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Confidence-Building Measures in the Southern Cone

A Model for Regional Stability

Commander Pedro Luis de la Fuente, Argentine Navy

THIS ARTICLE DEALS WITH PERCEPTIONS between countries. It deals with the substance of those perceptions, and ultimately with the creation of trust.

Confidence-building measures (CBMs) are practical actions aimed at creating attitudes of cooperativeness. Their purpose is to generate, between former enemies or between nations in competition, the sense that cooperation is possible and is better than confrontation. They also establish the understanding that national interests can still be promoted when acting with another party instead of against it. They foster the feeling that conflict (especially unintended or accidental conflict) can be avoided if fair steps are taken by both sides. They encourage the perception that a win-win strategy (wherein agreements or solutions are mutually beneficial) is better than a zero-sum game, where the gains of one party are the losses of the other. Simultaneously, CBMs allow human interaction. They help one know the opponent, to understand his viewpoint, and they

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provide mutual knowledge that can eventually deflect tensions. They give the adversary a face, with all the psychological implications of that.

Confidence-building measures have been employed mostly in Europe and in the context of the relationship between the United States and the Soviet Union. However, in recent years, relations between two leading South American countries, Argentina and Brazil, have exhibited the emergence of cooperative approaches that are very much like CBMs. The relationship between Argentina and Brazil has evolved toward increasing cooperation since 1979, when disputes over the use of the Rio de la Plata basin were settled. Recently, cooperation in nuclear issues and an emerging common market have created stronger ties between the countries and reduced the possibility of conflict. The Argentine and the Brazilian navies began to establish closer ties in 1978, when they started the *FRATERNO* operations. The interchange of officers became a common practice, and milestones were reached when, in 1993, Argentine Navy aircraft first operated from the Brazilian aircraft carrier, *Minas Gerais*.

The relationship between Argentina and the third major actor in the region, Chile, has also evolved favorably. The countries, close to war in 1978, have solved most of their border problems, and there is now increasing economic integration. However, in the military domain little has been achieved. This article focuses on the opportunities for positive interaction between the Argentine and Chilean navies, interactions that could also encourage improvement in the relations between the other services.

We begin with an overview of the relations between Argentina and Brazil, pointing out current initiatives that are enhancing cooperation between these countries. The article then analyzes—after presenting the historical background necessary to understand the lack of trust between Argentina and Chile—the major changes produced in the strategic arena between the two nations, particularly in the political (diplomatic) and economic dimensions. We draw conclusions from that experience and carry them forward to the next section, which addresses practical navy-to-navy CBMs that could be adopted between Argentina and Chile to create trust in the military field. We also discuss the role that third parties could have in the process, and we conclude by assessing the prospects for the proposed measures.

Circumstances are now favorable for cooperative measures designed to build confidence between Argentina and Chile. The recent settlement of most of the border problems through negotiation, increased economic interaction, and the positive attitudes of the governments now collectively provide a framework in which to improve relations and deflect tensions. Stability in the region is also of value to the United States Navy, which maintains good relations with both regional navies and exercises with them on an annual basis. The Southern Cone is particularly important to the U.S. Navy in the context of possible littoral

operations involving southern choke points, which are controlled by the Argentine and Chilean navies.

Argentina and Brazil: Confidence-Building in Action

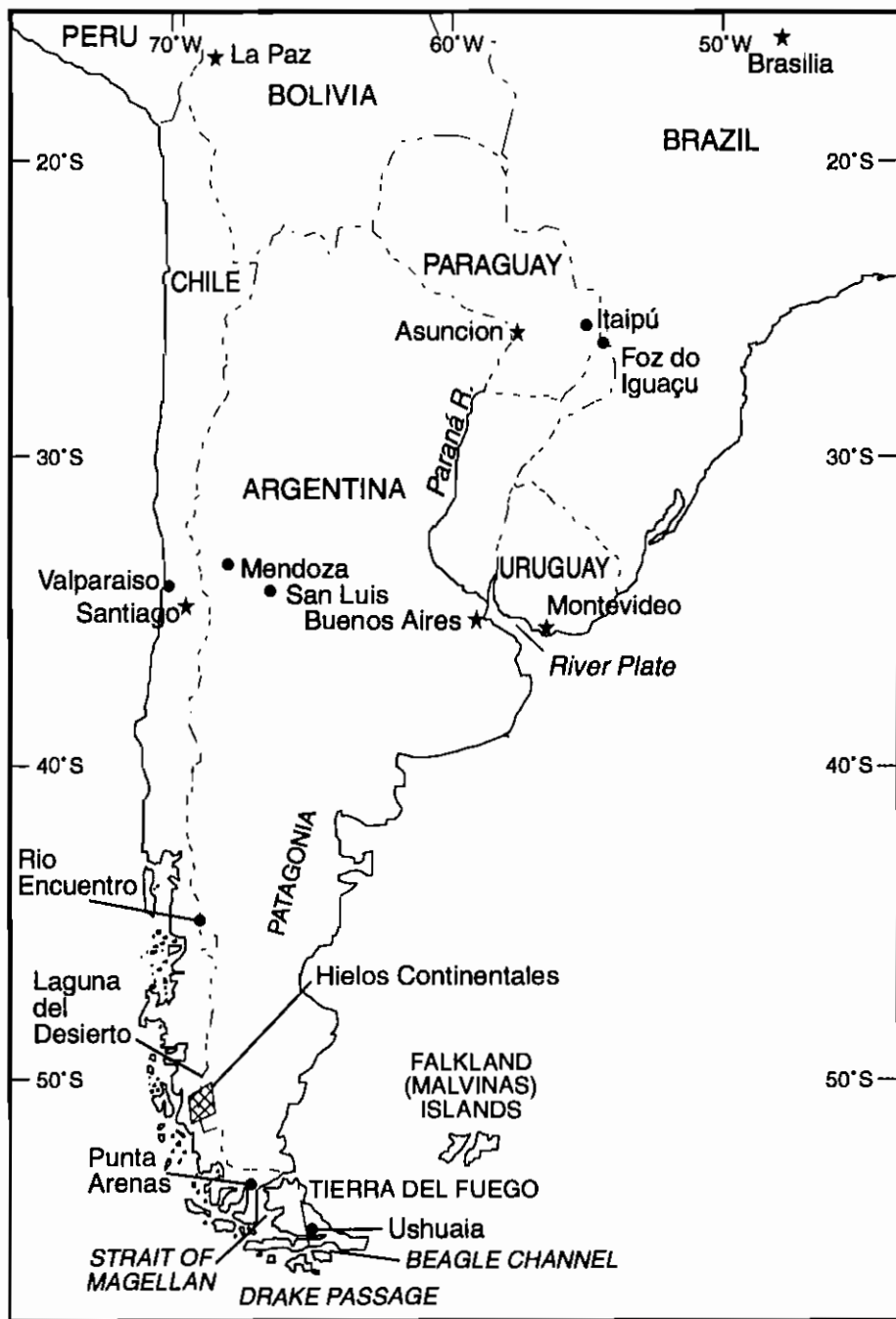
Confidence-building is generally familiar as an approach employing deliberately designated cooperative measures. "Confidence-building measures" (CBMs) and "confidence and security-building measures" (CSBMs) are intended to clarify states' military intentions, reduce uncertainties about potentially threatening military activities, and constrain opportunities for surprise attack or the coercive use of military force. The terms have approximately the same meaning and have been used interchangeably. They do not include force reductions, which belong specifically to the realm of arms control.

Confidence-building agreements cannot by themselves prevent deliberate attacks. Nevertheless, they are effective ways of reducing accidental conflict. They also provide a foundation for improving understanding and creating trust among previously suspicious neighbors.

Argentina and Brazil were rivals and competitors for centuries. Their differences started in their differing origins, Argentina having been part of the Spanish crown and Brazil part of the Portuguese. The two New World countries themselves reflected the rivalries of their fatherlands during the seventeenth and eighteenth centuries.

One of the main contentious issues between them was the control of the River Plate, with Portugal trying to establish itself on the eastern bank, facing constant opposition from Spain. The struggle over this territory continued after the emancipation of what is now Argentina, and it provoked a war between Argentina and Brazil in 1825. The war ended in 1828; by the peace treaty, the Oriental (or Eastern) Republic of Uruguay was created as an independent state in an area that would belong neither to Argentina nor to Brazil, precluding the ultimate control of the River Plate by Argentina.

