

MARITIME GEOPOLITICS AS A STRATEGIC FACTOR FOR REGIONAL INTEGRATION IN SOUTH AMERICA

Fernanda Pacheco De Campos Brozoski¹
Raphael Padula²

Introduction

Initially, it should be pointed out that the present work does not seek to analyze the different conceptions and practices of integration in course in South America. In the last decade, this theme has been explored by academics in a very widespread and consistent way, and today we have a full range of studies on the subject – which, of course, is still far from being exhausted. However, our intention here is to contribute more promptly to the debate, highlighting aspects of the geopolitics of the South Atlantic and the oceans in general that reinforces the arguments of the so-called revisionist axis of integration.

To do so, we have organized this article in four topics. In the first one, we will explore some analyzes on the characteristics of the heterogeneity and the fragmentation of the South American integration process. Based on this, we will try to locate in which integration point of view are inserted the reflections that we raise here. In the second topic, we will discuss the most relevant phenomena in global geopolitics surrounding oceanic and energy resources and their effects on continental policies. In the third one, we will highlight the geopolitical factors present in the South Atlantic that impact on the progress of regional integration, and point out some potentialities not yet explored. And finally, in the fourth topic, we conclude with some reflections on the need for the strategic geopolitical element to become a more important variable in the

1 PhD candidate and MSc in International Political Economy at Universidade Federal de Rio de Janeiro (UFRJ). E-mail: brozoski@yahoo.com.br

2 Adjunct Professor and Coordinator of the Postgraduate Program in International Political Economy at Universidade Federal de Rio de Janeiro (UFRJ). E-mail: padula.raaphael@gmail.com

regional agenda.

South American integration and global geopolitics

In order to be more objective in our purpose and not to extend ourselves in the controversial theme on the types of integration, in this work we will take as a basis, the classification suggested by the Venezuelan economist José Briceño Ruiz (2013). According to the author, since 2003, the new phase of Latin American regionalism is fundamentally characterized by heterogeneity and fragmentation. For the academic, there are now three axes of integration – the open regionalism, the anti-systemic and the revisionist. These axes adopt, to a greater or lesser extent, the guidelines of three economic models of integration: the neoliberal, the social and the productive. With a bias centered on free trade, the neoliberal model seeks to integrate the region into global markets through trade liberalization and the elimination of barriers to the free market. The social model seeks, through cooperation, to coordinate a regional social policy that fosters redistributive policies and diminishes the negative social effects produced by open regionalism. And the productive model sees integration as an instrument of regional development, which would materialize with industrialization, the connection of productive chains and economic complementarity.

Despite different views, the anti-systemic and revisionist projects do not oppose each other adversely in the process of South American integration. It is even possible to affirm that they exert mutually influences that diversify their agendas without overturning their central orientations: ALBA, for example, has brought into the Mercosur the social agenda, and has been reinforcing in a propositional way the need to seek mechanisms to reduce regional economic asymmetries. On the other hand, we clearly note the configuration of an antagonism in the relationship between the strategic and the revisionist axis, although the latter does not represent a complete break with the commercialist project. Briceño Ruiz (2013, 15), indirectly, also establishes this contrast by placing the Pacific Alliance as a project that opposes both ALBA and Mercosur:

The Pacific Alliance represents a political response from the Latin American governments that still support the open integration model. It is a reaction to the growing role of the ALBA axis and the government of Hugo Chávez in the scenario of economic integration in Latin America. The new block is also intended to be a factor of balance against the growing Brazilian leadership in South America, whether in its unilateral action or in the

framework of Mercosur.

At this point, it is interesting to bring to our study a broader view that locates South American integration within global geopolitical dynamics and does not restrict it to the regional context. The Pacific Alliance, rather than the expression of a local variant of integration, embodies the interests of external powers that are now at the center of the world power struggle. Although it does not represent an effective economic threat to the model of revisionist integration headed by Brazil, the liberal project of the Pacific divides the region and makes it more vulnerable to external pressures, thus reducing its degree of autonomy in the process of regionalization and international insertion. In other words,

The Pacific Alliance is an instrument of the expansionary struggle for political and economic influence of great powers and their large transnational corporations in the region, thus allowing greater influence of external powers, and greater political weakness and vulnerability to the countries of the region. Its weight in economic, population and market terms does not challenge Brazil or Mercosur, but the symbology and geopolitical repercussions of such an agreement tend to fracture the region and its possibilities of autonomous insertion (Padula 2013, 40).

