

Argentina's integration into the World



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Middle Eastern Defense Industries and their links to South America*

Paulo Botta**

Introduction

Since the Second World War, the countries of South America have been conceptualized as part of a region of primary interest to the United States (U.S.), what Washington calls the “Western Hemisphere”. Although during the Cold War, there was competition between the two great powers for influence in the region, almost all countries, except for Cuba, ended up joining the Western bloc. This trend continued into the post-Cold War period, leaving room for new extra-regional actors only at the beginning of the 21st century (Botta, 2024).

On the other hand, the countries of the Middle East were also caught up in this competition between powers during the Cold War. Their relations with extra-regional powers diversified and expanded later on, in which Russia and China have played a particularly important role.

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What both regions have had in common since the end of the Second World War is that they have been net importers of weapons systems. In the case of the South American countries, it was mainly Western systems from NATO countries, while in the case of the Middle East, we found countries that were more dependent on Western systems and other countries that were more closely linked to the Soviet Union (USSR) in terms of armaments.

Since the beginning of the 21st century, however, there has been a growing trend in the development of local arms industries in several Middle Eastern states: Israel because of its clear technological advantages and its strong links with the U.S. and other global players; Türkiye because of a government strategy to reduce its dependence on external sources; and Iran as a consequence of international embargoes that have made its potential sources of supply very limited, which has encouraged the local defense industry. But at the same time, other states, particularly Gulf Arab states such as Saudi Arabia and the United Arab Emirates (UAE), embarked on programs to develop local arms industries in cooperation with Western companies.

Such development of local industries, by economic logic, necessarily requires markets that exceed local demand. No weapons system, from its conception, design, manufacture, testing, standardization, production line, etc., can be conceived of as destined only for the country that has produced it. Even if its characteristics offer significant advantages, a version with fewer capabilities is developed solely for export.

From this point on, it is necessary to find markets for their products, and this is where Latin American countries come

into play for the defense industries in the Middle East. However, this strategy has important structural limitations that are not easy to overcome: the products offered by the said companies cannot compete with those of the major players in central countries, the markets in Latin America are very small, and the political positions of countries often drive them apart rather than bringing them closer together.

For this reason, this article analyzes not only the classic aspect of linkage, one region versus another as a market for its products, but also the innovative strategies implemented by the Arab Gulf countries, which see Latin America as a region where they can find technological partners who can not only transfer know-how but with whom they can develop new products and exploit niches.

The defense industries of these countries are seeking to meet the challenges that traditional strategies have failed to address, and to create new mechanisms of action that will benefit both regions.

Defense spending in the Middle East

Several Middle Eastern countries are among the world's major importers: Saudi Arabia (2nd with 8.4% of total world imports), Qatar (3rd with 7.6%), Egypt (7th with 4%), Kuwait (12th with 2.7%), the UAE (14th with 2.4%), Israel (15th with 2.1%), Türkiye (17th with 1.6%), Bahrain (31st with 0.7%). Overall, arms imports from Middle Eastern countries account for 29.5% of the world total.

Given these percentages and origins of purchases, which are almost exclusively from the U.S. or European countries, it is difficult to believe that there is any room for purchases from other Middle Eastern countries. The only exception is the UAE, whose purchases from Türkiye accounted for 9.9% of the total. This is due to the purchase of Rabdan infantry fighting vehicles, originally produced by the Turkish company Otokar, which began manufacturing them in the Arab country through a joint venture with the Emirati company Al Jasoor (part of the EDGE Group) (Army Technology, 2021).

SIPRI data show that although Middle Eastern countries spend a significant proportion of their resources on defense, the bulk of their procurement is concentrated in core countries rather than in peripheral regions such as Latin America (SIPRI, n.d.).

In the 1980s, some sectors of the defense industry in Argentina and Brazil generated proposals for sales to Saudi Arabia, Iran and Iraq, but the asymmetry between Latin American countries and the central powers prevented these sales from materializing, although some minor sales were made during the Iran-Iraq war, with Argentina selling to Iran and Brazil to Iraq.

From 2020 to 2023, according to the SIPRI database, Brazil is the only Latin American country to have sold material to the Middle East on three occasions: training aircraft and armored vehicles to Lebanon and multiple rocket launchers to Saudi Arabia.

| Table 1: Procurement by Middle Eastern countries from Latin American countries | | | | | | | | | |
|---|-----------------|----------------------|-----------------------|---------------------------|---------------------------|-------------------------|----------------------------|---------------|---|
| Recipient | Supplier | Year of order | Number ordered | Weapon designation | Weapon description | Number delivered | Year(s) of delivery | Status | Comments |
| Lebanon | Brazil | 2015 | 6 | EMB-314 Super Tucano | trainer/combat aircraft | 6 | 2017; 2018 | New | \$173 m deal; A-29B version; from US production line; for combat role |
| Lebanon | Brazil | 2014 | 20 | VBTP Guarani | APC | 20 | 2017 | New | Part of EUR30 m deal; ordered via Italy; VBTP-MR version |
| Saudi Arabia | Brazil | 2014 | 10 | ASTROS-2000 | self-propelled MRL | 10 | 2016 | New | |

Source: (SIPRI, n.d.)