The war of 1825–1828 was the only one fought between the two countries. In fact, in 1865 Argentina and Brazil, joined by Uruguay, together fought the Triple Alliance War against Paraguay. For the rest of the century Argentina and Brazil continued on their own paths, solving the small problems that arise between neighboring countries. Border conflicts were solved through arbitration without further incidents. But at the beginning of the twentieth century the situation changed. Increasingly, each country viewed the other as a competitor, as an opponent in many areas, and even as a possible enemy.¹ For many years the possibility of conflict between Argentina and Brazil was a favorite case study in the military headquarters and the war colleges of both countries; the location and distribution of military assets reflected this line of thought. The two nations were



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the most powerful countries in South America. The advantage accruing to Brazil due to its larger size and population was counterbalanced by economic and social development in Argentina. Nevertheless, in the 1960s Brazil began a period of extraordinary economic growth that in Argentine eyes challenged the balance of power in the region.

The rivalry and distrust between Argentina and Brazil were exposed in many international forums, and they were apparent in continuous efforts by the countries to expand their respective influence in the region by obtaining the support of other regional actors, principally Bolivia, Paraguay, and Uruguay. The writings of certain strategists also reflected the rivalry, describing strategic axes encompassing these alliances—Brazil, Chile, and Ecuador on one side and Argentina and Peru on the other, with the remaining countries orbiting from one axis to the other, according to their particular and momentary interests.

Another source of concern was the status of relationships with the United States. In this matter Brazil was clearly ahead, because of its participation in World War II and also because of the Argentine pattern of opposing, and often contending against, the leadership of the United States in the region. The special relationship between Brazil and the United States in military matters, which increased the operational capabilities of the Brazilian armed forces, was perceived by Argentina as a destabilizing factor.

However, there were sporadic attempts to promote cooperation, which did not produce immediate results but opened a path for new initiatives. In the late 1960s new perceptions of Latin America as a region, and new considerations in Buenos Aires about the relationship that Argentina should pursue with its neighbors, produced a change. Some say that a new process started at that time—certainly, in spite of the nationalism of the old guards, the winds of change predominated in the geopolitical thinking in both countries. However, one problem interfered with what was increasingly seen by Argentina and Brazil as the right approach for the relation between the countries: controversy over the use of shared natural resources. The particular issue was the building of hydroelectric plants in the rivers composing the River Plate basin, especially the Paraná River. Brazil had decided to build, with Paraguay, a huge dam at Itaipú, close to the Argentine border; the project presented potential drawbacks for downstream countries, specifically for their ability to build efficient and profitable dams in the same river. In international forums Argentina fought for recognition of the principle that downstream countries on international watercourses must necessarily be consulted before construction projects that may affect them are carried out. Brazil opposed the idea, maintaining that its obligation extended only to taking all necessary precautions to avoid damage to the downstream countries and, should such damage occur and be appreciable, providing appropriate compensation.²

This dispute over the use of shared natural resources damaged relations between Argentina and Brazil for almost a decade. Eventually, in 1979, a tripartite agreement was reached between Argentina, Brazil, and Paraguay. It did not totally satisfy anyone, but it allowed cooperative ventures to resume.

The Political Dimension: Nuclear Rapprochement. The 1979 agreement made possible the visit in 1980 of the president of Brazil to Argentina—the first in forty-five years—in the course of which many agreements and treaties were signed, the most important being in the field of nuclear cooperation. The visit was followed by several high-level interchanges. (It was in 1978, anticipating such changes, that the Argentine Navy and the Brazilian Navy started a bilateral exercise that was the beginning of the unique and successful association that we will examine later.) When democratically elected presidents—President Raúl Alfonsín in Argentina and President José Sarney in Brazil—took office in the two nations, new opportunities flourished, and the popular support the two men enjoyed made possible a new era in the relations between the countries.

On 30 November 1985, the presidents met at Foz do Iguacu, Brazil, to issue a Joint Declaration on Nuclear Policy. In fact, “the step from rivalry to cooperation in the nuclear field was not an isolated phenomenon that occurred while antagonism prevailed in other sectors”;³ the Joint Declaration was followed by the signing on 31 July 1986, in Buenos Aires, of the Argentinean-Brazilian Integration Act, with twelve protocols for cooperation and mutual assistance. Since then a number of other documents have been signed, and many other agreements have come into force. Several documents have constituted joint reaffirmations of the peaceful character of the Argentine and Brazilian nuclear energy programmes, the strengthening of mutual confidence, shared use of the technical advances, possibilities for expanding cooperation in nuclear matters to other countries in Latin America, coordination of a common foreign policy in the nuclear energy sphere, and shared concern for peace and security in the region.

On 28 November 1990, the Declaration on Common Nuclear Policy was signed by two new presidents, again at Foz do Iguacu. It contained measures applicable to all nuclear activities of the two countries. The Bilateral Agreement ratified by both countries in 1991 created a joint nuclear materials accounting and inspection system, to be administered by the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC). With headquarters in Rio de Janeiro, the Agency has established procedures to identify and control all nuclear material and nuclear facilities in both nations (including the sensitive enrichment plants). Argentina, Brazil, and the ABACC have also negotiated what is known as the Quadripartite Agreement with the International Atomic Energy Agency to apply the full scope of IAEA safeguards to all nuclear materials and equipment. The agreement links the ABACC and IAEA accounting and inspection arrangements,

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thereby supporting international confidence in the bilateral control system. It entered into force in March 1994.

Another important nonproliferation step was initiated by presidents Carlos Saul Menem and Fernando Collor de Mello on 14 February 1992, when they proposed a series of amendments designed to facilitate Argentine and Brazilian acceptance of the Treaty of Tlatelolco, which established a Latin American nuclear weapon-free zone. Both nations had chosen to remain outside the treaty, which had been ratified by all other Latin American nations except Chile and Cuba. The proposed amendments were adopted by the Tlatelolco parties in August 1992 and subsequently ratified by Chile and Argentina, which became full parties on 18 January 1994.⁴ The Brazilian congress completed its approval on 16 May 1994, and the ratification instrument was deposited on 30 May 1994.

In the field of nuclear testing, Argentina and Brazil jointly changed, in 1991, their previous policies favoring so-called "peaceful nuclear explosions." Both countries accepted the perspective that there is no significant distinction between peaceful and military nuclear explosions, and in so doing they eliminated any justification for a testing program as part of domestic policy. The result was another highly significant nonproliferation measure.

Argentina and Brazil have also initiated actions designed to bring themselves into conformity with international nuclear export-control norms. Argentina joined the Missile Technology Control Regime in 1993 and the Nuclear Suppliers Group in 1994. The Brazilian congress is expected to complete action on export legislation, enabling Brazil to join both groups as well.

Argentina and Brazil have also joined recent regional and international initiatives to ban chemical and biological weapons. With Chile, they signed the Joint Declaration on the Complete Prohibition of Chemical and Biological Weapons, known as the Mendoza Accord, at Mendoza, Argentina, on 5 September 1991. In the agreement the countries declared their full commitment not to develop, produce, acquire, stockpile, retain, transfer, or use chemical or biological weapons.⁵ Argentina also ratified the Non-Proliferation Treaty in 1995, prior to the NPT Review and Extension Conference. In Brazil, the question of ratification is still under discussion.

The Economic Dimension: MERCOSUR. In 1986, presidents Alfonsín of Argentina and Sarney of Brazil signed a major trade pact committing their nations to the creation of a Southern Cone Common Market (MERCOSUR) by 1995. The political aspects of nuclear confidence-building and collaboration, begun in earnest the year before, were now firmly integrated into a broader context of economic cooperation.

In spite of the economic difficulties faced by both countries and the political transitions that took place with transfers of power in Argentina and Brazil, the

commitment to economic integration prevailed, and on 1 January 1995 the MERCOSUR (with Argentina, Brazil, Paraguay, and Uruguay as participants) was officially established. Today it is fostering economic interchange among the four signatories, and other countries in the region, including Chile, Peru, and Bolivia, have expressed interest in joining the enterprise. On 25 June 1996, Chile signed an agreement with the MERCOSUR members to form a Free Trade Zone at San Luis, Argentina. The agreement came into effect on 1 October 1996.

The Navies: Friendship and Cooperation. The first combined operations between the Argentine and Brazilian navies occurred in 1932, when President Agustín Justo visited Brazil as a guest of President Getulio Vargas; President Justo went to Rio de Janeiro on board a unit of the Argentine fleet. The exercises conducted by the two flotillas at that time, in Brazilian waters, are considered a milestone in the history of combined operations between the navies. However, it would take many years and a change in political climate to reach today's degree of cooperation between the Argentine and Brazilian navies.

