, head of the Russian oil giant Rosneft and former deputy prime minister; and Valery Gerasimov, chief of staff of the Russian army.

⁷ Kristina Wong, "Putin's quiet Latin America play," The Hill, March 21, 2014, accessed at: <http://thehill.com/policy/defense/201305-putins-quiet-play-for-latin-america>

⁸ Gen. John F. Kelly, "Posture Statement of General John R. Kelly, United States Marine Corps, Commander, United States Southern Command Before the 114th Congress Senate Armed Services Committee," March 12, 2015, accessed at: http://www.southcom.mil/newsroom/Documents/SOUTHCOM_POSTURE_STATEMENT_FINAL_2015.pdf

⁹ James R. Clapper, Director of National Intelligence, "Statement for the Record: Worldwide Threat Assessment of the U.S. Intelligence Community," House Appropriations Subcommittee on Defense, March 25, 2015, accessed at: <http://docs.house.gov/meetings/AP/AP02/20150325/103200/HHRG-114-AP02-Wstate-ClapperJ-20150325.pdf>

¹⁰ "The National Military Strategy of the United States of America 2015," June 2015, accessed at: http://www.jcs.mil/Portals/36/Documents/Publications/2015_National_Military_Strategy.pdf

While one can observe the accuracy of the assessments of Russian intentions and capabilities in many parts of the world, the burgeoning mixture of Russian state presence, business ventures, soft power overtures, criminal activity and proxy activities in Latin America – and particularly Central America – have gone largely unexamined. Yet the hemisphere and isthmus of strategic interest to the United States has been an area of intense Russian state activities.

The most tangible signs of Russia's growing interest and footprint are the constant visits to the hemisphere and Central America by senior Russian political and military figures, including: Putin in 2014; and multiple visits in the past two years by Defense Minister Shoigu; Foreign Minister Sergey Lavrov; Counter-narcotics chief Viktor Ivanov; Prime Minister Dmitry Medvedev; and other senior officials.¹¹

Where the Russian state establishes a presence, Russian organized crime invariably follows. The immediate consequence is the rapid increase in cocaine flows from Latin America to Russia, and the former Soviet Union, with almost all of the cocaine that is shipped to originating from countries that Russia vehemently supports – Venezuela, Nicaragua, and Ecuador. Regional law enforcement officials in Central America and Colombia say there is a noticeable increase in Russian organized crime activity in Central America, primarily in cocaine trafficking via the Pacific Coast. Among the groups identified as trafficking via shipping containers are the Solntsevskaya Brotherhood and the Brother's Circle, the latter considered a top tier TOC group with close ties to the Russian state.¹²

One of the repeat visitors to Latin America who provides a particularly useful lens to understand Russian activities in the region is Gen. Valery Gerosimov, chief of staff of the Russian Federation and architect of the Gerosimov Doctrine. The influential Russian doctrine posits that the rules of war have changed, there is a "blurring of the lines between war and peace," and "nonmilitary means of achieving military and strategic goals has grown and, in many cases exceeded the power of weapons in their effectiveness." He advocates for asymmetrical actions that combine the use of special forces, information warfare that create "a permanently operating front through the entire territory of the enemy state."¹³

This is the prism through which Russian engagement in Latin America should be viewed. All of the main elements of the doctrine are being carried out in Latin America. This is how and why Russia is engaging with select Latin American states.

How is Russia doing this? As many observers have noted, Russia does not have the financial wherewithal in a time of economic crisis to match what the former Soviet Union could offer.

¹¹ For a comprehensive look at Russia's engagement on a state by state basis in Latin America and the high-level visits see: R Evan Ellis, "The New Russian Engagement with Latin America: Strategic Position, Commerce, and Dreams of the Past," U.S. Army War College, Strategic Studies Institute, June 17, 2015, accessed at: <http://www.strategicstudiesinstitute.army.mil/pubs/display.cfm?pubID=1275>

¹² Farah interviews with U.S., Colombian, European and Central American law enforcement officials and diplomats, January to June 2015.