The fact that a country like Saudi Arabia, which accounted for 11% of the world total in 2014-2018 and 8.4% of the world total in 2019-2023, has made only one purchase from a Latin American country in twenty years is a sign of the very limited

quantitative impact of sales by Latin American companies in the Middle East.

The chances that systems from Latin American companies will be able to compete with offers from central countries are almost nil. They are not more technologically advanced products, nor are they combat-proven. Also, their acquisition does not involve positive externalities such as the strengthening of defense ties, as is the case when systems are acquired from the major powers.

Defense industries in the Middle East

If there are few opportunities for sales from Latin American countries, despite the large availability of resources in Middle Eastern countries, we can wonder about the opportunities for Middle Eastern countries in Latin American markets.

SIPRI's Trends in International Arms Transfers 2023 data show that the main arms exporters in the period 2019-2023 will be the United States, France, Russia, China and Germany (Wezeman, Djokic, George, Hussain. & Wezeman, 2024). These five states account for 75.4% of total global arms exports in this period. They are followed by Italy, the UK, Spain, Israel (9th place, with 2.4%) and Türkiye (11th place, with 1.6%). Also on the list are the UAE (20th, with 0.3%) and Iran (25th, with 0.2%). The four states in the region that appear on this list represent a very small proportion of global arms sales in quantitative terms—together they account for only 4.5%.

In the previous period of 2014-2018 analyzed by SIPRI, Israel accounted for 3.1% (down 25%), Türkiye for 0.7% (up 107%),

the UAE for 0.4% (down 24%) and Iran for 0.1% (up 100%). The total share was 4.3%.

Thus, comparing 2014-2018 with 2019-2023, we see that two states have increased their global share—Türkiye and Iran—and two states decreased—Israel and the UAE. In the period 2019-2023, Israeli exports are concentrated on India (37%), the Philippines (12%), and the U.S. (8.7%).

Beyond the country data, which only represent the origin, we must also look at the companies that are the central players, even if many of them are public companies or with some state participation.

In the global market, companies from the Middle East have a peripheral presence. There are three Israeli and four Turkish companies in the top 100 (SIPRI, 2023). The Israelis are Elbit Systems (24th, 29th in 2021 and 35th in 2013), Israel Aerospace Industries (35th, 38th in 2021 and 38th in 2013) and Rafael (42nd, 46th in 2021 and 52nd in 2013).

The Turkish companies are ASELSAN (60th, 54th in 2021 and 71st in 2013), Baykar (76th, 100th in 2021 and not in the 100 in 2013), Turkish Aerospace Industries (82nd, 83rd in 2021 and 106th in 2013) and Roketsan (100th, 107th in 2021 and far from the 100 in 2013).

However, the trend is clear: both the three Israeli companies and the four Turkish companies have increased their presence between 2013 and 2022. Companies from the other Middle Eastern countries, the UAE and Iran, are much smaller and are not among the largest globally.

Latin American acquisitions by Middle Eastern countries

Latin America is one of the least important regions in terms of global arms imports. SIPRI data show that the region's share decreased by 19% between 2014-2018 and 2019-2023.

Brazil, which accounts for 44% of total Latin American imports, has increased its share by 26% between 2014-2018 and 2019-2023, but this is not enough to make Latin America a significant region in terms of arms imports (Wezeman, *et al* 2024). This less relevant market is linked to the central players: France (23%), the U.S. (14%) and the UK (12%). Russia was not present in the region in the period 2019-2023.

If we focus on the links with Middle Eastern countries over a longer period (2000-2024), we see that the SIPRI data indicate that the acquisitions made by Latin American countries in the Middle East have not been relevant (see Table 3).

Only Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru and Venezuela made purchases during this period. Of these, Argentina and Paraguay made only one purchase each. In both cases, the supplier was Israel: in the case of Argentina, EL/M-2022 radars were purchased from Israel Aerospace Industries (IAI), and in the case of Paraguay, EL/M-2106NG radars were produced by the same company. Argentina had an excellent arms relationship with Israel in the 1970s and maintained it during the 1982 Malvinas (Falkland) War against the UK (Dobry, 2011).

