Department of National Defence
Canada

Directorate of Strategic Analysis
Policy Planning Division
Policy Group

Strategic Assessment 2005

Ottawa, Canada

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DEPARTMENT OF NATIONAL DEFENCE

CANADA

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POLICY PLANNING DIVISION

D STRAT A TECHNICAL REPORT 2005-32

STRATEGIC ASSESSMENT 2005

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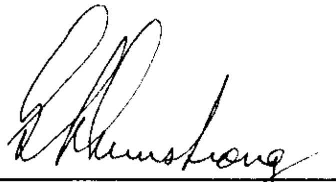

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November 2005

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Abstract

This annual report summarizes and analyzes developments that shape the global security environment. It examines regional and functional issues that affect the defence policies and military organizations of Canada, as of other countries.

Résumé

Ce rapport annuel propose un résumé et une analyse des développements qui façonnent l’environnement de sécurité mondiale. Il examine les enjeux régionaux et fonctionnels qui affectent les politiques de défense et les organisations militaires du Canada et d’autres pays.

General Preface

This volume is the latest in a series of *Strategic Assessments* published by the Directorate of Strategic Analysis since 2000. This year's *Assessment* is not an attempt to supersede those of earlier years; it is a volume in a continuing series. Neither is it to be considered an attempt to be exhaustive: if a subject is not covered in a particular *Assessment*, it may be because the editors felt that it had been adequately covered in earlier ones.

The reader is encouraged to read earlier *Strategic Assessments* at the DND website.

Preface to the 2005 Strategic Assessment

The first five annual *Assessments* contained chapters on countries or areas as well as on functional issues. An annual assessment of a country's development, written from the perspective of looking ahead five years will not, if the author has assessed reality correctly, change much from year to year. Therefore, some of the annual chapters were becoming rather repetitive.

Consequently, we have decided to make a change in the general design of the *Assessment* and write it to a theme ("A New International Strategic Environment?"). Thus, the essay on Russia no longer attempts to summarise the year and forecast future developments, but rather to discuss this year's theme from the perspective of Moscow. Likewise, the functional issue chapters are written taking the theme into consideration.

Introduction

Un nouvel environnement de la sécurité internationale

Depuis deux siècles, le monde a connu deux « séismes des puissances »; chacun, après des troubles et des guerres, des victoires et des défaites, des enrichissements et des appauvrissements, a créé une nouvelle « constellation des puissances » qui s'est maintenue jusqu'à son renversement par un autre « séisme des puissances ». L'ancien régime en Europe a été détruit, dans un climat de violence, de destruction et de mort, entre 1789, année de la convocation des États généraux à Versailles, et 1815, date de la chute finale de Bonaparte. La Grande-Bretagne a été la principale bénéficiaire de la bataille, et a conservé une position prééminente dans la structure mondiale des puissances – la *Pax britannica* – jusqu'à la guerre de 1914-1918. Celle-ci a fait basculer plus d'un empire européen, le marxisme-léninisme s'emparant du pouvoir dans l'empire russe, et a semé les germes du nazisme. Avec le recul du temps, il semble que la période qui a séparé les deux guerres mondiales n'ait été qu'un répit dans ce long « séisme ». La victoire des Alliés, en 1945, a instauré une nouvelle stabilité; la Grande-Bretagne ayant perdu beaucoup de sa puissance, et l'Europe, le Japon et la Chine en ruines, le pouvoir est passé à la périphérie du continent européen, et les États-Unis et l'Union soviétique (avec la Chine, son alliée à temps partiel) se sont affrontés dans un équilibre des puissances relativement stable.

« Séismes des puissances » et « constellations des puissances »

1789-1815 – Séisme des guerres de la Révolution française (un quart de siècle)

1815-1914 – Constellation de la P*ax britannica* (un siècle)

1914-1945 – Séisme des guerres allemandes (un quart de siècle)

1945-1991 – Constellation de la guerre froide (un demi-siècle)

1990-? – Séisme actuel (durée inconnue)