¹³ Gen. Valery Gerosimov, "The Value of Science in Prediction," Military-Industrial Kurier, February 27, 2013, accessed at: <https://inmoscowsshadows.wordpress.com/2014/07/06/the-gerasimov-doctrine-and-russian-non-linear-war/>

And it is clear that many of the mega projects it has embraced around the region simply never come to fruition. But a more careful examination of Russian activities shows there are four main areas where it has leveraged its relatively small amount of resources to some effect within the overarching Gerosimov doctrine.

These include:

- The sale of weapons: In addition to the hundreds of thousands of the newest model AK-47 assault rifles, Russian weapons sales include tanks, helicopters, supersonic combat aircraft, and surface-to-air missiles. After registering no sales of surface-to-air missiles to Latin America during most of the past decade, Russia sold more than 3,000 to the region from 2008-2011.¹⁴ Russia's primary client of these weapons is Venezuela, which was ranked 5th largest recipient of arms deliveries from Russia in 2011 at an estimated worth of 1.7 billion.¹⁵ Argentina and other nations are promising to follow suit. Chavez's government secured a \$2.2 billion loan in 2010 to purchase a large batch of Russian weapons for its army, including 92 T-72M1M main battle tanks, about 240 BMP 3 fighting vehicles and BTR-80 armored personnel carriers, and a variety of artillery systems. In total, it is estimated that Venezuela's arms transfer agreements with Russia amount to \$13.1 billion, noting a 52 percent increase between 2007 and 2011.¹⁶
- Police, military and intelligence assistance: The Russian push includes the creation of the Marshal of the Soviet Union Georgy Zhukov regional counter-narcotics training center in Nicaragua, along with a non-public agreement for a permanent presence of 130 Russian counter-narcotics trainers, who frequently conduct joint patrols with their Nicaragua counterparts.¹⁷ In addition, the Russians have built a munitions disposal plant and have promised to build a \$14 million new military hospital.¹⁸ Russia is also now offering an almost unlimited amount of scholarships for regional military, police and intelligence officials, as well as providing friendly governments with new, much more sophisticated electronic surveillance equipment and other intelligence equipment.¹⁹

¹⁴ Richard F. Grimmett and Paul k. Kerr, "Conventional Arms Transfers to Developing Nations 2004-2011)," CRS R42678 (Aug 24, 2012), accessed at: <http://fas.org/sgp/crs/weapons/R42678.pdf> p. 67, which notes that Russia has sold 3000 more surface-to-air missiles to Venezuela than any other country in the world.

¹⁵ 1-4 were Saudi Arabia, India, Pakistan, and the U.A.E.
<http://fas.org/sgp/crs/weapons/R42678.pdf>

¹⁶ Richard F. Grimmett and Paul k. Kerr, "Conventional Arms Transfers to Developing Nations 2004-2011)," CRS R42678 (Aug 24, 2012); accessed at <http://fas.org/sgp/crs/weapons/R42678.pdf>

¹⁷ For further information on the training center see: "Russia-Nicaragua: multifaceted cooperation," The Voice of Russia, April 22, 2013, accessed at: http://sputniknews.com/voiceofrussia/2013_04_22/Russia-Nicaragua-multifaceted-cooperation/ . The agreement on allowing the permanent presence of 130 trainers is in possession of the author.

¹⁸ The munitions plant is to both get rid of old munitions that are dangerous and reactivate some munitions to "avoid the expense" of purchasing new ordinance. See: "Top Russian military brass visits Nicaragua," Nicaragua Dispatch, April 22, 2013, accessed at: <http://nicaraguadispatch.com/2013/04/top-russian-military-brass-visits-nicaragua/>

¹⁹ Farah interviews in Nicaragua and El Salvador, January to June 2015.

