

“China’s Strategic Reach into Latin America”  
Testimony of Albert Santoli  
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"Know the enemy as you know yourself and in a hundred battles you will never be defeated. Strike where the enemy is not prepared, take him by surprise... avoid the solid [strengths] and strike where [the enemy] is weak." -- Sun Tzu from "The Art of War."

“In the 21<sup>st</sup> Century, the weak may defeat the powerful by employing supra-national methods of warfare, which professional Western military people are unfamiliar with. These include financial warfare, smuggling warfare, cultural warfare, drug warfare, [natural] resources warfare, psychological warfare and international law warfare.

“The most basic form of ancient Chinese warfare is called “the side principle.” This means to avoid clashing with the enemy’s powerful sword in a frontal collision, at his point of strength. But rather using one’s sword to cut into the warrior’s exposed side.”  
-- from the strategic treatise, *Unrestricted Warfare*, published by the People’s Liberation Army Literature and Arts Publishing House, 1999

Chinese geo-strategic practices of asymmetrical warfare, using both ancient techniques and modern “war by other means” targeting the “weak exposed sides” of the United States have been steadily and effectively growing during the past decade in Latin America. Chinese tactics are being used to gain political and economic influence, as well as military alliances and bases for cyber-electronic warfare. These developments are a critical challenge to the United States in a vulnerable resource-rich area on our doorstep that we have too often taken for granted.

In the mid-1990s, following the collapse of the Soviet Union, Beijing seized the opportunity to embrace the aging but still fiery leader of what remained of the anti-American socialist world - Fidel Castro. By 2001, in South America, the old "Brujo" Castro found an enthusiastic new apprentice in Hugo Chavez of Venezuela, who possessed leverage over the United States with large oil reserves – also coveted by Beijing -- and the financial independence that Fidel had always dreamed of but could never before realize.

Beijing's strategic plan to challenge – and eventually defeat the United States – is being utilized in Latin America, along with an aggressive worldwide cyber-warfare capability, which add to a massive blue water naval and intercontinental ballistic missile build-up. This build-up – funded

in large part by its massive trade surplus with the United States -- has been deceptively cloaked by Beijing's new economic strength, seen as non-threatening by most of the West. Russia, Israel and certain Asian nations, have joined American weapons and military technology merchants to supply Beijing for its unprecedented military modernization. This has enabled Chinese military officials during a ten-year period to take a "great leap forward" in military capability and is enabling their geo-strategists to applying ancient martial traditions to "modern conditions."

China's new military doctrine calls for a total war of politics, finance, electronic communications, trade supremacy, manipulation of financial markets, and control of critical natural resources, especially scarce resources such as oil, cobalt and nickel, which are found in relatively few regions of the planet. At the same time, with no regard for matters of human rights, Beijing continued to mold political, financial and military relationships with resource-rich, non-democratic governments who deny those same scarce resources to Beijing's rivals. Cuba and Venezuela should be included at the top of this list.

In addition, Chinese military planners have also advocated the dirty business of utilizing narcotics traffickers, international organized crime networks and terrorist organizations -- such as the shadowy al Qaeda network -- that could sap a great Superpower of its financial strength, military confidence and national morale. Latin America, and particularly Cuba's proximity to the United States and its radical leftist networks throughout the region, have provided Beijing the opportunity to utilize its strategic plan of "unrestricted warfare," where the weak can defeat the powerful through unconventional means.

By the dawn of the new Century, a mere decade after being politically isolated because of the Tiananmen Massacre of its own emerging young democrats, China had achieved an astounding feat to become a world military power, confident that it will eventually dominate all of East Asia. A key to this strategy appears to be keeping its chief rival - the United States - bogged down with tactical and strategic instability in our own hemisphere.

The first step was achieved on December 31, 1999 when the United States gave away the Panama Canal, its crown strategic jewel in Central America. An opportunity seized by China, whose businessmen bribed the corrupt Panamanian Government to obtain control of the trade lifeline between the Atlantic and Pacific Oceans. This acquisition of a 50 year lease -- through one of Beijing's "patriotic businessman," Li Ka Shing of Hong Kong -- enabled China to gain enormous political and trade involvement in the region. In addition, U.S. military bases in Panama, essential for regional training and conducting interdiction of narcotics in the neighboring Andes region, were permanently closed. It was at this same time that many Latin American governments began forging stronger economic, political and military ties with Beijing.