What is certain is that the modernization of the Argentine IA63 Pampa trainer aircraft, produced by FADEA (Fábrica Argentina de Aviones), includes avionics and landing gear from

Elbit Systems and Israel Aircraft Industry (Piñeiro, 2018). As these companies are the ones that must issue the end-user certificate, the Israeli government in 2019, for instance, opposed the sale of these aircraft to Bolivia due to the fluid relations between Bolivia and Iran (Los Tiempos, 2019).

The rest of Latin America has also acquired Israeli systems, with some one-off purchases from Türkiye, in the case of Colombia, which bought HY1-12 120mm mortars produced by the Turkish company MKE, and Ecuador, which bought Cobra-2 wheeled armored vehicles produced by the company Otokar.

Brazil bought three second-hand F-5E Tiger-2 aircraft from Jordan, possibly to cannibalize their spare parts; Chile bought a Bell-412 helicopter from Bahrain for the same purpose; and Mexico bought MILAN anti-tank missiles from Qatar. Even Venezuela, in the early days of Hugo Chávez's presidency and before his pro-Iranian turn in foreign policy, purchased systems from Israel: EL/M-2238 STAR radars for the modernization of its Lupo (Sucre) frigates and Barak-1 missiles (both systems produced by Israel Aerospace Industries) and BVRAAM Python-4 missiles (produced by Rafael).

In short, Israel has been the Middle Eastern country with the strongest presence in Latin American markets for more than 40 years—almost the only one, one might say. In the last twenty years, it has sold systems to Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru and even Venezuela.

| Table 2: Summary of purchases from Latin American countries to Middle Eastern countries | | | | | | |
|--|---------------|----------------|-------------|---------------|----------------|--------------|
| | Israel | Turkiye | Iran | Jordan | Bahrain | Qatar |
| Argentina | X | | | | | |
| Brazil | X | | | X | | |
| Chile | X | | | | X | |
| Colombia | X | X | | | | |
| Ecuador | X | X | | | | |
| Mexico | X | | | | | X |
| Paraguay | X | | | | | |
| Peru | X | | | | | |
| Venezuela | X | | X | | | |

Source: Personal elaboration based on SIPRI data.

This pre-eminence is facing significant challenges after the start of the Gaza war in October 2023. Colombia and Chile, two of Israel's defense partners, have taken very critical foreign policy positions, undermining their defense ties. Colombia has severed diplomatic relations with Israel, and tensions between Israel and Chile have led the Chilean government to exclude Israeli companies from the FIDAE (International Air and Space Fair), the most important of its kind in South America held in April 2024 (García, 2024a).

In the case of Colombia, which, as shown in Table 3, has many systems of Israeli origin, the severing of relations will have an impact on the possibility of maintaining them (Saavedra, 2024). One case of great relevance is the maintenance of the Kfir aircraft, the backbone of Colombian combat aviation,

which is nearing the end of its service life and which had an agreement with Israel Aerospace Industries to ensure its logistical support until the end of 2024 (Saumeth, 2024).

Also affected are two projects that had been initiated: the selection of the 155mm ATMOS self-propelled howitzer from Elbit Systems for the Colombian Army (Zona Militar, 2024), and negotiations for the acquisition of BARAK MX air defense systems from Israel Aerospace Industries (IAI) for the Colombian Air Force (Zona Militar, 2023).

Another important Israeli partner in the region, Chile, operates several Israeli systems: the army uses “the Torch command and control system (Elbit Systems); Galil ACE rifles (licensed from Israel Weapon Industries); and Spike anti-tank missiles (Rafael Advanced Defense System).” (AthenaLab, 2024). The Chilean Air Force operates “the National Satellite System, a US\$120 million project (Image Satellite International) and Hermes 900 drones (Elbit Systems).”(AthenaLab, 2024).

The decision by the government of President Gabriel Boric to exclude Israeli companies from FIDAE was immediately followed by the withdrawal of the Israeli defense attaché in Chile (Garcia, 2024b). It is not impossible that the cooling of bilateral relations will lead to a reduction in defense ties, at least in the short term.

The tensions between Colombia and Israel, and Chile and Israel, run counter to the foreign policy of the new Argentine government of President Javier Milei, who took office in December 2023 and has made no secret of his particular support for Israel. This may be an opportunity for Israeli companies in Argentina, which will be even more important at a time when

other Latin American markets are moving away. According to some reports, Rafael's SPIKE LR2 anti-tank missiles could be included in the modernization process of the Argentine medium tank (TAM) VCTP (personnel transport combat vehicle) and TAM VCTM (mortar transport combat vehicle) (El Estratégico, 2024). The modernization of the TAM led to contacts with Israel in 2010 (Infodefensa, 2021), then in 2021 and now again, although little has been done in terms of materialization.