Cette courte esquisse appelle de nombreuses réserves. Les « constellations des puissances » ne sont pas nécessairement appréciées ni tolérées de ceux qui ne sont pas au centre de la puissance. Par exemple, l'animosité qu'inspirait à l'Allemagne la puissance de la Grande-Bretagne à la fin du XIXe siècle a été une des causes du « séisme » qui a suivi. La nature de la puissance tient à bien d'autres choses que les armées et les marines de guerre. Bien qu'il faille toujours tenir compte de la puissance militaire dans l'appréciation de la puissance relative d'un État, beaucoup d'autres facteurs y contribuent. La puissance économique est toujours très importante – le développement commercial de la Grande-Bretagne et son avance dans la Révolution industrielle ont été cruciaux pour sa victoire dans ses longues guerres contre la France et sa prééminence mondiale par la suite. Les idées sont aussi très importantes, comme l'ont montré durant le « séisme » de 1789-1815 la propagation de l'idéologie révolutionnaire française (et des idées qui sont apparues en réaction contre elles) ou des appuis que l'URSS a retirés de la diffusion mondiale de l'idéologie marxiste-léniniste. Le fait d'avoir possédé une grande puissance dans le passé ne garantit pas de la conserver au cours de la prochaine période d'accalmie : la puissance de l'Espagne s'était complètement désagrégée avant 1815. Durant certaines périodes, il existe plusieurs États de puissance plus ou moins égale, alors qu'à d'autres époques, un État en particulier est bien au-dessus des autres. Mais on n'a jamais connu une situation où la puissance d'un seul pays ait été à la fois absolue et

illimitée. Les périodes de « séisme » ne sont pas brèves, et il peut s'écouler beaucoup de temps avant que les dernières secousses s'en fassent sentir et que revienne la stabilité. Bref, le schéma est variable et le sujet, complexe.

La puissance, par conséquent, présente de nombreuses facettes, mais ses attributs seront toujours répartis inégalement entre les États du monde. Et c'est la répartition de cette puissance, et la manière dont les États puissants interagissent entre eux et se comportent envers les États faibles, qui constituent ce que nous appelons ici la « constellation des puissances ».

Il n'est pas douteux que la répartition des puissances relativement stable qui a duré de 1945 jusqu'à l'éclatement de l'URSS en 1991 – la guerre froide – est maintenant révolue et que nous sommes entrés dans une nouvelle ère. Comme l'enseigne l'histoire des deux derniers siècles, la naissance d'une nouvelle constellation des puissances ne promet guère d'être facile ou pacifique. La transformation sera douloureuse.

Lorsque l'effondrement de l'URSS et de son système de pays satellites a éliminé un des deux membres de la constellation des puissances, les États-Unis et leurs alliés sont restés seuls sur le terrain. Au cours de la décennie qui a suivi, les dirigeants américains ont semblé mal à l'aise dans le rôle de superpuissance unique qui revenait à leur pays. Le 11 septembre a changé cela. L'attentat djihadiste de 2001 contre les États-Unis a fait prendre conscience à Washington de l'étendue de sa puissance et provoqué sa détermination de l'employer dans son intérêt national : « Ce soir, nous sommes un pays averti du danger et appelé à défendre la liberté… Nous consacrerons toutes les ressources à notre disposition… à la dislocation et à la défaite du réseau terroriste mondial. » (Le président Bush, le 20 septembre 2001)

Nous sommes donc au milieu d'un autre « séisme des puissances ». Mais nous ne pouvons pas plus en prédire l'issue qu'il n'aurait été possible à un observateur, en 1802, après l'acceptation par une Grande-Bretagne exsangue de la paix avec la France, de prévoir le long triomphe britannique du reste du siècle; plus d'un aurait d'ailleurs parié sur le triomphe de la France. Actuellement, les États-Unis sont la puissance suprême – une hyperpuissance, selon l'expression employée par un haut fonctionnaire français. Nombreux sont ceux qui cherchent une autre puissance pour faire contrepoids aux États-Unis – certains estiment en fait avoir déjà reconnu des « pairs concurrents ». Les candidats le plus souvent mentionnés comme « pairs concurrents » actuels ou futurs des États-Unis sont l'Union européenne et la Chine, et maints observateurs suggèrent que l'Inde pourrait s'ajouter à la liste. La Chine et l'Inde peuvent sans doute être qualifiés de « grandes puissances anticipées » et, à ce titre, attirent beaucoup de flatteries empressées et suscitent beaucoup d'exagération : elles sont courtisées – la Chine tout particulièrement – parce que tous les pays veulent se mettre dans les bonnes grâces de la puissance montante. On assistait à une emphase semblable dans les années 1980, alors que le Japon était considéré comme un « pair concurrent » des États-Unis – sinon, en fait, comme une puissance destinée à surpasser les États-Unis. Aujourd'hui, par contre, on entend beaucoup moins parler du Japon comme prochaine superpuissance. Si les « grandes puissances anticipées » sont courtisées, et si leur puissance est surfaite, qu'en est-il des grandes puissances sur le déclin? La Russie est un bon exemple. Durant deux siècles, la Russie a été une grande puissance et a siégé aux conseils des puissants – elle a été un acteur de premier plan dans le règlement intervenu après la chute de Bonaparte, et

l'URSS a été une des deux superpuissances durant la guerre froide, mais ce n'est certainement plus le cas.