Not only does the role of China in Panama expand Cuba's access to its vital lifeline for commercial acquisitions: the Free Trade Zone at Colon, but Li Ka Shing's Hutchison Whampoa company's stevedores control the loading and off-loading of thousands of commercial ships that pass through the Canal Zone. Add to this a massive influx of mainland Chinese businesses into the Free Trade Zone -- and the growing presence of Communist Chinese intelligence operators and the "patriotic Triad" organized crime syndicates. This has escalated, not only the along the

Panama Canal, but also in the region's other major shipping hub at Freeport, Bahamas.

The control of stevedoring - the loading and offloading of ships gives China the ability to bring weapons and countless illegal aliens into the hemisphere -- including possible terrorists, who, in partnership with Cuba and Venezuela, could prepare new terrorist cells to cross into the United States through our porous southern border with Mexico. The stevedoring also permits China to facilitate the transfers of sensitive dual-use military and hi-tech products and components back to China, and the transfer of weapons to guerilla and narco-terror groups in the region without the scrutiny of U.S. Customs or intelligence agents.

This threat was highlighted in July, 1999, when a Panamanian interagency police force – aided by soon-to-depart U.S. agents – seized a shipment of automatic weapons in Panama's Atlantic-Caribbean port of Colon, known as a gathering place for organized crime and terrorist organizations from across the world. Reports from Panamanians residing in Colon's huge Freeport area now state that the area is dominated by Chinese organized crime syndicates.

On a parallel dynamic track, the expanded Chinese role in Latin America gave Fidel Castro new life, rescuing the Cuban communists from the death throes of abandonment by their collapsed Soviet benefactors. Havana was maintained, in part, by the backing by new neighboring leftist regimes such as Venezuela and massive corruption in surface pro-Western countries such as Panama. The Castro regime, however, was especially resuscitated by Beijing's political, economic and military support.

In June 1999, the international press, such as Agence France Press, began reporting China was using Cuba as a sensitive military listening post to monitor broadcasts and telecommunications in the United States; and between August and September, high level military and trade delegations from Brazil, Ecuador and Uruguay sought Chinese funding and state-to-state support for their respective agencies. Almost all of the China-Latin military agreements called for some forms of training support and official exchanges with the Chinese People's Liberation Army.

The most dramatic State visit to China during the 1999 pre-hand-over of the Canal was made by Venezuela's Hugo Chavez. In Beijing he emphasized to international reporters, "I have always been a Maoist." He proclaimed, "Venezuela is lifting itself up just as China lifted itself up 50 years ago by the hand of Mao Tse-Tung, the Great Navigator." During this visit, Chavez began signing a series of oil and political agreements that led to Venezuela purchasing Chinese military equipment within the year and the arrival of PLA military trainers in Caracas.

In 2002, following the failed civic effort in Venezuela to overthrow Hugo Chavez, American military trainers were withdrawn from Venezuela. Almost immediately, they were replaced by Spanish-speaking Special Forces trainers from the Chinese People's Liberation Army. And during the same period, Chinese Air Force trainers arrived in Venezuela as instructors for a new fleet of airplanes purchased from Beijing by Chavez. Venezuelan military officers, who opposed Chavez swinging the country into the Cuba-China axis, told of al Qaeda terrorists being moved into Venezuela – either through direct flights or transiting from Panama – and met at the airport by Chavez regime operatives and given new identifications before "disappearing" into the Venezuelan countryside.

In a seminal strategic text published in 1999 by the People's Liberation Army Literature and Arts Publishing House, titled "Unrestricted Warfare," the authors described Beijing's new strategy for defeating the United States and its allies. Senior Colonels Qiao Liang and Wang Xiangsui, state that the technological world is entering a new era of unprecedented peril – ripe for military exploitation. They explain that the technological revolution has increasingly blurred the boundaries between military and non-military, transcending all boundaries and limits of combat.