- Access for financial institutions: Russian bankers have long pushed for greater access to the Latin American financial structure, particularly since several of its main banks were sanctioned following the annexation of Crimea. The most active are the sanctioned bank Vneshekonombank (VBE), which on July of 2013, signed a memorandum of understanding with the Central American Bank of Economic Integration (CABEI).²⁰ The details of this document have not been released. In December 2014, Russian Gazprombank, also sanctioned, and Argentine Banco de la Nación signed an agreement on cooperation but the details were not made public.²¹ Perhaps the most direct inroad to the Latin American financial market is through Evrofinance Monsarbank, a large Russian bank whose largest shareholder is a Venezuelan state-owned National Development Fund (*Fondo Nacional de Desarrollo Nacional-FONDEN*), known for its total lack of transparency in its handling of billions of dollars from the national oil company, PDVSA. FONDEN holds 49.9 percent of the shares of Evrofinance, the other major shareholders include sanctioned banks VBE and Gazprombank.²²
- A Counter-narrative and World View: The Russians have continually used their growing presence to present themselves as a viable alternative to U.S. imperialism in Latin America, a narrative that still has some appeal among the former armed Marxist movements in the region as well as the radical populist movements of the governments and groups affiliated with the ALBA bloc. A constant in the narrative is that a U.S. invasion is imminent and unavoidable. This is because the alleged United States policy is based on pillaging the region's natural resources, toppling the revolutionary regimes leading the march to Latin American independence, and subjugating its citizens. Russia presents itself as an ally against this impending bloodbath, offering to guarantee the security of the new Nicaraguan Canal (if it is ever built), and in return acquiring easier access to deep-water ports in Nicaragua and possibly airfields. Russia has been particularly successful in leveraging this narrative of the anti-imperialist to join multiple Latin American organizations where the U.S. is not welcome. For example, Russia is invited to the meetings of the Community of Latin American and Caribbean States (*Comunidad de Estados Latinamericanos y Caribeños – CELAC*), a body set up by Chávez to replace the Organization of American States, from which the United States and Canada are excluded.²³ On March 26, 2015 Russian Foreign Minister Lavrov presented an official solicitation for Russia to become an observer of the Central American

²⁰ http://www.veb.ru/press/news/arch_news/index.php?id_19=30426

²¹ Consejo Empresario Argentino-Ruso: "Presentación del banco 'Gazprom' y de empresas rusas productoras de equipos energéticos, de extracción minera y de hidrocarburos en bolsa de comercio en Argentina, accessed at: http://www.cear.org/index.php?option=com_content&view=article&id=193%3Apresentacion-del-banco-gazprombank-y-de-empresas-rusas-productoras-de-equipos-energeticos-de-extraccion-minera-y-de-hidrocarburos-en-la-bolsa-de-comercio-de-buenos-aires&catid=34%3Anovedades&lang=ru

²² Daniel Cancel and Corina Rodriguez Pons, "Chavez's Russia Bank Beats Citigroup in Venezuela Bonds Sales," Bloomberg News Service, November 7, 2011, accessed at: <http://www.bloomberg.com/news/articles/2011-11-07/chavez-s-russian-bank-beats-citigroup-in-venezuela-bond-sales>

²³ "Russia, CELAC share common foreign policy principles," TASS Russian News Agency, January 31, 2014, accessed at: <http://tass.ru/en/russia/717131>

Integration System (*Sistema de la Integración Centroamericana* –SICA), Sistema de Integración Centroameicana (SICA).²⁴ If approved, Russia would have extra-regional observer status at SICA, recently a bulwark of U.S. regional allies. The Foreign Minister’s site noted that the request was welcomed unanimously.²⁵

In addition IBI Consultants research has mapped an interesting and opaque network of former senior military and KGB officials operating in Central America, primarily running front groups for the Russian military and intelligence services. Through open source mapping, with the help of a Russian language analyst, IBI Consultants was able to track the direct ties of these individuals to the highest levels of the Russian government. The unusual activities of the leaders of this network, made up of multiple companies and trade associations with interlocking directorships of the same “retired” officials is worth further investigation.

The main person in the NK Sesla²⁶ network we looked at was Alexander Starovoitov, a former general in the Soviet KGB intelligence service. His expensive experience at the highest levels of the Soviet and then Russian intelligence apparatus would likely indicate he is more than just a commercial liaison with potential Latin American clients. His publicly identified specialties include electronic communications technology and cryptography.

Starovoitov is publicly listed as President of NK SESLA, Director General of Inter EVM, and Director of TSITiS. Inter EVM and TSITiS are two related companies operating extensively in Latin America, both of which are closely tied to the Russian defense ministry and the FSB, the successor intelligence agency to the KGB.²⁷ These organizations, in turn have direct ties to the Russian military and intelligence establishments.