The association between the two navies has paralleled the relations between the nations themselves. Both navies have maintained the exchange of recently graduated naval academy officers in training cruises, but the program has been marred by doubts and suspicion on each side about the intentions of the other country. However, the personal knowledge and the human perspective resulting from the interchanges have produced friendships that have lasted, helped to overcome national doubts, and facilitated communication between the navies.

In 1967 the South Atlantic Maritime Area, known by its Spanish acronym AMAS, was established by Argentina, Brazil, Paraguay, and Uruguay. Its purpose is to control the maritime traffic in the South Atlantic, following post-World War II models. The primary activity of the organization is exchange of information; the information obtained is processed and used by the navies to monitor and control their areas of responsibility. AMAS also serves as an instrument of policy coordination in the development of combined doctrine and procedures, and as a source of common education and training in maritime control affairs. The agreement provides for an officer of the Argentine or Brazilian navy to act as coordinator, rotating the post biennially. The title of "coordinator" was carefully chosen over that of "commander" to show that the agreement would function as a combined monitoring mechanism rather than a combat capability. The perception is that AMAS provides reassurance of peaceful activity in the South Atlantic, reduces the probability of conflict in regional waters, and provides an important opportunity for negotiation between the navies of the countries involved.⁶

In 1978 the Argentine and the Brazilian navies conducted a new combined exercise; today, cooperation between them has reached its highest point. Neither the Argentineans nor the Brazilians consider the ties between their navies to be

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“confidence-building measures”—but they are in fact a vehicle for promoting confidence, in that they establish relationships and build trust between professionals working together in spite of nationality.

Let us consider in some detail the sort of naval activities that reflect, as well as contribute to, greater mutual confidence between Argentina and Brazil. These include two exchange programs, two bilateral operations, and additional multilateral exercises.

The first beneficial program is the exchange of young officers. One of the best investments for the future is the assignment of just-graduated officers (midshipmen in Argentina, second lieutenants in Brazil) to participate in the other navy’s training cruise. The voyage takes four to six months, and it exposes them to another culture at an impressionable and formative age. The exchange officer must learn a foreign language, but because the differences between Spanish and Portuguese are not very great, he can communicate from the start with just a little effort. His goal is to make friends, not obtain information or assess the other navy. There are no complicated tactical issues to be discussed; there are no foreign affairs differences to be settled. It is only (and fundamentally) human interaction that measures the success or failure of the exchange assignment. The friends made during that experience will be valuable points of contact during the naval career that is just beginning. In the future there will be schools, exercises, and port visits where a friend might be involved; one’s friends in the other navy will be the people to call, contact, or visit when difficult issues appear later. Exchange officers will have the invaluable advantage of personal knowledge and shared experiences. Also, an exchange officer displays his culture, education, and naval skills to a group where he will be especially observed and appreciated. The Argentine and Brazilian navies have sent their officers to participate in each other’s training cruises for many years now. Both countries believe this exchange is an investment that will continue to pay dividends in the future relation between the navies.

The second exchange program involves the interchange of mid-rank officers between naval war colleges—a similar approach, but at a different career stage. Every year each navy sends an officer in the rank of lieutenant commander who has graduated from its own war college to the other country’s institution, to spend the academic year with his counterparts in the host navy and normally with guests from other navies as well. The aim is not only human interaction but also the sharing of differing approaches to naval issues. These students have completed the technical phase of their careers. They have been successful in the tactical field and have developed the skills needed for command at sea. Most of them have actually been commanding officers. Now they are at the operational-art level, open also to strategic considerations, benefiting from the varied approaches and different experiences provided by officers from other countries. This exchange is the proper time and place to start building multilateral naval operations. The

common curricula and regional scenarios support alliances and coalitions. The opportunities provided by exposure to officers from other nations help to build the “mental interoperability” that will allow participants to conduct future multinational operations at sea.⁷

Both navies have placed great importance on maintaining the two interchange programs, and they specially select the officers they assign to them.

The two notable bilateral exercises are *Operativo FRATERNO* and *Operación ARAEX*. *FRATERNO* (meaning “brotherhood”) has been executed annually since 1978, one year in Argentine waters and the next year in Brazilian waters. The countries send to it some of their best ships to work in mixed task groups, and this opportunity is also used to conduct port visits, attend seminars on professional issues, and develop social activities that increase the knowledge and appreciation between the participants.

Except for a few interruptions caused by budgetary problems, the exercise has been a sustained and successful example of naval cooperation. *FRATERNO* is characterized by combined planning, rotation of command tasks between both countries, and the presence of observers on ships of the other nation. The operation has also produced combined efforts to solve technical compatibility problems, such as automatic exchange of tactical data between ships. Other programmes of research and development to increase interoperability are under study.

In 1993 the scope of *FRATERNO* was expanded, in what is considered a landmark in the relation between the navies. That year the Argentine aircraft carrier, *ARA 25 de Mayo*, was in a major overhaul to modernize its engines; but the Argentine Navy had just received upgraded antisubmarine warfare aircraft and wanted to try them at sea. The way found to test their performance was to operate them off the Brazilian aircraft carrier, *Minas Gerais*, in Argentine waters. The operation was codenamed *ARAEX*. To make an aircraft carrier available to another navy for the testing of its aircraft is an unusual gesture in the international arena, and it must be considered a great achievement in interoperability between navies. It also highlights the degree of mutual confidence reached in bilateral combined operations. The important lesson is the benefits of a win-win attitude: using the Brazilian aircraft carrier, the Argentine Navy could test its aircraft at sea, gaining experience and maintaining skills difficult to retain without a carrier; using the Argentinean aircraft, the Brazilian Navy was increasing its expertise in the operation of ASW aviation and developing skills necessary for coalition operations. More significantly, both navies shared the experience, enjoyed the operation, learned and exercised together. Neither of them saw in the other a contender, an enemy, or even a rival. Both of them benefited in the long term, creating “space” to work together in future regional operations, sharing assets and expertise.

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In 1994 Operation ARAEX was repeated. Not only did ASW aircraft operate off the *Minas Gerais* but for the first time an attack aircraft, an Argentine Super Etendard, made an arrested landing on the Brazilian ship, during “touch-and-go” exercises.⁸ Catapulting from the carrier was not possible, but the idea is under consideration for future operations. In 1995 and 1996 ARAEX was carried out, each time increasing the interoperability of the assets involved and the difficulty of the operations performed.

Expanded multilateral operations are conceived for the future. For instance, Operation UNITAS, a bilateral exercise between the U.S. Navy and each navy of South America, has been conducted annually since 1960 and is the U.S. Navy’s longest continually running exercise.⁹ Each country is responsible for the preparation of the phase run in its own waters, and unless it decides to invite another navy to participate, third parties are not included. During the last few years, however, Argentina and Brazil have invited observers and surface units of the other navy to participate in their respective phases of UNITAS, broadening the scope of the exercise and making the training more profitable. Additionally, in 1993 the Argentine and the South African navies initiated a bilateral exercise called ATLASUR, conducted in Argentine waters. The exercise was repeated in May 1995 in South African waters; the Brazilian and the Uruguayan navies were invited to participate, and their ships operated combined with the Argentine and South African ships. Observers from the Paraguayan Navy were on board Argentine ships.

The exercise is conducted biennially. It will be run in 1997, again in South African waters, and the Argentine, Brazilian, Uruguayan, and South African navies will operate jointly. It has been agreed that Argentine and Brazilian ships will go to and return from South Africa together, using the transit time to train as a combined task group. The Uruguayan participants are to join them.

When Is Cooperation Possible?

The improvement in the relationship between Argentina and Brazil became possible when the last contentious issue involving territorial nationalism—here, the sovereign right to use a river traversing one’s territory—was solved. One could argue that it was imperfectly solved; nevertheless, after the signing of the 1979 treaty, changes in attitudes occurred. The Argentine apprehension that Brazil might change the water flow to dry or flood the river, and the Brazilian concern that Argentina might interrupt commercial traffic, both diminished. They were slowly replaced by the sense that perhaps things were neither white nor black, and that a larger benefit would emerge from cooperation in using the river better. A willingness to enhance cooperation between the countries, maximizing the

strengths of each of them in integrated approaches, replaced the former mistrust and jealousy.

Would cooperation have been possible without solving the boundary problem? The answer may be no. Countries having pending problems with each other are not willing to walk together the path of integration. The load of suspicion is so heavy, and the mistrust so great, that in the end any attempt at cooperation is negated. It seems that only when boundary disputes are solved can neighboring countries with similar cultures pursue the way of cooperation. The reason could be something that is a cultural constant in South America: the high value attributed to territory.