We cannot disregard the fact that South America is a relevant area for external projection of powerful global actors, and that competition on the global geopolitical board inevitably resonates in the process of regional integration. In this light, we assume a critical position in relation to the visions that accentuate the autonomous character of the integration process and give little importance to the external factors. In other words, we oppose the perspective that raises internal factors – such as the lack of consensus among local interests, the inability to manage or lack of adequate institutionality – to be the sole determinants of regionalization. Without wishing to underestimate the relevance of these factors, in this article we will try to move the geopolitical element from the position of minor constraint to a prominent place in the direction of South American integration.

The external pressure that most strongly influences the integration process in South America are the projections of the United States and China on the subcontinent. The expansion policies of these powers, as we have argued previously, find in the commercial project, now represented by the Pacific Alliance, its promotional vehicle. For this reason, we will explore in more detail the recent impacts of the US and Chinese international strategies on the regional choices of insertion in the world system. Before that, however, it is necessary to address some phenomena that are part of the hard core of

the competition dynamics for global power hegemony.

Energy and the oceans at the heart of global geopolitics

The current conjuncture of geopolitical changes on the international scene indicates that in the coming decades one of the historical trends of the capitalist interstate system will become even more intense: the struggle for control of areas that are rich in strategic natural resources. According to some analysts³, it is now possible to identify two essential and determinant movements in the dynamics of global geopolitics. The first, which has been taking place since the second half of the twentieth century, is the adoption, by the central countries, of a foreign policy focused especially on the control of areas rich in strategic natural resources, making energy security policy the main policy determinant. The second movement corresponds to the recent action of major powers and some emerging countries to ensure the domination of oceanic mining areas. Strategic documents, such as the five-year plans of the Chinese State and the US Geological Survey, are important sources of the rise of a world deeply interested in seabed resources.

As the American political scientist Michael Klare (2008) points out, for more than half a century, the core of global oil production has been moving from the North to the South, from industrialized to underdeveloped countries. This change is due to the progressive reduction of energy resources in the central countries and to the new opportunities for exploration of offshore reserves that recent technological advances in deep water have provided. In the last decades, continuous evidence of offshore reserves has mitigated the rather negative prediction of the depletion of world oil reserves. However, much of the new findings are located in peripheral areas where there is some political instability. This fact has generated conflicts and transformations in the balance of power of the international system that have important implications for South America.

In this work, we assume that oil is not losing relevance in the world energy matrix. According to Klare (2008), since the 1970s, the United States, in parallel to the decline in its oil reserves, has substantially increased its military power. With the reduction of production and, at the same time, the increase of the demand for oil, the Americans became more dependent on the importation of this substance⁴. The immense US military apparatus, the only

³ Daniel Yergin, Michael Klare, Philippe Le Billon, Gal Luft, Donna J. Nincic, José Luis Fiori, Moniz Bandeira etc.

⁴ Although the dependency framework of oil imports decreased significantly with the explora-

truly global one, according to Klare, is practically all fueled by oil. Therefore, for the author, the dispute for sources that guarantee the abundant supply of this fuel will continue to be the focus of North American foreign policy.

We must also consider that the sharp increase in the demand for oil is not only the result of the depletion of reserves and the military strengthening of the developed countries. Countries with high economic and demographic growth, such as China and India, and countries historically dependent on oil imports, such as Japan and Korea, also play a significant role in the global competition for energy sources. In addition, Russia, with the recent discoveries of oil and gas in Siberia and the Caspian Sea, reappears as an important player in the geopolitical game of energy resources. According to British Petroleum (2014), the country maintained the position of the world's second largest oil and gas producer in 2013 (in the first case, slightly behind Saudi Arabia, and in the second behind the United States). For Klare (2014),

The continued availability of energy and mineral supplies is also essential for political and military survival. No nation can maintain a robust military defense without a wide array of modern weapon systems, and most such systems—from warships to fighter jets—are fueled by oil. The U.S. military, with multiple overseas commitments and a significant combat presence in Southwest Asia, is especially dependent on petroleum, consuming as much oil every day as the entire nation of Sweden. Other nations that seek to project military power beyond their immediate territory, such as Britain, China, France, and Russia, also require substantial petroleum supplies.