Starovoitov currently holds the rank of General in the Armies Reserve and is the Director of the Cryptography Academy of the Russian Federation and served on Russia’s Security Council from 1998-1999. In 1986, Starovoitov received the rank of Major General in the KGB. In 1991, as the Soviet Union collapsed, he was named Director of the Federal Agency of Government Communications and Information of the Russian Federation (FAPSI), roughly

²⁴ “SICA estudia convertir a Rusia en el décimo sexto observador extrarregional,” La Vanguardia (March 26, 2015) accessed at: <http://www.lavanguardia.com/politica/20150326/54428490520/sica-estudia-convertir-a-rusia-en-el-decimo-sexto-observador-extrarregional.html>

²⁵ The Ministry of Foreign Affairs of the Russian Federation, “Foreign Minister Sergey Lavrov’s remarks and answers to questions at a joint news conference with Foreign Minister of Guatemala Carlos Raul Morales following the Russia-Central American Integration System (SICA) meeting in Guatemala,” (March 26, 2015) accessed at: http://archive.mid.ru//brp_4.nsf/0/A93D25A6BF4076EF43257E16002345C3

²⁶ The acronym stands for Russian National Committee for the Promotion of Economic Trade with Countries of Latin America.” It is a non-commercial partnership of several Russian companies and the Russian Ministry of Foreign Affairs. Formed in 1998 with the approval of the office of the Russian President, today it includes high-ranking representatives from various Latin American departments within the Ministry of Foreign Affairs, Ministry of Economic Development, Chamber of Commerce, Rosnauka (Russian Science), the Institute of Latin American of the Russian Academy of Sciences, and other state structures. In Spanish NK SESLA is known at *El Comité Nacional para la Cooperación Económica con los Países Latinoamericanos* (CN CEPLA), accessed at: <http://www.cepla.ru/es/about/>

²⁷ NK SESLA Spanish-language website accessed at: http://www.cepla.ru/es/events/index.php?ELEMENT_ID=11928&phrase_id=90484

the equivalent of the NSA, a post he held for eight years. FAPSI was dissolved in 2003 and folded into the FSB.

Starovoitov, however, does not seem to have fully retired from government service. As the Director General of Inter EVM, meaning the International Center for Informatics and Electronics, he manages a state sponsored Science and Technology and Information Consortium to “jointly solve the problems of the creation and development of advanced information technology, computer hardware and microelectronics.”²⁸

The Inter EVM website also displays the company’s licenses from the FSB and Russian military on behalf of those institutions “using information constituting state secrets,” advanced cryptographic information systems, and “activities in the field of information tools.”²⁹ This clearly links the company directly to the most secretive and powerful parts of the Russian state, rather than a simple purveyor of information technology and computer hardware.

The third organization Starovoitov directs is TsITIS - the Center of Informational Technology Systems of Executive Branch Organs, a secretive government agency specializing in signals intelligence and code breaking. President Putin recently charged the company with building a multi-billion dollar integrated, secure communications network for the Russian military. The network is to help detect and deter cyber attacks.³⁰

There are other interesting Russian nodes that would benefit from further examination. Particularly in Central America, primarily Panama and Nicaragua, IBI Consultants also found numerous websites in Russian offering a variety of services that are unusual. For example, sites run by a husband and wife team offering real estate in Panama and Nicaragua for sale to Russians also offers clients the ability to “quickly receive a Panamanian passport,” register an anonymous Panamanian corporation or Private Interest Foundation.³¹

A new addition to the pro-Russia bloc in Latin America is Salvador Sánchez Cerén, a former Marxist guerrilla leader who assumed the presidency of El Salvador in June 2014. Many of El Salvador’s new government senior officials were trained in the Soviet Union, speak Russian and have publicly promised to align their new administration with Putin. Russia, in return, has opened a large trade office in El Salvador with the promise of upgrading it to a major new embassy in short order.³² The primary Russian contact in El Salvador is José Luis Merino, better known by his nom d’guerre Ramiro Vásquez, a Soviet trained former Communist Party urban commando. Merino, who has publicly been identified as major weapons supplier to the Colombian FARC guerrillas, controls a business empire worth hundreds of millions of dollars where the origin of the money remains a mystery.