However, the experience of Argentina and Brazil demonstrates that these challenges can be overcome. With boundary problems solved, integration can start. It is a slow, difficult process, but it is achievable. By aiming toward and meeting small goals, leaders of both countries perceive successes that encourage them to carry on, to foster deeper trust and integration.

Because Argentina and Brazil solved their border problems, another positive step became possible: safeguards for the countries' nuclear programs. This led to broader efforts to reassure each other about real intentions in the field of nuclear energy. In this risk-taking process, the main difficulty was how to be reasonably sure that the other country was not seeking nuclear weapons. As one analysis explained:

The leadership in both nations came to appreciate the potential benefits of reducing tensions generated by their respective nuclear programs. Although military conflict was considered highly unlikely, a sustained military competition with a nuclear dimension could have been economically ruinous to the countries, which were already confronting severe economic challenges. In addition, military nuclear competition could have initiated a chain reaction in Latin America, exacerbating traditional rivalries and fueling regional tension. . . .

Nevertheless, the Argentine-Brazilian decision to discard long-held policies and enter the nuclear nonproliferation regime was primarily a result of an indigenous bilateral process, rather than a direct response to external pressure. It grew out of a realization by the leadership of both nations that, whatever their differences, no rationale for possessing nuclear weapons existed, and that even the possession of so-called peaceful nuclear explosives would disrupt bilateral relations and destabilize the peace and security of the entire region. Consequently, the two nations undertook a process of making their nuclear programs mutually transparent and of building confidence within the context of broader initiatives for bilateral and Southern Cone economic cooperation. External pressure exerted by nuclear supplier states and the IAEA influenced the process, but only at the margins; it was never the determining factor.¹⁰

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Argentina and Brazil needed to stop a nuclear arms race while continuing their respective nuclear programs. Their success shows that transparency, verification, and credibility can work to build the necessary confidence.

The effective functioning of countries' institutions is a prerequisite for CBMs. In the framework of these institutions, the measures can appear legitimate, predictable, and congruent with national policies. Legitimacy, reliability, and long-term compliance are key factors in the process of building confidence. The existence of democratic governments in Argentina and Brazil gave legitimacy to the decisions adopted and supported the presumption that the agreements reached would not be changed in the future in a way that could harm the other partner. The backing by both congresses of the instruments of the relationship was a factor, since not only the party in power but also the opposition was involved in the agreement, giving broad support to the integration and making the decisions more enduring.

Argentina and Chile: Historical Background

The development of confidence and increased cooperation between Argentina and Brazil offers many insights and lessons—and, more importantly, much reason for hope—about the possibility of improving relations between Argentina and Chile. How have rivalries and mistrust shaped relations between these neighbors in the Southern Cone? What can be done now by both countries to promote their mutual interests?

For the non-South American reader, a good understanding begins with consideration of the common history and shared geography of Argentina and Chile, for these factors have yielded benefits and drawbacks. Both countries are located in southern South America, side by side, Argentina facing the Atlantic Ocean and Chile facing the Pacific. The Andes Mountains form both a barrier and a boundary, with the border between the countries extending more than five thousand kilometers (3,400 miles). Countries in such a position are condemned by geographic determinism, it would seem, to a choice between developing good relations or quarreling forever.

Argentina and Chile both belonged to the Spanish crown but were administered in the nineteenth century by different dependencies, respectively the Viceroyalty of the River Plate and the Captaincy General of Chile. As time went by, the jurisdictions of these dependencies changed and so did their borders, producing what later became the main source of conflict between the two new nations. Both claimed rights over the same territories as heirs of the same fatherland, and the lack of demarcation produced continuous friction. This situation was quite common in the countries emerging from former Spanish colonies.

Research by Carlos Escudé shows that in Latin America an important cultural factor working against regional cooperation and integration is the intense territorial nationalism prevailing in several of the Spanish-speaking countries.¹¹ Escudé argues that Argentina possesses this cultural characteristic, as does to a certain extent Chile. He asserts that territorial nationalism has been an important source of conflict between the countries and that it has blocked efforts toward economic cooperation.

Both countries perceive that during the nineteenth century they suffered substantial territorial losses, areas acquired by the other country. These perceptions—in Escudé’s words, “the myth of territorial losses”—are firmly instilled in public opinion and are perpetuated through the textbooks used in schools. They are an important disruptive factor in the process of building confidence.

Argentina and Chile have in common not only their fatherland but the adventure of gaining their independence. The armies fighting the Spaniards during the Wars of Independence were built up in Argentina, with the purpose of liberating Chile. They crossed the Andes, spreading the fight to Chile and later to Peru. However, acknowledgment of a common origin and a shared destiny has not been strong enough to overcome the fear and frustration produced by considering one’s neighbor as a competitor. It seems to each country as if in the past any weakness or distraction was exploited by the other in order to seize territory.

There is a long history of Argentine-Chilean competition for Patagonia, the southernmost region of South America. This area, though claimed by Spain, was not settled by Spaniards but remained under the control of Indian tribes during most of the nineteenth century. Chile moved southward and in 1843 established a military garrison at the Strait of Magellan, which was later converted into a settlement, Punta Arenas. The eastern side of the Andes (today’s Argentina) was occupied by Indian tribes with whom Chile developed alliances that gave it a steady influence. In 1879 Argentina launched the so-called “Conquest of the Desert,” aimed at expelling the Indians, who were isolating the Argentine settlements in the pampas and threatening Buenos Aires, and at diminishing the influence that Chile had over the region. At that time, Chile was fighting the War of the Pacific against Peru and Bolivia. Occupying the land known as Patagonia, Argentina achieved a much stronger bargaining position, and the Border Treaty of 1881 was signed.¹² In the Treaty of 1881 Chile gave up its claims over Patagonia while Argentina renounced its rights over the Strait of Magellan, which was declared neutral in perpetuity, with freedom of navigation guaranteed to ships of all flags. The island of Tierra del Fuego was divided between the two countries.

Unfortunately, the treaty did not end the disputes, and it was necessary to negotiate an Additional Explanatory Protocol, signed in 1893, which established what is known as the “bioceanic principle.” The protocol points out that under

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the provisions of the treaty, "the sovereignty of each State over the corresponding coastline is absolute, so that Chile cannot lay claim to any point on the Atlantic side, just as Argentina cannot lay any such claim on the Pacific side." Even with the protocol, disputes over demarcation continued, and the situation deteriorated until the countries were close to war. Not even a meeting of the presidents, at the Strait of Magellan, was enough to defuse the situation. Following intense diplomatic efforts, the two foreign ministers met in Santiago in May 1902 to sign the "May Agreements." The agreements are composed of three documents: an instrument setting out an amicable solution to pending problems, a General Treaty of Arbitration, and a Convention on the Limitation of Naval Armaments.

In the following decades the problems continued. Nevertheless, in 1953, during a brief moment of improved relations, a Treaty of Economic Union was signed in Buenos Aires. Shortly afterwards, however, border problems started again. Beginning in 1955, difficulties arose in the area of Rio Encuentro; these were solved through arbitration in 1966. Another incident occurred in 1966, in Laguna del Desierto, where a Chilean officer was killed during clashes between patrols.

Dispute over Territories: The Beagle Channel. However, the main problems arose in the area of the Beagle Channel and the islands south of Tierra del Fuego. From the Argentine view, a negative outcome in the dispute over rights in the Beagle Channel could put the channel under Chilean control, isolating the Argentine city and naval base at Ushuaia. Moreover, the islands in the eastern mouth of the Beagle Channel face the Atlantic, and their occupation by Chile would threaten the bioceanic principle. By the 1970s it had become a common practice for Argentine and Chilean fast patrol boats in the Beagle Channel to approach each other on collision courses or contest the claims of the other country by entering waters under dispute; each incident was followed by the bothersome paperwork of diplomatic complaints.

It was necessary to solve the issue. On 22 July 1971, Argentina and Chile signed the Arbitration Agreement that, in accordance with the General Treaty of Arbitration of 1902, referred the Beagle Channel dispute to Her Britannic Majesty. Because of disputes with Great Britain over the sovereignty of the Falklands (Malvinas) Islands and the Antarctic, Argentina was wary of the Queen's impartiality; to overcome this reluctance, she designated a court of arbitration, composed of five judges of the International Court of Justice.

The court studied the case and announced its verdict on 2 May 1977; it favored Chile. The reaction in Argentina was tremendously negative. The Argentine government questioned not only the validity of the grounds for the award but also what it considered a misinterpretation of the Argentine positions. Above all, the Argentine government questioned the court's having ruled on matters Ar-

gentina believed beyond the scope of the arbitration, with—in the Argentine view—dangerous consequences for the adjacent maritime areas.¹³ The Argentine government ultimately decided to reject the arbitral award, and it did so on 25 January 1978. This was a great mistake. The refusal not only weakened confidence in the determination of Argentina to honor its commitments but also reduced its credibility within the international community. As a result of the refusal, by December 1978, the austral summer, Argentina and Chile were again on the brink of war.