For its part, Iran, where defense actors are closely linked to the state, has a much smaller presence according to SIPRI data, and is limited to sales to Venezuela (Egozi, 2023). This has been confirmed by public appearances of Peykaak III-class missile boats (called Zolfaghar in Iran) armed with Nasr-1 anti-ship missiles, confirming what the SIPRI data indicates. There has also been talk of the sale to Venezuela of Mohajer 2 drones (UAVs) (called Arpia in Venezuela) (Infodefensa, 2013), produced in cooperation with Iran's Qods Aviation Industries (Iran Watch, 2023), given the importance of these systems in Iranian-Venezuelan relations (Mokhtar, 2024).

Venezuela's very poor bilateral relations with most Latin American countries, as well as Iran's international image, are two major constraints that make it impossible for Iran's main defense partner in the region to serve as a showcase for its products, nor do any Latin American states have any intention of establishing relations with Iran in this field. Moreover, the Venezuelan opposition has repeatedly stressed that if it comes to power, relations with Tehran will be significantly reduced. Iranian-Venezuelan relations will not survive Chavismo, including defense relations.

**Table 3: Acquisitions from Latin American countries
to Middle Eastern countries**

| Recipient | Supplier | Year of order | Number ordered | Weapon designation | Weapon description | Number delivered | Year(s) of delivery | Status | Comments |
|-----------|----------|---------------|----------------|--------------------|-----------------------|------------------|--|--------|--|
| Argentina | Israel | 1989 | 5 | EL/M-2022 | MP aircraft radar | 2 | 2000; 2002 | New | Part of \$30 m modernization of 5 S-2E ASW aircraft to S-2ET in Israel |
| Brazil | Israel | 2006 | 10 | ReceLite | aircraft recce system | 10 | 2014; 2015; 2016; 2017; 2018 | New | Part of \$50 m deal; for modernized AMX (A-1) combat aircraft |
| Brazil | Israel | 2010 | 2 | Hermes-450 | UAV | 2 | 2011 | New | Brazilian designation RQ-450 |
| Brazil | Israel | 2012 | 2 | Hermes-450 | UAV | 2 | 2013 | New | BRL48 m (\$25 m) deal; Brazilian designation RQ-450; assembled in Brazil |

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|--------|--------|------|-----|------------|-----------------------|-----|---|-----|---|
| Brazil | Israel | 2009 | 8 | EL/M-2032 | combat aircraft radar | 8 | 2015; 2016; 2017; 2018; 2019; 2020; 2021; 2022 | New | For modernization of 7 A-4KU (AF-1) combat aircraft |
| Brazil | Israel | 2014 | 1 | Hermes-900 | UAV | 1 | 2014 | New | |
| Brazil | Israel | 2002 | 200 | Python-4 | BVRAAM | 200 | 2010; 2011; 2012; 2013; 2014; 2015 | New | For F-5M combat aircraft |
| Brazil | Israel | 2006 | 200 | Derby | BVRAAM | 200 | 2006; 2007; 2008; 2009; 2010 | New | For modernized F-5E (F-5M) combat aircraft |
| Brazil | Israel | 1996 | 400 | Python-3 | SRAAM | 200 | 2000; 2001 | New | |

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|--------|--------|------|-----|-----------|--------------------|-----|---------------------------------|-----|--|
| Brazil | Israel | 2006 | 10 | Litening | aircraft EO system | 10 | 2011; 2012; 2013 | New | Litening-3 version; for AMX and F-5M combat aircraft |
| Brazil | Israel | 2014 | 2 | EL/M-2022 | MP aircraft radar | 2 | 2017; 2019 | New | EL/M-2022A(V)3 version for 2 C295 (SC-105A) trans- port/SAR aircraft |
| Brazil | Israel | 2013 | 150 | Lizard | guided bomb | 150 | 2014; 2015 | New | \$2.1 m deal; Liz- ard-2 version |
| Brazil | Israel | 2005 | 9 | EL/M-2022 | MP aircraft radar | 9 | 2011; 2012; 2013; 2014 | New | Part of EUR320 m 'P-X' program for modernization of 9 P-3A ASW aircraft to P-3AM (P-3BR); EL/M-2022A(V)3 version |
| Brazil | Israel | 2007 | 2 | EL/M-2022 | MP aircraft radar | 2 | 2009 | New | EL/M-2022A(V)3 version for s C295 (SC-105A) trans- port/SAR aircraft |