In addition to oil, there are other strategic natural resources of the seabed that have attracted the attention of several countries. Many states are currently making high investments in deepwater exploration technologies and exploration, and making great efforts to ensure the right mining of iron-manganese crusts (rock formations rich in cobalt and nickel); polymetallic nodules (rich in nickel, cobalt, copper, iron and manganese); and polymetallic sulphides (rich in iron, zinc, silver, copper and gold) present in the Area⁵. In the 1960s, interest began to grow in the exploitation of resources located in the seabed and in the subsoil of this zone. However, after the 1970s, due to the lack of adequate technology and the onshore mining activity still showing strong potential, interest in the mining of seabed resources has declined considerably. The ocean bottoms are considered the new frontier of

tion of huge reserves of shale gas that were discovered recently.

5 The Area corresponds to ocean bottoms that are beyond the limits of any national jurisdiction.

global mining (Becker 2005), facing a horizon of increasingly evident depletion of the mineral reserves on the mainland and the significant technological development in deep waters in several countries.

Minerals in this area have important significance in the development agenda of various powers – such as the United States, Germany, China, Russia and India. The metals found in these reserves can supply the demand of strategic industries of important world economies, remembering that this demand has been growing substantially due to the intense process of industrialization of countries such as China and India. Copper, cobalt, manganese and nickel, for example, are components of great application in various metallurgical operations, such as the production of different types of metal alloys used in the manufacture of aircraft turbines, marine engines and in the automobile and chemical industry. They are also valuable raw materials for the production of steel and iron and in manufacturing batteries. In addition, Klare (2014)⁶ emphasizes the importance of these resources for the arms industry and the war power of nations:

Any nation that seeks to sustain a significant arms-making capability, moreover, must possess ensured supplies of iron, cobalt, nickel, titanium, and various specialty metals. And, of course, any country seeking to join the “nuclear club”—whether for political or for military reasons, or a combination of both—must have a reliable supply of uranium .

The life expectancy of most of the world’s reserves of oil and ores is not very promising in the face of the rapid growth of global demand for these goods. Therefore, according to Klare (2014), we will see from now on an increasingly fierce dispute over the control of resources located in previously unexplored areas – such as some inhospitable African areas and the ocean floor:

Virtually all accessible resource zones are now in production; except for the extreme areas such as the Arctic, the Congo, the ocean bottom, and unyielding rock formations, there is nowhere else to go. For this reason, the invasion of the world’s final frontiers has unique significance. What we expropriate from these areas represents all that remains of the planet’s once abundant resource bounty. In all likelihood, we are looking at the last oil fields, the last uranium deposits, the last copper mines, and the last reserves of many other vital resources. These materials will not all disappear at once, of course, and some as-yet-undeveloped reserves may prove more prolific than expected. Gradually, though, we will see the complete disap-

6 Digital book without pagination.

pearance of many key resources upon which modern industrial civilization has long relied .

The search for new energy sources and minerals in remote areas is, according to Klare (2014), part of a larger phenomenon of the world geopolitical conjuncture. For the author, what we are witnessing today is a concerted maneuver between governments and large corporations to guarantee access and control over the remaining raw material reserves in the world.

Donna J. Nincic (2009) points out that most of the world's most promising oil and gas reserves are in maritime territories whose borders have not yet been defined. The dispute over control of these areas has inspired strong litigation with the relevant international organizations, and has been the source of a significant portion of the world's armed conflicts over energy resources:

With the future of energy exploration lying largely in the world's oceans, and with so many known and potential oil and natural gas reserves lying in areas with disputed maritime boundaries, conflict over access to these resources is bound to continue. The conflicts in the South China Sea and elsewhere, and the potential for conflict in the Arctic, show how willing nations are to take risks over access to energy resources (Nincic 2009, 41).

In this context, the mineral riches present in the South Atlantic have been promoting the region, both in economic and strategic terms, as an important zone for power projection mainly by great world powers.