The dispute over the Beagle Channel and the islands facing the Atlantic Ocean had reached its most intense point. Argentina and Chile each had troops deployed close to the frontiers. Both countries made military preparations, calling up reserves and appropriating civilian assets for military use. The Argentine fleet deployed south of the Malvinas, prepared to disembark in the islands in the Beagle Channel; the Chilean fleet left its home port and concealed itself in the myriad islands on the southern coast of Chile, ready to act. Submarines of both sides occupied patrol areas. The mood of war was in the air.

The Argentine fleet was detected by Chilean surveillance aircraft. Within the Argentine command a controversy began, arguing the tactical need to shoot down the plane, to prevent the continuous tracking of the fleet, versus the risk of escalating the conflict. Every day, with the return of the scout, the drums of war called for its destruction; the fleet simultaneously prepared for the expected preemptive Chilean attack. During this period a submarine contact was attacked by Argentine ships and aircraft.

Two days before Christmas, and just before a planned Argentine landing in the islands under dispute, His Holiness Pope John Paul II offered himself as a mediator in the conflict. His proposal was immediately accepted, and the occupation of the islands was postponed. The fleets returned to their home ports, and a new round of negotiations started. Both countries being traditionally Roman Catholic, with more than 90 percent of their populations belonging to that faith, the governments found it impossible to resist the Pope's call for mediation, and very difficult later to reject his proposal for a negotiated solution. The mediation process lasted several years, and a number of proposals were considered; a treaty was arrived at in 1984.

War in the South Atlantic: The Falklands (Malvinas) Islands. The dispute with Chile over the Beagle Channel was still under negotiation when, in 1982, Argentina fought with Great Britain what is known as the South Atlantic War for the Falklands (Malvinas) Islands. In spite of the strong support of other Latin American countries, through the Organization of American States, to the Argentine cause, Chile maintained its neutrality. This raised Argentine suspicion that Chile, with traditional ties to Great Britain, might seize the opportunity to

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capture territory in order to create leverage that would allow it later to negotiate from strength on the Beagle Channel issue. The possibility of the opening of a second front was a standing Argentine concern during the war, reflected in the decision to leave in place the land troops stationed close to the Chilean border. The bulk of ground forces moved to defend the Malvinas came from the border with Brazil, where no threat was estimated to exist. There is no positive indication that Chile was in fact helping Britain during the war, but the perceived threat thus prevented the use of troops already prepared to operate in cold weather and so undermined the effectiveness of the Argentine army during the conflict.

Moreover, concern about Chile's intentions conditioned the use of the surface fleet. After the sinking of the cruiser ARA *General Belgrano*, the only Argentine aircraft carrier was sent to home port. Surface units were ordered to keep positions patrolling shallow waters, looking for a favorable opportunity to engage the British fleet. In the end, they were not used, because the loss of the fleet would have seriously hampered the ability to defend the territories under dispute had Chile decided to intervene.

It was evident to the Argentine leadership that replacement of ships lost in combat was not possible in the short term, so the seeming possibility of Chile's using force to support its claims in the maritime theater of Tierra del Fuego controlled strategic thinking.

The Treaty of Peace and Friendship. In 1984 the papal-sponsored treaty resolving the problems in the Beagle Channel and the islands under dispute was submitted to the governments of Argentina and Chile. The Treaty of Peace and Friendship, as it was known, was signed in Rome on 29 November of that year. It delimits the sovereignty of the two countries in the Beagle Channel and in the adjacent seas; gives all the islands to Chile, with a territorial sea but without further projection into the Atlantic; and recognizes Argentina's freedom of access to its ports in the Beagle Channel. Furthermore, the treaty reiterates the commitment of the two parties "to preserve, reinforce, and develop their bonds of unalterable peace and perpetual friendship." It precludes the threat or use of force in any form and establishes an obligation to use exclusively peaceful means (for which it institutes a three-stage procedure) to solve disputes of any kind between the countries. The purposes of the treaty also extend beyond the delimitation of borders and the peaceful settlement of disputes, to the promotion of economic cooperation and physical integration.

Argentina had expected to be awarded some of the islands under dispute—at least one in the eastern mouth of the Channel and two or three of those facing the Atlantic—as a reaffirmation of the principle established in 1902 that Argentina should remain in the Atlantic and Chile in the Pacific. That not having happened, the perception in Argentina was of complete failure. Also, it was not

easy for Argentina to accept a demarcation of the sea without land milestones to secure the adjacent waters; neither was it easy to accept that Cape Horn, traditionally the southern border between the countries, would become Chilean territory. But the treaty was signed, in large part because the government in Argentina had previously conducted a nonbinding plebiscite to assess the wishes of the people, and acceptance of the treaty had been approved by a large majority.

The treaty put a virtual fence into the sea, a concept unique in maritime legislation. It guarantees to Chile the use of a limited territorial sea but does not give it further access to the Atlantic in the form of an exclusive economic zone. In this way it preserves Argentina from the Atlantic projection of Chile. By giving Chile the land and the territorial sea attached to the islands under dispute but simultaneously assuring Argentine access to its own territory, the treaty preserved the peace and established an equilibrium between the aspirations of both states. The treaty did in fact maintain the bioceanic principle, precluding either the encroachment of Chile into the Atlantic Ocean or of Argentina into the Pacific.

Interestingly, one of the important consequences of the treaty is that in both countries there are perceptions that something was lost; neither is completely satisfied with the outcome. And this is a positive sign, since it avoids the sense that there was a winner and a loser—a feeling that produces, in international relations, the idea that it is necessary in future confrontations to obtain retribution. In spite of the various criticisms, the Treaty of Peace and Friendship is in full force today. It has been honored since 1984, and problems arising in its application have been solved without resort to the threat or use of force.

Argentina and Chile: Diplomatic and Economic Steps

Today, one of the national objectives of Argentina, addressed in President Carlos Menem's policies, is the reinsertion of Argentina into the international community, away from its traditional "third position," which isolated the country and was so harmful during the last forty years. Within the broad scope of foreign policy, the aim is to change the isolationist policy of the Argentine Republic and to present Argentina as a reliable and predictable country, committed to Western attitudes.

To achieve these objectives the government adopted several simultaneous approaches. The first was the improvement of the relationship with the United States, which has historically been one of confrontation. The participation of Argentine forces in DESERT SHIELD and STORM as a member of the coalition was significant in this connection; Argentina was the only South American country to send ships to the Gulf.

The second was a new approach to the Falklands (Malvinas) problem. Argentina and the United Kingdom, while maintaining their differences over the

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sovereignty issue (protected under a so-called “sovereignty umbrella”), have reestablished diplomatic and economic relations. That step allowed constructive discussions to start on fisheries, on communications with the islands, and on measures to decrease the possibility of military friction in the area. The present negotiations over joint ventures, involving companies of both countries, to exploit oil and gas in the area are evidences of this cooperation.

The third and fourth approaches were economic in nature: the renegotiation of Argentina’s external debt (and an agreement on a new agenda for refinancing it), and the opening of the economy to a free market, with the privatization of state-owned companies.

The fifth was the voluntary ending of the indigenous ballistic missile program, the Condor II. On 28 May 1991 the Argentine government announced that all components, parts, and facilities used in building the Condor II medium-range ballistic missile were to be “deactivated, dismantled, converted or made unusable.”¹⁴ The decision to cancel the program and the transparency of the process of doing so have produced positive reactions in the international community. Argentina openly eliminated the sensitive materials it had produced (actually sending them to the United States to be destroyed) and started the conversion of the missile factory to civil use. By halting the Condor II program, Argentina made a positive contribution to peace in the region. It has clearly shown its intention to avoid weapons proliferation or even an arms race in South America. Moreover, it has given up the possibility of using the sale of advanced technology to promote its own weapons industry.

Within this context, the Argentine and Chilean governments agreed to solve the remaining conflicts on their borders and to put to an end the disputes that had kept the countries from growing together. With the Treaty of Peace and Friendship the problems of the Beagle Channel and the islands in that area were solved. The boundary between the two territorial seas and the potential projection of Chile into the Atlantic Ocean were regulated. The treaty also established patterns for navigation within internal waters of Chile and regulated the number of Argentine military ships sailing in that area.