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|--------|--------|------|-----|--------------|--------------------|-----|--|-------------|---|
| Brazil | Israel | 2014 | 1 | EL/M-2022 | MP aircraft radar | 1 | 2020 | New | EL/M-2022A(V)3 version for 1 C295 (SC-105A) transport/SAR aircraft from Spain |
| Brazil | Israel | 2010 | 216 | UT-25/UT-30 | IFV turret | 80 | 2014; 2015; 2016; 2017; 2018; 2019; 2020; 2021 | New | \$260 m deal; UT-30 version; for VBTP-MR Guarani IFV from Italy; produced under license in Brazil |
| Brazil | Jordan | 2007 | 3 | F-5E Tiger-2 | FGA aircraft | 3 | 2008 | Second hand | Second-hand; F-5F version; 8 more delivered probably for spare parts only |
| Chile | Israel | 2000 | 5 | Litening | aircraft EO system | 5 | 2004 | New | For F-5 combat aircraft |
| Chile | Israel | 2003 | 200 | Python-4 | BVRAM | 200 | 2006; 2007; 2008; 2009; 2010; 2011 | New | For F-16 combat aircraft |

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|-------|--------|------|------|-------------|-------------------|------|---------------------------------|-----|---|
| Chile | Israel | 1999 | 24 | K-6 120mm | mortar | 24 | 2000 | New | Designation uncertain |
| Chile | Israel | 2001 | 60 | Derby | BVRAAM | 60 | 2002; 2003 | New | For Tigre-3 (modernized F-5E) combat aircraft |
| Chile | Israel | 2001 | 80 | Python-4 | BVRAAM | 80 | 2001; 2002 | New | For Tigre-3 (modernized F-5E) combat aircraft |
| Chile | Israel | 2003 | 1000 | Spike-MR/LR | anti-tank missile | 1000 | 2004; 2005; 2006; 2007 | New | Incl for AIFV tank destroyers |
| Chile | Israel | 2011 | 3 | Hermes-900 | UAV | 3 | 2013 | New | \$40 m deal |

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|----------|---------|------|------|-------------|-------------------|------|---------------------------------|-------------|--|
| Chile | Israel | 2008 | 1200 | Spike-MR/LR | anti-tank missile | 1200 | 2009; 2010; 2011; 2012 | New | For modernized Marder IFV |
| Chile | Bahrain | 2000 | 1 | Bell-412 | helicopter | 1 | 2001 | Second hand | Second-hand |
| Colombia | Israel | 2002 | 75 | Python-4 | BVRAM | 75 | 2003; 2004; 2005 | New | For Kfir and Mirage-5 combat aircraft |
| Colombia | Israel | 2001 | 200 | Griffin | guided bomb | 200 | 2002; 2003 | New | For Mirage-5; Kfir and EMB-314 combat aircraft |
| Colombia | Israel | 2013 | 32 | Samson Mini | APC turret | 32 | 2014 | New | For 32 Piranha-3 (Stryker) APC from Canada |

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|----------|--------|------|----|-------------------|-----------------------|----|---------------|-----|--|
| Colombia | Israel | 2010 | 1 | EL/I-3120 CMM | SIGINT system | 1 | 2011 | New | |
| Colombia | Israel | 2006 | 2 | EL/I-3120 CMM | SIGINT system | 2 | 2007 | New | For 2 King Air SIGINT (ELINT) aircraft from USA |
| Colombia | Israel | 2007 | 5 | ReceLite | aircraft recee system | 5 | 2010; 2011 | New | For Kfir combat aircraft |
| Colombia | Israel | 2007 | 1 | air refuel system | air refuel system | 1 | 2010 | New | For modification of 1 Boeing-767 transport aircraft from USA to MMTT tanker/transport aircraft in Israel |
| Colombia | Israel | 2009 | 40 | Derby | BVRAAM | 40 | 2010 | New | For Kfir C-10 combat aircraft |

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|----------|--------|------|-----|-----------|-----------------------|-----|---------------|----------------|---|
| Colombia | Israel | 2009 | 100 | Python-5 | BVRAMM | 100 | 2010; 2011 | New | For Kfir combat aircraft |
| Colombia | Israel | 2007 | 10 | Litening | aircraft EO system | 10 | 2010; 2011 | New | Litening-3 version; for Kfir combat aircraft |
| Colombia | Israel | 2007 | 11 | EL/M-2032 | combat aircraft radar | 11 | 2011 | New | For modernization of 11 Kfir C-7 to Kfir C-10 |
| Colombia | Israel | 2017 | 2 | Kfir C-2 | FGA aircraft | 2 | 2017 | Second hand | Second-hand; Kfir TC-2 trainer/combat version |
| Colombia | Israel | 2009 | 15 | Spike-ER | anti-tank missile | 15 | 2009 | New | |