The South Atlantic and its surroundings in the light of the Sino-American competition for natural resources

As we all know, the United States' ambition for supremacy in the American continent is a longstanding one. The intent to play the role of political arbiter in the region is already signaled in the Federalist Papers, and is clearly revealed in the Monroe Doctrine. During World War II, the formulations of Nicholas Spykman pointed to Latin America as an area of strategic interest for the United States, where its supremacy could not be questioned for security reasons. And, as another example, we can mention how during the Cold War, James Burnham extended this vision by leading the US containment policy for the region.

To this day, from the point of view of military power, there is no actor, internal or external, with enough force to challenge the superiority of the

United States' regional projection. However, in the economic sphere, in this new millennium, the American ascendancy over the South American countries begins to show signs of weakening with the notable Chinese expansion over the region. In this sense, the almost generalized reaction by South American governments to neoliberalism since the early 2000s has also made a significant impact.

During the 1990s, the incorporation of the South American countries into the neoliberal model took place through the implementation of the "Washington Consensus", a package of economic measures aimed at framing the Latin American countries in the process of globalization. The problems of the peripheral countries would supposedly be solved through the application of measures such as: economic opening, with a strong reduction of protectionist barriers; privatization of state-owned enterprises and public services; deregulation of finances, such as the elimination of limits on capital movements; and flexibilization of labor relations, among others. In South America, these measures have resulted in de-industrialization, rising unemployment and poverty, and deepening external vulnerability. As a result, a great wave of opposition to neoliberalism erupted in several countries, which led to the rise of new political forces in the continent. Several governments that settled at the beginning of the 21st century sought to rescue national projects that proposed measures contrary to Washington's guidelines. It is in this context, for example, that the US project to create the FTAA (Free Trade Area of the Americas) perished.

The loss of ideological influence over South American governments led the United States to adopt, in the 2000s, a generally passive military attitude towards regional issues. However, at the end of the decade, this stance began to change. Under the administration of Barack Obama, the US government signed a new agreement that gave access to seven air and naval bases in Colombian territory; reactivated its Fourth Fleet (U.S. South Atlantic Force); intensified naval operations and exercises in the South Atlantic⁷ etc. Certainly such an advantage in the military field is a factor of strong intimidation that puts in check the autonomy that the region has over its own destiny. In addition, it's important to note the insistent actions by the USA in spreading a security agenda based on drug trafficking, through bilateral and OAS actions.

7 The United States owns large military installations in Ascension Island and two military commands to operate in the region: USSOUTHCOM, created in 1963; and AFRICOM, established in 2007. The US military power is present in Latin America through the control of bases and centers of operations and training. In addition to having Ascension Island and the bases where NATO has access in the South Atlantic, they also have fixed supports in various regions of the American continent: Guantanamo (Cuba), Honduras, Aruba, Curaçao, El Salvador, Colombia, Chile, Peru, Guyana and Suriname.

In the economic area, however, the story is a different one. Today, South America is configured as an important area of contention, where the dominance of the United States begins to decline due to the rise of the Chinese presence. The confrontation between these two powers, already so evident in the countries bordering the Pacific, was not restricted to this side of the South Atlantic: Chinese and Americans have also been competing to expand their power of influence over African countries on the Atlantic coast.

Until the mid-twentieth century, the United States paid little attention to the African side of the South Atlantic. Throughout the century, this picture began to change because of Soviet intervention and the process of decolonization in Africa. But closer trade ties with the West African fraction are a more recent phenomenon. In recent decades, there has been a substantial increase in the share of energy minerals in the United States import tariff. Today, Angola and Nigeria appear in the analysis of the EIA (2014) in 5th and 10th place, respectively, as suppliers of crude oil to the United States.

In the last decade, similarly to what happened in South America, there has also been a significant increase in the Chinese presence in Africa, as evidenced by the dramatic increase in trade and investment figures on the continent. In the span of ten years, between 2002 and 2012, Chinese imports from Africa went from approximately \$ 500 million to \$ 14 billion; this means a gross increase of more than 2000%. In 2002, China, which accounted for only 1% of total African exports, came to represent 6.6% in 2012. Along with oil, mineral resources are the African products that occupy the most prominence in the Chinese import tariff. Recalling that, in addition to the gigantic land reserves, there are significant deposits of offshore minerals, not counting the resources of the Area⁸. It is worth remembering that China – along with Japan, the United States and Germany – is among the countries that have the most advanced technology for research and exploitation of these resources.