In 1990, following the path of cooperation, both governments began approaches toward integration in the political and economic fields. In August the president of Argentina, Dr. Menem, and the president of Chile, Dr. Patricio Aylwin, signed the Integration Agreement calling for the opening of border crossings, construction of a new tunnel through the Andes, complementary energy policies, and combined action against narcotrafficking. The next year additional documents were signed to promote, simplify, and coordinate communications, exchanges, and movement of people, and to increase cooperation in border areas. In April 1992, in the Declaration of Punta Arenas, the two countries committed themselves to enhance the integration process in the southern region.

Solving Border Conflicts. In 1990, regarding the Andean border—one of the longest and most topographically difficult in the world—there were still twenty-four unresolved disputes. The issues involved differences in interpretation of existing treaties. The problem of uncharted terrain, the absence of landmarks in some areas, and difficulties in understanding the letter and spirit of the commissions that had established the boundaries at the end of the nineteenth century all complicated matters. But in 1991, joint efforts to diminish the number of pending issues along the five-thousand-kilometer boundary produced positive results. The Joint Argentine-Chilean Border Commission solved twenty-two disputes by negotiation. The other two issues, involving Laguna del Desierto and the area known as Hielos Continentales (Ice Fields), required a different strategy. In August 1991 presidents Menem and Aylwin signed a border agreement identifying provisional solutions for the two pending problems: Laguna del Desierto was submitted to arbitration by a court of Latin American jurists, and Hielos Continentales was to be demarcated using straight lines between hills emerging from the ice. The settlement, which was to be approved by the congresses of both countries, gave power to the Joint Commission to demarcate the areas where agreement had already been reached.

A decision on Laguna del Desierto was issued in favor of Argentina in October 1994. After three years of study, sixty hours of oral arguments, and 4,400 pages of evidence—from satellite photographs to oral histories—a panel of Latin American jurists ruled three to two that the territory belongs to Argentina. Chile appealed the ruling, believing that its evidence was not properly considered, but the appeal was rejected, and the area is now being demarcated. The Hielos Continentales boundary agreement has yet to be ratified by the congress of either country.

Nonetheless, the lesson is that a cooperative approach, one of negotiation and not the threat or use of force, can settle long-standing border disputes. It was necessary beforehand, however, to have the will and the commitment to compromise, to try to reach a point of mutually beneficial agreement.

Economic Integration. The countries of South America have many common aspects and have had similar historical processes. During the last twenty years, most of them have experienced the failure of their economic models, lack of development, and an increase in poverty. Economic policies aimed at opening their economies have irreversibly changed the past model, which was import substitution.¹⁵ In the particular case of Argentina, starting in 1989 the country selected a new model of growth involving rigorous fiscal and monetary discipline, deep reform of the public sector, broad opening of the economy, and complete immersion in international markets.

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The international tendency now is to create regional blocs, where groups of countries negotiate and take decisions together. This trend influenced the decision to create MERCOSUR. The same approach applies to the expansion of the number of its partners, and to the strengthening of economic relations with Chile. Chile has had several years of sustained growth as well as significant increases in its exports. Because of its economic reform, it has achieved a great degree of integration with the international market.

In 1991 Argentina and Chile signed the Agreement on Economic Complementarity, with the objectives of easing and expanding commerce; making progress toward physical integration; facilitating projects of common interest in energy, mining, and tourism; and adopting common strategies toward the General Agreement on Tariffs and Trade (GATT), of which both are members.¹⁶

It is in energy matters, however, that the integration initiatives have achieved the most success. The construction of oil and gas pipelines, agreements to make possible electrical interconnection between the countries, and a program in mining are ventures that seemed impossible just a few years ago.

In this respect, we again should note the change in perceptions in both Argentina and Chile. During the 1960s, the '70s, and part of the '80s, the notion of defense was linked to the various forms of energy. Oil, gas, and the ability to produce electricity were seen as measures of the freedom of action of a country; dependence on a foreign supplier for any of these items, and the possibility of giving up any control over these resources, were matters of great concern. The same was true of communications, from telephones to mass media. The idea of delegating to the private sector the exploitation or production of energy, transport, communications, or even water, seemed unrealistic, strange, and dangerous: the security of the country was at stake. In view of that attitude, the change that occurred in the perceptions of the former rivals is dramatic. Argentina has privatized its plants for producing electricity, and Chilean investors own one of the private companies supplying Buenos Aires and the surrounding areas. The investment of Chilean capital in Argentina, in the provision of services, is paramount for both countries. By the same token, Argentina sells oil and gas to Chile, and Argentine capital is similarly invested in its neighbor's economy.

By the model of perceived threats in fashion just a few years ago, both countries should feel very worried. However, today's situation is different. There is a better understanding of the advantages of cooperation, and the rigid ideology of the past has been replaced by pragmatic approaches. Argentina is self-sufficient in oil and (aside from commitments to buy from Bolivia) could also be self-sufficient in natural gas. Chile, in contrast, depends heavily on oil imports and has a gas distribution network only in its southern region; it is interested in buying gas from Argentina for its central section. In electrical energy, Argentina has a system that is balanced but of questionable reliability; Chile's grid possesses high

reliability but has more variation in quality. The future interconnection of the electric grids appears beneficial to both parties. The overall interaction, then, is a two-way process: a flow of exports from Argentina to Chile and a flow of Chilean capital investment into the energy sector of Argentina.¹⁷ This specific complementariness and also the geographic factor, which makes the transport costs from Argentina attractive to Chile when compared with other suppliers, make integration in the energy field natural.

The process of economic integration, however, is not limited to energy. Many other initiatives are flourishing, and the movement toward integration produced a limited association of Chile with MERCOSUR, in the form of a Free Trade Zone—an approach adapted to Chile's economic reality—effective 1 October 1996.

Navy-to-Navy Measures

The Treaty of Peace and Friendship can be considered a turning point also in relations between the Argentine and Chilean navies. Because of its signature in 1984, several initiatives have begun. In 1986 the heads of both navies met to settle the possible contentious aspects of implementing the treaty. With the goals of attaining agreements for the accomplishment of the treaty, avoiding conflict, and looking for ways of cooperation, a bilateral working group was instituted.

Since then, channels of communication have been established between authorities with equivalent responsibilities in the two navies. Examples are the links between the Second Chief of Staff (Assistant Chief of Naval Operations) of the Argentine Navy and the Chief of Staff of the Chilean Navy; among flag officers in both Naval Staffs; commanding officers in neighboring areas; and heads of technical services. At each level there is increasing understanding, and the general trend is toward improving relations and cooperation. It is also possible to point to measures for confidence-building and cooperation in the fields of information exchange, navigational aids and nautical publications, search and rescue exercises, and exchanges of visits to ports in the southern area. However, the particular political conditions of each country have influenced the cooperation achieved.

In 1994 new initiatives were proposed, aimed at increasing personal knowledge and enhancing professional contacts. They include the following measures approved by the Naval Staffs of Argentina and Chile:

- Increasing the frequency of meetings between flag officers with responsibilities in the southern area (for Argentina, Commander, Area Naval Austral; and for Chile, Commander, Tercera Zona Naval);
- Exchange visits between the directors of the naval war colleges;
- Interchange of junior officers in short-term courses;

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- Visits of warships to ports of the other country;
- Port visits by training ships to ports of the other country (other than those in the southern area, already involved in exchanges);
- Measures for cooperation in the Antarctic;
- Coordinated law enforcement measures against fishing vessels breaking domestic law; and,
- Interchange of naval publications.

The relatively noncritical character of the proposed measures spotlights the difficulty of progress in the building of confidence. One important aspect of implementing CBMs is the need to adopt a pace acceptable to the actors involved. It has been argued that it is better to have slow but steady progress than for one side to try to advance at a pace that eventually cannot be emulated by the other. In this case, however, the trend now seems to be irreversible; political and economic rapprochement is the driving factor. To be able to shape the future, the Argentine and Chilean navies should take up new initiatives, allowing them to enhance mutual confidence and deepen their relationship.

CBMs: What Could Be Done. The navy-to-navy measures mentioned above are remarkable, especially when compared with the situation in 1978, when Argentina and Chile were about to go to war over the Beagle Channel. It is significant that they are focused mostly in a very distinctive region, the southern passages—the Beagle Channel, the Strait of Magellan, and the Drake Passage. When the dispute over the maritime boundaries was still going on, this was a particularly sensitive area. Even now, it is a difficult region. The opponent is in sight: the garrisons are separated by only a few kilometers or a small channel. The possibility of being attacked with little warning, due to this proximity and the masking afforded by the terrain, has traditionally led strategists to devise deterrents. Consequently, the steps already adopted are very positive ones; they have reduced the possibility of conflict, started cooperation, and shown the way to greater initiatives.