Adopting ancient martial arts theory and practice to the hi-tech era, they explain how the "strong can be defeated by the weak" through merciless unconventional methods. As examples, the authors make repeated references to enemies of Western society, such as Colombian drug lords, the Italian Mafia or Chinese Triads who now permeate Latin and North America, and then-considered "new terrorist" Osama bin Laden and his shadowy network. They also champion the skill with which George Soros used "economic attacks" on monetary systems to infiltrate and then take down the economies of entire countries.

The strategists intensely focused and unsentimental doctrine clearly demonstrated that the People's Republic of China is preparing to confront the United States and our democratic allies by conducting "asymmetrical," or multi-dimensional attacks on our most vulnerable soft-targets. This new form of warfare, which borrows from ancient Chinese warfare doctrine of surprise and deception, utilizes civilian technology as military weapons, "without morality" and with "no limits" in order to break the will of democratic societies.

Chinese military strategists intensively studied the lessons of Desert Storm. They found that the American military is obsessed with expensive high-tech precision weapons and deluded by the ease of the overwhelming conventional victory in the Iraqi desert. However, in subsequent theaters of low-intensity conflict such as Somalia, terrorist attacks in North Africa, and in the first attack on New York's World Trade Center, as well as in penetration of sensitive governmental and economic sector Internet sites by amateur computer-hackers, America's power was relatively ineffective.

There is no place less adequately defended in the United States than our land, air and sea borders with Mexico and Latin America. Cuba, Panama and Venezuela, combined with socialist drug lords in Colombia and newly elected leftist leaders such as Lula de Silva in Brazil (who is providing Beijing with aero-space assistance) have given Beijing a consortium of willing allies who idolize Fidel Castro's socialism. Their regimes can also be saved - as has Castro's - by the combination of energy assistance from Venezuela and financial, trade and military assistance from Beijing. This will further enable China to sustain an anti-United States consortium across the region.

In "Unrestricted Warfare," the PLA author-Colonels describe the "most basic article" of ancient Chinese warfare, the technique they call "the side-principle." In ancient times, this referred to avoiding clashing with an enemy's powerful sword in a frontal collision, at his point of strength, but rather using one's sword to cut into the warrior's exposed side. In other words, applying deft skill "to cut things apart without one's sword being damaged." For America, which increasingly embraces a "globalist" future, our vulnerabilities involve areas of global economics,

communications, information and culture that we consider to be non-military in nature.

Chinese strategists believe that the Western military has not yet fully understood the utilization of private or multi-national corporations as instruments of warfare. This is borne out in recent events, such as the relative ease at which Chinese companies owned or controlled by the Communist government or their allies have entered American capital markets. It is also exemplified by the lack of national security concern in Washington when Beijing cronies, such as Li Ka-shing and his Hutchison Whanpoa Ltd. corporation gain control of strategic ports in the Americas, such on both ends of the Panama Canal.

If American officials had taken Chinese military doctrine more seriously, even before 9/11, they may have begun tracking the al Qaeda links to the Chinese military through their Pakistani allies -- who supported bin Laden's jihad against India and the West.

We should also take seriously the developing shift in allegiances in Latin America. On April 30, 2005, during the international Labor Day weekend Castro and Chavez appeared together in Havana's Karl Marx Theater in a meeting with free trade opponents from throughout Latin America. The two caballeros hammed it up for international reporters and ridiculed the United States failures throughout Latin America, and vowed to build effective leftist alternatives to US policy in the region. Appealing to massive poverty-stricken Latin Americans disillusioned with the promise of American style free markets, Chavez, backed by Castro, countered with his own plan in 2004 - the Bolivian Alternative for the America [ALBA]. "We must congratulate Condoleeza Rice for the failure of the FTAA [Free Trade Agreement of the Americas]", Castro roared, calling it a plan for US multinational corporations to exploit the poverty of its southern neighbors. "The FTAA is dead, ALBA is coming," Castro exclaimed. Thus far, however, the only country to join ALBA is Cuba, which relies heavily on Venezuela for cash assistance and oil, while China provides military and technical assistance in place of Castro's former benefactors - the cash-strapped Russians.