China's demand for base minerals has grown more than 10 percent a year since 1990. Today, China is the world's largest consumer of aluminum, iron ore, lead and zinc, as well as considerable stakes in the demand for other minerals. As a reflex, China's imports of non-combustible mineral resources from African countries off the Atlantic coast have increased significantly in the last decades. South Africa accounts for the largest share of Chinese imports (5.5%). More than 80% of the cobalt imported by China and

8 Considering that the extension of Africa's continental shelf is a narrow one – and therefore the abyssal regions are relatively close to the coast –, it is probable that the mineral riches of the Area are closer to the African Atlantic coast. In addition, the Meso-Atlantic Ridge – an underwater mountainous chain where polymetallic sulphides have already been found – is located in a shorter distance from the African coast when compared to the American coast.

40% of the manganese comes from the Democratic Republic of Congo and Gabon, respectively. It is worth mentioning that China is the destination of about 62% of the export of minerals from South Africa and 95% from Nigeria (UN Comtrade). The increased intensity of recent flows illustrates the strong complementarity between African natural resources and the Chinese economy. As Fiori puts it (2014, 251), “Africa is today the great space of primitive Asian accumulation and one of the main frontiers of economic and political expansion for China and India.” It is worth noting that China has no military presence in the region, but only commercial relations of military assets.

Turning to the maritime landscape, the growing importance of oil and gas in the world economy gives special emphasis to the recent oil discoveries on the coast of the countries bathed by the South Atlantic. In Brazil, since 2001, the new reserves that were found, including pre-salt, increased national reserves by approximately 67% and enabled Brazil to increase its oil production by 60%. Today, Brazil holds the 13th position in the ranking of oil producing countries (BP 2014). On this side of the South Atlantic, aside from Brazil, new reserves were also found on the Argentine continental shelf, which cover the Malvinas Islands and the Antarctic zone in dispute with England.

Approximately 1.1% of the world’s proved oil reserves and 0.4% of the gas reserves are found in the South American Atlantic coast. These figures may not be very expressive in the world scenario, but it is necessary to consider the great unexplored potential of the enormous reserve of the “pre-salt”, and probably of the continental shelf. In addition, if we add to the Atlantic countries the oil and gas reserves of the other South American countries, the percentage of world reserves is close to 18% for oil and 3.5% for gas. On the African Atlantic coast, Angola and Nigeria stand out among the continent’s top five oil producers and account for more than half of African production (EIA 2011). It’s also in these countries where statistics indicate the largest growth of oil deposits in the last twenty years. Proven Angolan reserves increased by almost 5-fold from 2 billion barrels in 1990 to 9 billion in 2014. Meanwhile, Nigerian reserves more than doubled, rising from 16 billion to 37 billion barrels in the same years. Today, Angola occupies the 16th place in the world ranking of oil production, and Nigeria the 12th place (BP 2014). It is worth mentioning that recent significant offshore reserves have also been found in other countries of the Gulf of Guinea.

In addition to oil, the South Atlantic is endowed with mineral resources present in the area. Despite the scarcity of studies on the South Atlantic seabed, resources of high economic and strategic value such as iron-manganese crusts, nodules and polymetallic sulphides were found. The most prom-

ising deposits of the three mineral compounds mentioned are located in the Pacific and Indian Oceans. This is mainly due to the existence of greater investments in research in this region. However, the research already carried out indicates the presence of polymetallic nodules in the ocean basins around Trindade Island; of iron-manganese crusts at the Rio Grande elevation; and of polymetallic sulphides near the São Pedro and São Paulo archipelago.

Inasmuch as the importance of the resources of the South Atlantic and its surrounding continental regions is underlined, we wish to highlight some specific aspects of the most recent external projections in South America, especially in China, which may be decisive in the course of regional integration.