Nevertheless, other ways of increasing confidence between the Argentine and Chilean navies could be undertaken. They require the will to progress along the path of understanding. To be effective, they also require changes in mind-set, a desire to be open to the advantages of cooperation. The process must be gradual. With that in mind, this article proposes confidence-building measures in three areas: exchange programs, war gaming, and bilateral exercises.

Exchange Programs: Midshipmen aboard Training Ships. This interchange has been in effect for many years. It is necessary, however, to sustain contact between the officers who shared the experience as they progress in their careers. As in any

human relationship, much depends on the personalities involved, but the navies could encourage greater cooperation and understanding by easing and promoting the maintenance of the relationships through the years. Invitations to professional meetings to officers who had participated in the exchanges, encouragement of membership in class associations, and assignment of these individuals to working groups analyzing ways of enhancing the cooperation between the navies are just a few initiatives that could be implemented.

Exchange Programs: Officer Schools. This approach could be carried out by offering student positions in speciality schools. Such an exchange of young officers could produce common understanding at a stage in their careers when one's aim is to be able to cope with technical problems. The association obtained could later be used in creating working-level teams to solve technical problems common to the countries. Nevertheless, it is important to realize that the necessity for access to classified information could threaten the program; because of that, selection of the areas of cooperation would be a significant issue.

Exchange Programs: Naval War Colleges. The exchange should be similar to existing programs with other navies, particularly with the Brazilian Navy. The advantages of this approach have been discussed previously. Moreover, college settings are especially suited for interchange of ideas, for exploring strategic issues, and for the development of combined approaches to problems involving cooperative ventures. It would be a very positive step; however, so far, Argentine proposals to start such an exchange program have not been accepted.

War Gaming. The technique of war gaming is a cost-effective way of promoting understanding about combined operations, and games can create room for cooperation at lower levels of organizations. They offer incremental steps in the process of building confidence. Since they can be played using theoretical capabilities, no actual information about training or operational conditions need be compromised. At the same time, they might reveal specific needs to develop interoperability, and they can be used to establish working relationships that would prepare the way for future operations at sea.

Bilateral Naval Exercises. Search and rescue agreements in the southern area have led to combined exercises to test planning and develop necessary coordination. With these as a starting point, exercises in that area could be expanded from fast patrol boats and auxiliary ships to include such larger combatants as destroyers or frigates. The scope of the exercises could also be broadened to combined operations in which both countries would face common problems or explore issues raised in war gaming. One scenario could be the control of the southern passages, where the available assets of one country do not suffice to accomplish the mission and cooperation from the other is required.

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Third Parties: What Could They Do? Other navies could help in the process of building confidence in several ways. The U.S. Navy could play a key role, for two reasons: it maintains a very good relationship with both the Argentine and Chilean navies, and there are already several arenas where it could be influential in strengthening the bonds between them. Three of these opportunities exist at the U.S. Naval War College, at Newport, Rhode Island, and two in current U.S. Navy programs.

Research at the U.S. Naval War College. Every year, one naval officer from Argentina and one from Chile, in the rank of commander or captain, are invited to attend the senior international course, known as the Naval Command College. For ten months they share this educational experience with officers from all over the world and with the U.S. officers and civilians of the College of Naval Warfare. In the following year, through bilateral agreements between their navies and the U.S. Navy, the Argentine and the Chilean officers are invited to stay and work at the Center for Naval Warfare Studies, as Research Fellows in the Strategic Research Department. The research they conduct and the studies they produce are the result of careful coordination between their respective services and the U.S. Navy.

One way of fostering cooperation would be to select subjects of research that encourage cooperation between the Argentine, Chilean, and U.S. navies. Examples are common strategic approaches to problems in the region, multilateral operations in the southern passages of South America, and problems of protecting resources or the marine environment, to mention just a few.

War Gaming at Newport. The Naval War College conducts standing war-gaming programs with several countries. Besides the Inter-American War Game, which is played by naval war colleges of thirteen countries of the Americas, there are frequent bilateral or multilateral war games, such as the ones played with Russia and the United Kingdom (the RUKUS Game), and with Argentina and Canada (the Trilateral War Game). A possible initiative would be to invite Argentina and Chile to play a trilateral game with the United States; the scenarios would have to be of mutual interest, in areas where national interests are not in conflict. Possibilities range from cooperation in disaster relief, humanitarian missions, or combined protection of resources to multilateral operations under United Nations or Organization of American States sponsorship, or cooperation in issues related to international terrorism.

Conferences and Workshops. In May 1995 the U.S. Naval War College and the Henry L. Stimson Center jointly sponsored a Conference on Confidence-Building Measures in South America, inviting delegations from Argentina, Brazil, and Chile to Newport and Washington, D.C. The delegations were composed of government officials, legislators, military officers, scholars, and journalists from each country. The objective was to provide an update on issues related to CBMs

in the region, discuss current initiatives in the domain of CBMs, and foster cooperation between the countries. Continuation of initiatives like this could be a way of understanding better what is happening in the region and of promoting more and stronger relationships between the countries involved.

The United International Antisubmarine Warfare Exercise. Every year, UNITAS is conducted by the U.S. Navy on a bilateral basis with navies of the Americas. As noted above, each country is responsible for the exercise in its own waters, but they may invite third countries to participate in its phase. So far, Chile has been reluctant to do so; Argentina is currently inviting Brazil and Uruguay. The U.S. Navy could play the role of facilitator in the relationship, perhaps inviting Argentine and Chilean units together to participate in Phase Zero (played in Puerto Rico), and it could exert a positive influence stimulating the participation of other countries' units during the respective phases of both Argentina and Chile.

The Shipriders Program. The U.S. Navy conducts a program that invites foreign officers to embark in its ships. A joint invitation to officers of Argentina and Chile to "shipride" together could produce a positive effect and foster future cooperation.

Constraints: What Is Not Intended in This Proposal. Certain types of CBMs are not realistically achievable in the near future and are, therefore, not within the scope of this proposal. Measures that foster conventional arms control or weapons reduction would not be considered acceptable, at this stage, by either Argentina or Chile. Already, both countries have clearly established their compliance with nonproliferation regimes and also their intention not to pursue chemical or biological weapons. In any event, both navies will probably need to modify their force structures in the future in order to meet the new challenges created by the changing international environment and domestic budgetary constraints.¹⁸ Initiatives aimed at limiting the freedom to conduct military exercises, or banning any area to such exercises, would also not be acceptable.

That said, however, the proposal for combined exercises is a way of adding transparency of the countries' intentions for exercises that could otherwise be seen by the other party as threatening. Channels of communication are already established to allow advance notice. Bilateral operations could help create additional confidence in the relationship and drive the transition toward cooperative approaches in the use of naval forces.

"In the Minds of Men"

The changes in the traditional strategies of Argentina and Chile are being driven by economic and political forces. The dependence of national well-being on economic growth and trade has made the two nations alter their formerly

introspective behavior, and regional integration is occurring at an incredible pace. Measures of cooperation between once-rival armed forces are a reality, though these initiatives are now at varying stages of accomplishment and have proceeded at different speeds depending on perceptions and circumstances. "The emerging strategic scenario emphasizes peace, regional cooperation, and attention to opportunities for ensuring political and economic stability that enhances economic growth and development opportunities."¹⁹ New ideas are emerging, formalizing cooperative measures and trying to institutionalize cooperative security and CBMs.²⁰

The confidence-building measures proposed here can be analyzed with respect to their *possibility*, their *acceptance* by the individuals involved, and their *risk*. One must also consider whether these military measures are consistent with other efforts in the political (diplomatic) and economic dimensions, and whether the current relationship between the countries provides a firm basis for carrying them out.

For Argentina and Chile, the introduction of new CBMs is indeed possible, provided that the steps are incremental, with each new initiative based on the success of a previous one. The level of acceptance within the navies is only moderate, however, in contrast to the more enthusiastic acceptance by the political leadership of both countries. Producing the change in attitude needed to see former competitors as friends will not be easy; but it can be done, and it is worth the effort. As for risk, it must be considered within the scope of other initiatives being carried out by the countries. Within this context it can be assessed as medium to low, taking into account that current ventures in the economic field (such as the sale of oil and gas, or investment in electric power generation) could, in the eventuality of some future conflict, be more threatening to the countries than combined exercises or interchanges of observers. The economic impact of closing borders to the other country's products or interrupting the flow of capital would be far more harmful than the intelligence obtained during a navy-to-navy bilateral exercise.