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|----------|--------|------|-----|---------------|---------------------|-----|---------------|-----|--|
| Colombia | Israel | 2019 | 15 | Spike-ER | anti-tank missile | 15 | 2020 | New | |
| Colombia | Israel | 2004 | 100 | Nimrod | land-attack missile | 100 | 2005; 2006 | New | Supplier could be Chile |
| Colombia | Israel | 2012 | 3 | Hermes-450 | UAV | 3 | 2013 | New | |
| Colombia | Israel | 2013 | 2 | EL/1-3120 CMM | SIGINT system | 2 | 2014; 2015 | New | For modification of 2 CN-235 transport aircraft to ECN-235 ELINT aircraft; designation uncertain (reported as ELINT systems) |
| Colombia | Israel | 2012 | 1 | Hermes-900 | UAV | 1 | 2014 | New | |

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|----------|--------|------|-----|------------|--------------|-----|---------------------------------|----------------------------|--|
| Colombia | Israel | 2007 | 10 | Kfir C-7 | FGA aircraft | 10 | 2009; 2010 | Second hand but modernized | Second-hand but modernized to Kfir C-10 (Kfir COA) before delivery; part of \$162 m deal (incl modernization of 11 Colombian Kfir) |
| Colombia | Israel | 2013 | 8 | SandCat | APV | 8 | 2014 | New | Part of 'Plan Meteoro' program |
| Colombia | Israel | 2002 | 75 | Python-3 | SRAAM | 75 | 2003; 2004; 2005 | New | For Kfir and Mirage-5 combat aircraft |
| Colombia | Israel | 2007 | 3 | Kfir C-7 | FGA aircraft | 3 | 2010 | Second hand but modernized | Second-hand; part of \$160 m deal; probably modernized to Kfir C-12 before delivery |
| Colombia | Israel | 2010 | 110 | Spike-NLOS | SSM/ASM | 110 | 2014; 2015; 2016; 2017 | New | For UH-60 helicopters modernized to Arpia-4 |

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|----------|---------|------|-----|--------------|-------------------|-----|---------------------------------|-----|--|
| Colombia | Israel | 2010 | 70 | Spike-ER | anti-tank missile | 70 | 2014; 2015; 2016; 2017 | New | For UH-60 helicopters modernized to Arpia-4 |
| Colombia | Israel | 2007 | 200 | Griffin | guided bomb | 200 | 2013; 2014 | New | |
| Colombia | Turkiye | 2008 | 38 | HY1-12 120mm | mortar | 38 | 2009 | New | |
| Ecuador | Israel | 2001 | 50 | Python-4 | BVRAM | 50 | 2004 | New | For Kfir CE (modernized Kfir C-2) and Mirage F-1 combat aircraft |
| Ecuador | Israel | 2004 | 300 | MAPATS | anti-tank missile | 300 | 2005 | New | |

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|---------|---------|------|-----|-----------------|-----------------------|----|---------------|-------------|---|
| Ecuador | Israel | 2008 | 2 | Heron | UAV | 2 | 2009 | New | Part of \$23 m deal |
| Ecuador | Israel | 2008 | 4 | Searcher | UAV | 4 | 2009 | New | Part of \$23 m deal |
| Ecuador | Israel | 2000 | 7 | EL/M-2032 | combat aircraft radar | 7 | 2004; 2005 | New | For modernization of Kfir combat aircraft |
| Ecuador | Turkiye | 2023 | 200 | Cobra-2 | APC | 20 | 2023 | New | |
| Mexico | Israel | 2004 | 4 | S-65/Yasur-2000 | transport helicopter | 4 | 2005 | Second hand | Second-hand; \$26-27 m deal |

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|--------|--------|------|----|-----------------|--------------------|----|------|-------------|--|
| Mexico | Israel | 2002 | 3 | E-2C Hawkeye | AEW&C aircraft | 3 | 2004 | Second hand | Second-hand; \$18 m deal; incl for anti-narcotics operations |
| Mexico | Israel | 2001 | 2 | C-130E Hercules | transport aircraft | 2 | 2002 | Second hand | Second-hand |
| Mexico | Israel | 2008 | 2 | Hermes-450 | UAV | 2 | 2009 | New | Part of \$25 m deal |
| Mexico | Israel | 2003 | 20 | Gabriel-2 | anti-ship missile | 20 | 2004 | New | For 2 Aliya FAC |
| Mexico | Israel | 2013 | 3 | ASIO | AGS/SIGINT system | 3 | 2016 | New | For 3 Citation-1 light transport aircraft from USA modified to AGS/SIGINT aircraft |