The South Atlantic: development and regional integration

As is well known, for the Chinese, the continuity of the country's growth, the fulfillment of its development goals and the guarantee of the mobility of its military power depend, inexorably, on the guarantee of safe access to energy resources. China sees energy shortages as one of its greatest potential threats. The substantial increase in dependence on oil imports has demanded the Chinese government to restructure its energy security strategy. According to Klare (2008, 75), since China began to import oil, it is possible to perceive three priority orientations in its energy security policy: 1) to diversify sources of imported energy supply; (2) to expand supply possibilities by land and reduce reliance on oil transported by sea; 3) and to delegate the acquisition of foreign energy supplies to state-owned enterprises.

Regarding the economic intentions of the Chinese projection in South America, there are two main motivations: facilitated access to strategic natural resources, and market expansion for its higher added value products. According to Samuel Pinheiro Guimarães (2012),

China's foreign economic policy (like American policy) has as its main objective to ensure access to sources of mineral, energy and agricultural raw materials throughout the world, but, as it should be, especially in the peripheral world of Africa and Latin America. This demand, which will continue to exist in a large scale, even if there is a growing emphasis on the development of its domestic market, has a direct impact on the economy of Mercosur as a whole and for each state-party, especially for Brazil.

And, indeed, the numbers that attest to the extraordinary growth

of China's share of South American trade and investment⁹ are proof of the strength of its expansion in the subcontinent. However, it is also necessary to look at other possible effects of China's foreign policy and energy security and the global energy dispute. Considering that the majority of the investments destined to South America are related to the sector of energy and metals, without difficulty, we can locate the extension of the projection of Chinese capital in South America in the first guideline mentioned by Klare. However, we would like to draw attention to some possible effects of the Chinese actions dedicated to fulfilling its second orientation.

In order to extend its energy supply protection margin China has sought to reduce its dependence on energy supplies transported by sea. According to Comtrade (2013), more than 40% of Chinese oil imports come from the Middle East. This cargo crosses the Strait of Hormuz and passes through the Straits of Malacca, until reaching the eastern Chinese coast. This is one of the most important oil trade routes and is controlled by the Americans. As a safety measure, China has been pushing ahead with a number of projects with neighboring countries to build pipelines and gas pipelines that could divert part of the oil circulation to land routes and facilitate their access to the world's energy and mineral resources.

In our view, it is following the aforementioned strategic line that China has given special attention to the bi-oceanic corridor construction projects in South America. Such projects, as early as the 2000s, comprised the infrastructure portfolio of the Initiative for the Integration of the Regional Infrastructure of South America (IIRSA). This body was created with the objective of promoting the expansion of a transport infrastructure that supported the formation of a regional free trade area. That is, the corridors were conceived within the logic of the neoliberal model of integration of open regionalism, which, as Padula (2014, 14) explains, proposes to be:

A model whereby, in a peaceful way through the opening of markets, the South American countries would facilitate access to the natural resources of the region to transnational corporations and their sponsoring mother states, through trade and investment flows, not only in productive exploratory activities, but also in the logistics construction of export corridors.

As already discussed in the beginning of this article, in the 2000s, the new elected governments in Latin America, refuting the neoliberal project, undertook a series of actions with the purpose of revising the model of open

⁹ In 2002, China accounted for only 4.3% of total South American exports; already in 2012, it now represents over 15% (Comtrade 2013).

regional integration. In this context, in 2008, UNASUR emerged, and, in 2009, subordinated to it, the Infrastructure and Planning Council (Cosiplan) was created, conceived to function as an executive body of IIRSA. This was to ensure that IIRSA followed the guidelines dictated by the UNASUR governments. These were aimed at building a regional physical integration structure that would foster internal development and enable the connection of productive chains with higher added value in the region. Thus, bi-oceanic corridors can make possible different integration plans, including antagonistic projects such as “open regionalism” and “revisionist”. According to consultants¹⁰ of the Center for Management and Strategic Studies (CGEE 2013, 66):

After all, what role can the construction of transport routes and bi-oceanic connections have in the process of regional integration? They can act as much in favor of the socioeconomic development, strategic autonomy and political dominion of the geographical spaces of the continent by the countries of the region, as well as efficiently articulate the strategic natural resources of the region to the international market, attending to the interests of internationalization of resources for powers and multinational companies. (...) Such corridors can act as corridors for the export of natural resources and low-value goods, and as corridors for the importation of industrial goods of higher added value and technological intensity of other countries and continents. Also, they can serve for the political penetration by actors outside the region, seeking to access, influence and control territories and strategic resources of the countries of the region.