²⁸ This was taken from Inter EVM’s website, accessed at: <http://www.inevm.ru/index.php>

²⁹ Accessed at: <http://www.inevm.ru/index.php>

³⁰ “Russian FSB mulls unified secure communications net,” Flash Critic Cyber Threat News, August 21, 2013, accessed at: <http://flashcritic.com/russian-fsb-mulls-unified-secure-communications-net/>

³¹ See for example, the website of Advance Trading SA: <http://atsa-panama.com/eng/index.html>

³² Russia has embassies and/or consulates in Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Mexico, Paraguay, Peru, Uruguay, and Venezuela, Costa Rica, Cuba, Guatemala, Mexico, Nicaragua, and Panama. Accessed at: <http://www.russianembassy.net/iservice.nsf/samerica> and <http://www.russianembassy.net/iservice.nsf/namerica>

Russia's rise underscores the significant loss of Washington's ability to shape events in a region close to home and of significant strategic interest. This decline, due to waning policy attention amidst multiple global crises and severe budget constraints, is leaving a diminishing group of friends in the hemisphere. Since 2010, U.S. engagement efforts, both military and diplomatic, have been scaled back dramatically with overall aid decreasing both civilian and security assistance. And regional initiatives have been among the hardest hit by the ongoing budget austerity,³³ which has left a vacuum that is being filled by extra-regional actors and a growing group of political leaders who hope for the collapse of the United States.

While the U.S. position remains preeminent – due to geographic proximity, cultural ties, and trade ties – it is eroding more quickly than is often understood. Also eroding, as Russia and other extra-regional actors such as China and Iran strengthen the hands of ALBA governments, is the long-standing U.S. goal of establishing functioning democracies under the rule of law with stable economic growth. As the U.S. pulls back, it is simultaneously facing a concerted effort by ALBA governments to erase any trace of U.S. military and U.S. security doctrine, weaken economic and cultural ties, and portray any and all U.S. policy decisions as seeking to recolonize Latin America.³⁴

This new reality highlights General Kelly's assessment that the United States must remain engaged in the region, and in a much more visible way. In my regular travels to the region there is a strong perception, not always based on reality, that the United States has few policy concerns and little interest in Latin America.

This contrasts sharply with the constant presence of high-level Russian officials from the political, military and intelligence communities that pass through the region and receive overwhelming favorable reviews in the state-controlled media. There is no question in my mind that the State Department, SOUTHCOM and the intelligence community all remain significantly under resourced in Latin America, where resources have been cut and the ability of embassies to carry out some of their core functions has been reduced as has the ability to monitor and understand the Russian activities.

In a time of resource scarcity, Russia has managed to leverage a small amount of resources into significant gains. The Russia agenda is aided and abetted by the ALBA bloc of nations, in

³³ From FY 2008 to FY 2012, U.S. aid to Latin America dropped from \$2.1 billion to \$1.8 billion, a 13 percent drop. See: Peter J. Meyer and Mark P. Sullivan, "U.S. Foreign Assistance to Latin America and the Caribbean: Recent Trends and FY2013 Appropriations, Congressional Research Service, June 26, 2012. In 2013 and 2014, U.S. aid dropped by another 9 percent and 13 percent respectively. See: Adam Isacson et al, "Time to Listen: Trends in U.S. Security Assistance to Latin America and the Caribbean, 2013, accessed at: http://lawg.org/storage/documents/Time_to_Listen-Trends_in_U.S._Security_Assistance_to_Latin_America_and_the_Caribbean.pdf. Within this context, funding for USSOUTHCOM has dropped 26 percent in fiscal 2013, after already suffering substantial cuts in previous years. See: "SOUTHCOM's Counter-Drug Efforts Hit by Budget Cuts," Institute for Defense and Government Advancement, April 26, 2014, accessed at: <http://www.idga.org/homeland-security/articles/southcom-s-counter-drug-efforts-hit-by-budget-cuts/> Adam Isacson et al, "Time to Listen: Trends in U.S. Security Assistance to Latin America and the Caribbean, 2013, accessed at: http://lawg.org/storage/documents/Time_to_Listen-Trends_in_U.S._Security_Assistance_to_Latin_America_and_the_Caribbean.pdf.

³⁴ Farah, op. cit.

which there is little independent media and where the official media magnifies each statement and donation. The United States needs a more visible return to the region to counter the perception and the reality that Russia is again a major strategic influence in the region.