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|----------|--------|------|-----|----------------|-------------------|-----|---------------|-------------|---|
| Mexico | Israel | 2015 | 2 | Dominator-2 | UAV | 2 | 2015; 2016 | New | |
| Mexico | Israel | 2017 | 2 | Aerostar | UAV | 2 | 2017 | New | |
| Mexico | Israel | 2003 | 2 | Aliya/Saar-4.5 | FAC | 2 | 2004 | Second hand | Second-hand; \$64 m or \$90 m deal |
| Mexico | Qatar | 2006 | 559 | MILAN | anti-tank missile | 559 | 2006 | Second hand | Second-hand |
| Paraguay | Israel | 2011 | 2 | EL/M-2106NG | air search radar | 2 | 2011; 2012 | New | PYG14 b (\$3.5 m) deal; EL/M-2106NG version |

| | | | | | | | | | |
|-----------|--------|------|-----|-------------|-------------------|-----|------------|-----|--|
| Peru | Israel | 2009 | 516 | Spike-MR/LR | anti-tank missile | 516 | 2009 | New | Spike-LR version; deal incl also 48 launchers |
| Peru | Israel | 2014 | 175 | Spike-ER | anti-tank missile | 175 | 2015; 2016 | New | |
| Peru | Israel | 2016 | 7 | RAM | APV | 7 | 2016 | New | |
| Venezuela | Iran | 2022 | 25 | C-701/FL-8 | anti-ship missile | 25 | 2023 | New | For Peykaap-3 FAC; Kowsar version (designation uncertain; could be C-705/Nasr) |
| Venezuela | Iran | 2007 | 12 | Mohajer | UAV | 12 | 2012; 2013 | New | Probably Mohajer-3 version; Venezuelan designation probably Sant Arpia |

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|-----------|--------|------|----|----------------|------------------|----|------------|-----|---|
| Venezuela | Iran | 2022 | 6 | Peykaap | FAC | 6 | 2023 | New | Peykaap-3 version |
| Venezuela | Israel | 1999 | 2 | EL/M-2238 STAR | air search radar | 2 | 2002 | New | For modernization of 2 Lupo (Sucre) frigates |
| Venezuela | Israel | 1999 | 40 | Barak-1 | SAM | 40 | 2005; 2006 | New | \$20 m deal (incl 3 ADAMS launchers); for Defender SAM system from Netherlands; ordered via Dutch company; option on more |
| Venezuela | Israel | 2003 | 54 | Python-4 | BVRAAM | 54 | 2004 | New | \$7.5 m deal; for F-16A combat aircraft |

Source: SIPRI. Arms Transfer database

New paradigms of defense relations

Only a few companies from Arab Gulf countries are among the most important arms suppliers and they have almost no presence in Latin America in terms of sales of weapon systems; no Latin American company is among the 100 most

important and they made only 4 sales in 20 years to Middle Eastern countries.

Since the Middle East is one of the most important areas in terms of acquisitions and arms suppliers are concentrated in central countries, there is little scope for new Latin American sources of weapons systems given the high level of competition and the low political benefits that such acquisitions could bring.

Finally, Latin America is one of the least relevant regions in terms of global acquisitions, which also originate in central countries, and due to structural economic factors in the situation of interstate stability, there is no expectation of demand for new systems.

Taking all these elements into account, one could infer that there is almost no scope for greater links between Middle Eastern and Latin American countries in the defense industry, but this is not the case. What is called the “classical paradigm”, i.e., seeing Latin America as a potential market for Middle Eastern defense companies or vice versa, faces structural limitations that make any kind of sustainable development with opportunities for sustained growth impossible.

Even countries with stronger historical ties (as in the case of Israel) or potential (as in the case of Turkish drones) cannot overcome political divergences, or the positive non-financial externalities associated with purchases from core countries. Acquiring a weapon system is only partly an economic issue; it is a political decision based on military criteria and needs, driven less by the availability of economic resources than by trust and foreign policy considerations.

This is why what countries such as Türkiye, Saudi Arabia and the UAE are doing represents a novelty, a “new paradigm” in defense relations between the Middle East and Latin America. Türkiye is perhaps the country that has understood before anyone else the value of cooperation through joint work in technology-intensive areas related to defense. An example of this is the initiative that has brought together Turkish and Argentine satellite companies (González Levaggi & Blinder, 2021). In 2019, Türkiye's Turkish Aerospace Industries (TAI) and Argentina's INVAP signed an agreement to jointly develop a geostationary satellite.

The Turkish-Argentinean initiative is important because it shows how states with different motivations and political systems, overcoming geographical and cultural distance, can work together to find the ideal way to develop products while avoiding dependence on the major powers that usually monopolize this type of technology. The Turkish initiative can point to the potential of this type of cooperation paradigm between countries in the Global South, in particular two Arab Gulf states: Saudi Arabia and the UAE.

Saudi Arabia, through Saudi Arabia Military Industries—SAMI, and the UAE, through the EDGE Group, are implementing initiatives that focus not on finding customers for their products, but on identifying technology partners with whom to co-develop systems. It is important to note that these actions are part of the modernization and economic diversification projects of these Arab countries: Saudi Vision 2030 and UAE Vision 2031.