In a recent article, American expert on Cuba, Otto Reich, wrote, "With the combination of Castro's evil genius, experience in political warfare and economic desperation, combined with Chavez' unlimited [oil] money and recklessness, the peace of this region is in peril."

Chavez, emboldened by support from Cuba and China, is being accused in the Latin American media of coordinating the removal of Ecuadorean President Lucio Gutierrez in Spring 2005. Guterrez had tried to model US policies on trade and hosted US military bases for counter narcotics operations in Colombia, whose government has also sought economic, political and military assistance from Beijing. U.S. intelligence has said that Chavez has financed violent insurgent groups in Ecuador, Peru and Bolivia. Not coincidentally, Peru and Bolivia are also oil producing nations, whose resources are vital to US stability.

Chinese military ties to Cuba, while not offering an immediate conventional military threat to the United States do in fact enable Beijing to open an assymetrical cyber warfare base near America's shores. US military Southern Command's top General, Bantz Craddock, told the US Congress that in 2005, Chinese military officials have made 20 visits to Latin America and the Caribbean region, and military delegations from nine Latin countries made official visits to

China.

A high level US security official recently told the Miami Herald newspaper that Cuba is already a direct threat and potentially other Latin American countries, such as Brazil, could host Chinese cyber warfare and satellite stations that could seriously harm the United States. "We know that China has made a top priority of this knowledge based warfare," the official said."As other Latin countries tighten defense and economic links with China, some may be tempted to think that 'We can get away with letting China do these things here.'"

Both Venezuela and Cuba are receiving overt and subtle military assistance from China. Beginning in the year 2000, China and Cuba began publicly signing wide-reaching economic, political and military assistance agreements. Equally important, to enhance its offensive asymmetrical military options against the United States -- especially if war should break out in the Western Pacific, the Sea of Japan, the South China Sea or in the Taiwan Strait -- China was able to obtain major listening posts and communications jamming stations in Cuba. These stations could also be used for sophisticated cyber war and electronic jamming capability that could paralyze parts of U.S. command and control of coordinating its Atlantic and Pacific based forces during wartime.

In July 2005, the threat of a Chinese nuclear first-strike against US major cities was stated publicly by the Dean of China's National War College. Before or after such a cataclysmic attack, electronic warfare out of Cuba to jam US emergency broadcast communications would debilitate US emergency response systems causing further widespread chaos and casualties.

It has been confirmed by international media that China is operating a sophisticated electronic spy system in Cuba against the United States. Castro is also taking pride in what he calls "electronic warfare against the Yankee imperialism" according to intelligence sources and government agencies.

"For China the utilization of Cuba as an electronic spy base is of great importance because of its strategic location in the United States' backyard", commented a former U.S. intelligence officer. The Chinese electronic spy bases have been camouflaged under a pretext of collaboration between China and Cuba in the field of electronic and radio communications, who signed expanded agreements in February, 2004 during a visit to Havana by the Chinese foreign minister, Chi Haotian.

The main Chinese electronic spy bases in Cuba are located to the northeast of Santiago de Cuba in the far east of the country and in the Bejucal area in the province of Havana, according to intelligence sources. The base of antennas in Santiago de Cuba is mainly dedicated to the capture of U.S. military satellite communications, meanwhile in Bejucal the Chinese have created a complex interception system of telephone communications.

To disguise these activities, the official Chinese station, Radio China International is transmitting its programs from Havana to the United States and Latin America.

"The transmissions of Radio China International are originating from Havana on the station

9570.0 KHZ", an international FCC report confirmed. The FCC situated the transmitter of Radio China International at 22.56.00 North and 82.23.00 West near the city of Bejucal, to the Southwest of Havana.

"Cuba is now interfering low and high band frequencies, with a strong transmitter, like never done before", the FCC report indicated. "On some occasions the interference is so strong that it sounds like Star Wars", the report added. According to U.S. official sources, during the past few years Cuba has been conducting electronic interference up the U.S. East Coast by using strong equipment of high band frequencies, including disruption of radio communication traffic in New York.