In fact, the risk involved in these measures is quite reasonable. We are not speaking of force reductions, not even of binding power over exercises or deployments, nor of any constraint on naval activities. There is no intent to limit freedom to increase the size or modify the capabilities of naval forces. It is assumed that the balance of power will still rest on all dimensions of strategy—but with a different mix of factors than in the past. Problems will henceforth be solved with primary reliance on political (diplomatic) behavior and economic leverage. The military (in this case naval forces) will continue to have its traditional role as defender of the nation and its vital interests, and as an instrument of national policies (including support of UN Security Council resolutions).

The navy-to-navy measures proposed in this article are mirror images of those that have been successful between Argentina and Brazil. It is important to point out, however, that the latter programs, adopted at the navy chief level and backed by the executives of both countries, are not called (and are frequently not considered) "confidence-building." There is in fact a strong argument in some military and diplomatic circles against the need for measures to build trust between friendly countries like Argentina and Brazil; the existing coordination is called instead "Measures for Cooperation and Friendship."²¹ But the measures exist; they are successful; and, whatever we name them, they have been a way of strengthening the bonds between these navies. For Argentina and Chile, the fact that both countries can control access to the southern passages of South America offers broader opportunities for interchange of information, exercises, and bilateral operations.

The contentious situation in the southern area has been solved. Shared responsibilities produce challenges and opportunities; cooperation between naval units is already a reality. The Treaty of Peace and Friendship has been implemented, and ships of both countries exercise the rights guaranteed by it to naval units sailing in the internal waters of the other country. A further step is to use the southern area for exercises between combined forces, composed of ships and aircraft of both navies, mixed in operational task units. The scenarios should reflect congruent national objectives. The participation of third-country navies (like the U.S. Navy during UNITAS) could be seen either as facilitating the process or as a basis for future expansion of the relationship after bilateral activities have consolidated the cooperation.

Naval professionals see an increasing demand for regional navies to achieve the degree of interoperability needed for multilateral operations. The measures proposed in this article encompass two independent objectives: the building of trust, and the development of the ability to work together. In the naval activities of the future it will be ever more necessary to adopt shared visions and common approaches to the problems of preserving resources and dealing with new threats to the nation-state. The ability to work in combined operations is a force-multiplying factor for any medium-sized country.²² If in the other dimensions of the relationship (i.e., political and economic) the trend is toward integration, the military will, eventually, follow.

What is proposed here are ways of changing attitudes: small steps toward modifying preconceptions in the minds of the participants—small contributions, not very risky, manageable to accept and carry out, but useful and constructive. The goal is reflected by words emblazoned on a wall of the U.S. Naval War College (in a walkway commemorating wars fought by American forces), words excerpted from the UNESCO Constitution: *Since wars begin in the minds of men, it is in the minds of men that defenses of peace must be constructed.*

In this article we have reviewed existing confidence-building measures and explored new ones. Our purpose has been to act on UNESCO's idea: it is certainly "in the minds" that we must work to attain the desired results.

There will be some reluctance to the proposed CBMs. Not only is there lingering mistrust, but organizations inherently resist change; they generally find it difficult to adapt to new, less familiar situations. Nevertheless, with adequate political support and the will to go ahead along the path of mutual understanding, mistrust and inertia can be overcome. Setting up the measures we have discussed should lay the attitudinal and organizational groundwork for bigger enterprises.

Argentina's and Chile's Founding Fathers put aside their own ambitions and fought together for the freedom of their citizens and the independence of their countries, releasing the winds of liberty in the continent. Perhaps it is time to remember the cooperative attitudes in the history of our revolutionary wars, in order to face the challenges of the future.

Notes

1. Julio C. Carasales, *National Security Concepts of States: Argentina* [hereafter *National*] (New York: United Nations, 1992), p. 72.
2. *Ibid.*, p. 74.
3. Julio C. Carasales, "Argentina and Brazil: Nuclear Non-Acquisition and Confidence-Building," *Disarmament*, vol. XV, no. 3, 1992, p. 94.
4. Jose Goldemberg and Harold A. Feiveson, "Denuclearization in Argentina and Brazil," *Arms Control Today*, March 1994, pp. 10-4. For the Treaty of Tlatelolco, see Mark E. Rosen (Cdr, USN), "Nuclear-Weapon-Free Zones," *Naval War College Review*, Autumn 1996, esp. p. 45.
5. United Nations Document A/46/463, annex, reproduced in *Disarmament*, vol. XV, no. 1, 1992, pp. 132-3.
6. Rut Diamint, "Regional Security and Confidence-Building Measures: The Argentine Perspective," in *Confidence-Building Measures in Latin America: Central America and the Southern Cone* (Washington, D.C.: Stimson Center, 1995), p. 26.
7. Enrique Molina Pico (Adm., Argentine Navy, Chief of Naval Operations), cited in Margaret Daly Hayes et al., "Future Naval Cooperation with Latin America: Final Report," Center for Naval Analyses [CNA] Research Memorandum [CRM] 94-63.10 (Alexandria, Va.: August 1994), p. 43.
8. This was not according to plan. The landing was unintentional and occurred because the tailhook of the aircraft inadvertently engaged the arresting gear. Nevertheless, the incident opened the field to further cooperation.
9. Margaret Daly Hayes et al., "Future Naval Cooperation with Latin America: Program Descriptions and Assessment," CRM 94-64 (Alexandria, Va.), p. 44.
10. John R. Redick, Julio C. Carasales, and Paulo S. Wrobel, "Nuclear Rapprochement: Argentina, Brazil, and the Nonproliferation Regime," *The Washington Quarterly*, Winter 1995, pp. 107-8.
11. Carlos Escudé, "Argentine Territorial Nationalism," *Journal of Latin American Studies*, May 1988, pp. 139-65. Dr. Escudé is an Argentine scholar and researcher, an author of books on international affairs. He has a thesis about Argentine decadence and its connection with the conflictual relationship between Argentina and the United States. His main argument is tied to the asymmetrical character of international affairs. In short, one cannot fight with a superpower (or a prospective one) over issues that do not compromise one's vital interest. One must resign what is peripheral or secondary—especially when there is international concern about it. One example is the Condor II missile program; the benefits of ending it were preferable to the confrontation that would have been produced if Argentina had decided to continue the missile program. Dr. Escudé was an advisor to the Foreign Affairs Minister in President Menem's first term (1989-1993).
12. It is interesting to note that the result was a border very close to that envisioned by the Chilean constitutions of 1822, 1823, 1828, and 1833—that is, the boundaries established along the Andes, all the way down to Cape Horn. It has been argued that in this outcome Argentina benefited from Chile's having been engaged in the Pacific War.
13. *National*, p. 81.
14. Argentine defense minister, quoted in "Argentina: The Condor Is Grounded," *The Economist*, 8 June 1991, p. 48.

15. The aim of import substitution, which was a popular model in Latin America after World War II, was the domestic production of equipment and goods. The rationale was that in a new global conflict the countries of the region could not depend on the exports of developed nations, which would be involved in the war. The result was the creation of indigenous industry, but the economic part of the equation was underestimated; inefficiency and financial losses were justified in the name of assuring independence from outside providers.

16. For a description of the process of economic integration, see República Argentina, Ministerio de RREE, Comercio Internacional y Culto, *Integración Económica Argentino-Chilena* (Buenos Aires: July 1993).

17. The energy issues are well documented in Roberto Brandt, "El proceso de integración energética entre Argentina y Chile," in *Integración*, pp. 177-85.

18. For a very interesting perspective on the subject, see Patrick H. Roth (Capt., USN, Ret.), "Latin American Navies to the Year 2000: A Projection," CNA Information Memorandum 353/September 1994 (Alexandria, Va.).

19. See Margaret Daly Hayes, "By Example: The Impact of Recent Argentine Naval Activities on Southern Cone Naval Strategies," CRM 94-111.10 (Alexandria, Va.: February 1995), p. 52.

20. See Hernán Patiño Mayer, "Support for a New Concept of Hemisphere Security: Cooperative Security," Permanent Council of the Organization of American States, Special Committee on Hemisphere Security, OEA/Ser. G, CE/SH-12/93, Washington, D.C.: 13 May 1993.

21. The concept was addressed by the Argentine Navy representative to the CBMs Conference, Vice Admiral Horacio F. Reyser, at the U.S. Naval War College in Newport, Rhode Island, in May 1995. The relationship between the Argentine and Brazilian navies being so strong, the building of confidence has been followed by the strengthening of cooperation and friendship.

22. See Juan Carlos Neves (Cdr., Argentine Navy), "Interoperability in Multinational Coalitions: Lessons from the Persian Gulf War," *Naval War College Review*, Winter 1995, pp. 50-62.



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