Saudi Arabia is the largest defense spender in the Middle East and the fifth largest in the world. However, since the early

1970s, its defense industry has focused only on the assembly of some systems or maintenance activities (Czulda, 2024a). This has started to change in recent years. One example of this Saudi policy is the organization of the World Defense Show, a security and defense systems exhibition, the first of which was held in 2022, the second in 2024 and the third in 2026 (Czulda, 2024b).

SAMI was established in May 2017 and is part of the Public Investment Fund (PIF), whose working strategy is directly framed by the Saudi Vision 2030 project. It set a very ambitious target that by that date, 50% of defense spending should be carried out by Saudi companies (Kingdom of Saudi Arabia, n.d.), and to achieve this, it is essential to attract investment and establish strategic alliances, and this is where some Latin American countries appear.

The natural partners are the U.S. and Türkiye, which are linked to the types of systems and the ability to ensure interoperability. However, differences with Washington in the political sphere have slowed down defense relations, which focus not on purchases but on the establishment of foreign companies in Saudi Arabia and the transfer of technology. Argentina, on the other hand, another G20 country, also has been developing cooperation projects with Saudi Arabia in the nuclear sector since 2015 (INVAP, 2015).

In the case of Türkiye, the outlook is better, with prospects for increased cooperation and joint production in the future (Schiavi, 2024). For its part, Türkiye has an additional attraction for Riyadh, namely Ankara's experience in "nationalizing" its defense industry, a policy implemented more than two decades ago, and which has yielded good results.

Brazil, another country that shares G20 membership with Türkiye and Saudi Arabia, appears to be the most promising state in areas such as commercial aviation, where SAMI and Brazil's Embraer have signed a cooperation agreement on the C-390 Millennium aircraft, including an MRO (maintenance, repair, overhaul) facility in Saudi Arabia that could become a regional hub (Embraer, 2023). Embraer is the main Brazilian company in the sector and its products, both civil and military, have found niches in different parts of the world. Another Brazilian company, Avibras, which produces the Astros missile launcher operated by Saudi Arabia, was used in the Sword of Peace 12 military exercise (Caiafa, 2024a). The company also manufactures other artillery and missile systems, although it has recently experienced significant financial problems (Bastos, 2023). It would not be unreasonable to think that a Saudi fund might be interested (Caiafa, 2024b).

Clearly, SAMI sees Brazil as a relevant partner. From the point of view of Brazilian industry, transport aviation and artillery systems appear to be the sectors most in need of buyers, financing and technological partners.

The UAE's Vision 2031 also highlights the importance of the aerospace and defense sector in its economic development and diversification strategy (Government of Abu Dhabi, 2008). The Emirati EDGE Group, established in 2020, is implementing a strategy to strengthen its presence in Latin America, establishing its first South American office in Brazil in April 2023 (EDGE, 2023a) and signing an agreement with the Brazilian Air Force to jointly develop unmanned and autonomous systems, smart weapons and aerospace projects (Helou, 2023a), as well as another agreement with the Brazilian Navy to de-

velop long-range anti-ship missiles (Helou, 2023b). In September 2023, it acquired 50% of Brazil's SIATT (EDGE, 2023b), the leading missile technology company in South America.

Brazil is attractive because it has a defense industrial base with knowledge and design assets that occupy niches in the international system, such as Embraer, SIATT or Turbomachine; human resources that can participate in joint initiatives; is a G-20 and BRICS country but not politically distant from the United States; and has Western weapon systems in its arsenals and represents almost half of South America's defense spending. It is a country that can be seen as a potential partner at various levels.

Conclusions

Structural elements limit the possibilities for linkages between the Middle East and Latin America based on the buyer-seller paradigm of the arms system. However, the modernization and economic diversification policies of the Arab Gulf states open the door to cooperation schemes based on co-development by favoring areas of foreign investment and technological innovation.

Brazil and Argentina appear to be the countries with the greatest potential, as they are both members of the G-20 and, in the case of Brazil, of the BRICS. The aerospace and missile industries in the case of Brazil and the satellite and nuclear industries in the case of Argentina are the sectors with the greatest potential for this type of inter-regional cooperation.

South America is an opportunity for the Middle East, as these are countries with a need for capital and which also favor links within the framework of the so-called South-South or Global South relations. The Middle East is also an opportunity for South America, because these are potential partners with whom agreements can be reached without the asymmetry that exists when negotiating with the major powers.

The Defense industry is an area where the middle powers of the Global South are seeking to develop technologies in sensitive sectors that could lead to very concrete mutual benefits in the medium-to-long term.

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