China’s great interest in bi-oceanic corridors is not just a strategy to secure future energy and mineral supplies from South America.

There are those who argue that “bi-oceanic” is not the appropriate term for South American projects, since they do not have as main objective to use the subcontinent as an enabler of the continuity of a flow of commerce between two oceans¹¹. In fact, today, there is no such strong maritime trade in the southern hemisphere as to justify the need to deploy such transportation corridors. As we have already pointed out, such avenues of communication are designed to optimize the flow of production (mostly primary products) to international markets, especially to Asia¹² and the United States, which con-

10 Chapter written by José Luis Fiori, Maria Claudia Vater and Raphael Padula.

11 Authors from different areas (international law, engineering, military, etc.) that signal the lack of an adequate definition for these routes. Among them, the captain Dilermando Ribeiro Lima, Marianela Salazar Vega, among others.

12 This focus is made evident in documents and studies promoted by the governments of the region. To cite an example, the technical report “Evaluation of bioceanic corridors”, made by the BNDES, makes explicit that the estimation of the commercial flow potential that would

centrate most of their activities in the Pacific coast.

However, the data presented in the previous topic provide us with indications that there may be a greater interest in the attraction of China by the future South American corridors than just facilitating access to commodities in the region. First, in addition to the natural resources of South America, the energy and mineral riches of Atlantic Africa and the South Atlantic have also taken a prominent place in the economic expansion projects of the United States and China. Thus, through bi-oceanic corridors, there would also be potential for the circulation of goods from these areas. Second, China's actions in the subcontinent may be part of a larger strategy, which involves other guidelines of its foreign policy. As we have already mentioned, the search for alternative routes for the movement of strategic goods is at the heart of China's energy security policy, and a land route connecting the South Atlantic and the Pacific can be very convenient.

That is, for China, besides the gains from trade, the increase of its presence in South America also involves a question of geostrategic order. In our view, this perception can broaden our prospect on the meanings of the regional integration process. Relations with China have been a way out for South American countries to bypass the effects of the 2008 crisis. However, as far as the regionalization progress is concerned, if we remain tied to a short-term perspective, we will not be able to see in China opportunities more advantageous compared to those we can get with the United States or other powers. Restricted to commercialism, few possibilities can be seen beyond expanding our condition as a primary exporting region. According to Fiori (2014, 259),

After the crisis of 2008, (...) South America briefly recovered from Chinese growth, but this short-term success has brought back, and deepened, some secular features of the South American economy that have almost always hindered and hampered the integration project, namely, the fact that it is a sum of primary-exporting economies oriented towards external markets.

Nevertheless, this is not a compulsory route. Ambassador Samuel Pinheiro Guimarães (2012), analyzing the impacts of the Chinese factor in Mercosur, has argued that the scenario, commercially favorable to the countries of South America, should be exploited in favor of the industrial and technological development of the region.

pass through the corridors takes into account only the import and export data of the South American countries: "It should be noted that the approach taken to estimate the potential demand in the simulation model considers all flows with origin or destination in South America" (BNDES 2010, 220).

The crisis of the world economy, which will last for at least another decade, and the greater freedom of economic policies in the external area, due to the weakening of the neoliberal practices that provoked it, and the protectionist actions of the developed countries, enables the Mercosur countries to take advantage of this rare opportunity in the course of its history: to make use of the extraordinary Chinese demand for primary products in order to promote its development, that is, of its industrial development. Thus, together with a strategic transformation of Mercosur, it would be extremely important to conclude trade and industry agreements with China for the industrial processing of raw materials (...). This alternative would be in perfect harmony with the objective of the development of the economy, which is the capacity to transform its natural resources, to add value to production, to create better paid jobs, to raise its technological level, and to vertically integrate sectors of its economies.