"The Cubans are interfering with air traffic communications and have even made false transmissions to the air traffic control tower in New York," a memo from the FCC confirmed, which was obtained by the Miami El Nuevo Herald.

These interferences, captured by U.S. electronic monitoring services, have located the sources southeast of Havana and in the province of Pinar del Rio. On May 13, 2001 at 4:48 pm a false transmission made to the control tower in New York was produced from Pinar del Rio and its origin was located at 22.12 North and 83.34 West. "On this occasion the conversation on a high band frequency falsely identifying itself as 'OPEC21', a U.S. military flight (C130 plane)", underlined the report.

"This is such a delicate topic that it is practically being treated in a secret manner due to its political implications", the source commented. The Chinese bases are in addition to the electronic spy stations that Russia operates in Lourdes province of Havana, for which Cuba receives \$200 million annually.

The growing political, economic and military relationships aggressively pursued by China on America's doorstep, are centered around its relationship with Fidel Castro, the region's still-vibrant anti-America political warfare practitioner and his oil-rich protégé Hugo Chavez in Venezuela. This presence, coupled with China's growing political and economic influence, \with its submarines now ready to be equipped with nuclear multiple-warhead missiles, pose an encircling military threat to the United States, never before seen in our nation's history.

In effect, the Chinese are engaged in building a multi-dimensional strategic and tactical surrounding of the United States: on the Latin American land mass and islands, beneath the Pacific Ocean waves and in aero and cyber space. A new generation of well-schooled and determined Chinese strategists, have become grand masters of the age old Chinese game of strategy called "Wei Chi" or "Goh." In a Wei Chi contest, a player makes the decisive winning move when his opponent is completely surrounded and unable to maneuver, as in the clutches of a python. In effect, we could label China's growing strategic ties with Havana and other Latin American nations, as well as the ability to attack from the sea and in cyber space makes the ancient Wei Chi technique far more effective today.

What can be done to counter China's moves into Latin America? I recommend the following:

- First and foremost, we must not take our southern neighbors for granted, militarily, economically or politically. Efforts must be made to budget American developmental resources towards cost effective grassroots economic development programs to counter strategic humanitarianism such as Chavez's Bolivarian populism and Castro's medical teams.
- US policymakers should make a thorough review of the Monroe Doctrine to see how it may be applied to today's developments in the region.
- US policymakers should not take for granted the renewed anti-US alliance between Russia and China, whether in Eurasia or in Latin America, including intelligence and organized crime networks.
- In the 21<sup>st</sup> Century, electronic- and cyber-warfare bases in Cuba are as serious a threat to US security as Russian missiles were in the 1960s. There should be counter-measures developed to neutralize these bases without creating collateral casualties to Cuban civilian populations.
- Training of Latin American military officers should be preconditioned with a ban on these officers from attending military training or observing war games in China.
- Although it may be a late effort, a review of how Hutchison Whampoa received the Panama Canal ports contract should be reviewed by US Congressional and Trade Commissions, with appropriate action taken if corruption is proven.
- Hugo Chavez in Venezuela should be seen as more dangerous to the United States than any Middle Eastern dictator. A variety of methods should be made to strengthen the Venezuelan opposition movements against Chavez.
- China should not be permitted to participate in United Nations peace keeping missions in the Americas. Beijing's behavior on politicizing the Haitian peace keeping mission should be an indicator of China's negative intentions today and in the future.
- American policymakers, counter-intelligence and military officials should be required to study the same texts, ancient and modern, on geo-strategy and war fighting that are studied and practiced by Chinese military and geo-strategy officials.



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Mr. Santoli is the author of numerous books and monographs, including the New York Times best-selling EVERYTHING WE HAD, An Oral History of the Vietnam War. He is also the author of TO BEAR ANY BURDEN: The Vietnam War and Its Aftermath; NEW AMERICANS: Immigrants and Refugees in the U.S. Today; LEADING THE WAY; and EMPIRES OF THE STEPPE: Russia and China, From Antiquity to 1912.

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