In the following section, the economist Carlos Medeiros (2010) highlights some structural aspects of Mercosur that impede regional productive integration, among them, the concentration of trade in primary commodities and natural resources. The author points out that the effort dedicated to developing industry and infrastructure in the region would contribute to diversify the exports of the smaller economies, thus enabling a greater regional complementation:

The predominance of primary commodities and natural resource-intensive activities, deregulation and financial vulnerability, the backwardness of the electrical and electronic machinery industries, the lack of specialized OEM equipment, the predominance of subsidiaries of multinational companies based outside the region, the absence of a gradient of technological content coupled with the cost of labor between countries, and the high costs of transport are evident macro-structural explanations. However, in spite of these factors, there was in some industrial segments a growing intra-industry trade, signaling an important possibility of deepening productive integration and sector diversification. This geographic internalization of the benefits of integration depends, however, on the degree to which the expansion of the Brazilian economy's market allows a combination of industrial and infrastructure investment initiatives to favor the diversification of exports from the least developed countries, making the expansion of the regional bloc's trade flow a simultaneous way of achieving greater external sustainability for the economies (Medeiros 2010, 27).

Final considerations: South Atlantic as opportunities x risks

The economically viable natural resources and geostrategic potential of the South Atlantic can be important catalysts for industrialization and productive integration. There is a potential for exploiting such resources that involve more dynamic industrial sectors (of higher added-value products with high technological content) that could be included in the agenda of negotiations with China. In recent years, the Chinese have invested heavily in the development of technologies for offshore use and, like Brazil, are among the few countries qualified to conduct exploration activities in the area.

It may be pointed out that the energy and mineral wealth of the South Atlantic represents only a future opportunity to significantly increase the reserves of exportable primary goods. In this way, these resources would end up stimulating the region's primary-export specialization and thus would not contribute to industrialization, so necessary for the advancement of the productive integration process. Arguing in favor of the idea that we can extract other opportunities of the activities implied in the defense and exploitation of the resources of the South Atlantic, below we selected another fragment from a study realized by the Center of Management and Strategic Studies (2013, 129):

State commissions and support ensure that the defense sector can be a good business and generate its own (national) technologies and production in this sensitive and strategic sector. Amazônia Azul Defense Technologies (Amazul), created in 2012 and linked to the Ministry of Defense, and the South American Defense Council, can articulate, respectively, a Brazilian and South American defense industrial base. A policy of demanding a greater participation of national content, or of South American companies, in the orders contracted with foreign companies, can initially drive important changes (CGEE 2013, 129).

In 2014, Petrobras was awarded, for the third time¹³, for the development of offshore oil exploration technologies. Today, the company is an international reference in the area and considered the world leader in this sector. This segment is the main engine of the Brazilian naval industry, which has been gaining a strong boost in recent years.

The defense of the South Atlantic waters and the mining of offshore resources require intense efforts by the naval industry and require major investments in the development of technologies for deepwater exploration. In our view, the possible convergence between Brazil and China in relation to ocean resources should not be understood only as a beneficial opportunity

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for Brazilian growth. Industrial areas driven by possible cooperation in this segment with China should be seen by the South American countries as a whole, and especially by Brazil, as possibilities to strengthen the productive integration of the region.

In addition to different forms of economic exploitation, there is a political aspect of great importance that must be carefully considered: South Atlantic resources can also contribute to the promotion of a common security agenda for South America. With a focus on sovereignty over natural resources and in defense of external threats, this agenda would be an alternative to the US hemispheric agenda, disseminated through the OAS and bilateral agreements aimed at combating drug trafficking. In this sense, Brazil has been fomenting regional initiatives through the Defense Council of UNASUR.

The South Atlantic represents development opportunities for South America, but for this to become a reality, the states of the region, including Brazil, must partially abdicate the benefits that can be obtained in the short term with the expansion of trade, and highlight, in a more consistent way, a strategic geopolitical vision within the regional integration project.

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KEYWORDS

Regional Integration; Geopolitics; International Political Economy.

ABSTRACT

In light of the recent deceleration and disarticulation of the South American integration process, the objective of this paper is to highlight some geopolitical factors in the South Atlantic Ocean, which, in our view, should set and propel a strategy of rapprochement of the different interests in the subcontinent and contribute to greater convergence in the integration agenda.

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