Le lecteur trouvera dans cette évaluation stratégique des chapitres qui analysent les forces et les faiblesses des quatre grandes puissances éventuelles. Un chapitre discute également les buts et objectifs de l'« hyperpuissance » et un autre, la notion complexe de multilatéralisme. Enfin, comme tout changement n'est pas nécessairement positif ou universellement bénéfique, le chapitre qui porte sur l'Afrique défend la thèse selon laquelle les pays de ce continent troublé ne seront sans doute pas au rang des détenteurs de la puissance mondiale dans une nouvelle « constellation des puissances », quelle qu'elle soit.

La guerre contre le terrorisme est un thème qui figure à presque tous les chapitres, ce qui ne saurait surprendre : comme nous l'avons vu plus haut, les deux principales forces qui ont précipité l'actuel « séisme des puissances » ont été l'effondrement du système bipolaire, lors de l'éclatement de l'URSS, et la réaction de Washington aux attentats du 11 septembre. L'administration Bush a décidé de frapper ce qu'elle considère comme les causes profondes du djihadisme, à savoir les régimes oppresseurs du Moyen-Orient. La secrétaire d'État Condoleezza Rice a déclaré récemment au Caire que Washington avait soutenu la stabilité au Moyen-Orient au détriment de la démocratie durant soixante ans et qu'il inverserait dorénavant cette prépondérance. *C'est là un objectif révolutionnaire* : Washington veut maintenant détruire le statu quo au Moyen-Orient et le remplacer par autre chose. Dans l'optique de cette dynamique, certains chapitres discutent les objectifs de Washington et les changements, encore modestes, survenus au Moyen-Orient.

L'évaluation de cette année comprend également des chapitres qui se rapportent au nouvel alignement stratégique des puissances : à savoir, les soulèvements pour le « pouvoir du peuple », dont nous avons vu plusieurs exemples récemment et en verrons sans doute d'autres, la nature changeante du problème de la prolifération des armes de destruction massive, la sécurité pétrolière, et les défis de la sécurité maritime alors que les économies nationales sont toujours davantage tributaires des échanges commerciaux par mer.

Chaque « séisme des puissances » des deux cents dernières années a mis un quart de siècle à s'accomplir. Si on peut voir là un indice de la durée des « séismes des puissances », il s'écoulera encore une dizaine d'années avant que n'apparaisse la nouvelle « constellation des puissances ». Les auteurs de cette évaluation sont donc justifiés de ne tirer aucune conclusion définitive quant à sa forme et à sa composition. La stratégie de Washington dans la guerre contre le terrorisme est périlleuse, il n'est pas du tout clair qu'elle réussira à endiguer suffisamment la menace, et le prix final à payer n'est pas connu non plus. D'autres pays ont été ruinés par leur victoire dans le passé. L'Union européenne semble être en difficulté aujourd'hui, mais ces difficultés ne sont pas insolubles. La Chine grandit en puissance et en richesse, mais on peut imaginer qu'elle atteigne rapidement les limites du possible. L'Inde a fait de nombreux progrès, mais a encore beaucoup de chemin à parcourir. La Russie est relativement insignifiante aujourd'hui, mais ne le sera peut-être pas toujours. En d'autres termes, aucune réponse finale n'est possible et ce sont des questions auxquelles on ne peut pas plus répondre en 2005 que l'issue des guerres de la Révolution française n'était prévisible en 1802.

Septembre 2005 – *Patrick Armstrong*

A New International Security Environment

In the last two centuries, the world has passed through two "power earthquakes;" each, after disturbances and wars, victories and defeats, enrichment and impoverishment, has created a new "power constellation" which endured until it was overthrown in another "power earthquake." The Ancien Régime of Europe was destroyed, with much violence, destruction and death, between 1789 with the convening at Versailles of the *Etats-Généraux* and 1815 with the final overthrow of Bonaparte. Britain was the principal beneficiary of the struggle and retained a pre-eminent position in the world's power structure – the so-called Pax Britannica – until the 1914-1918 war. That war overthrew many European empires, Marxism-Leninism seized power in the Russian Empire and the seeds of Naziism were sown. In retrospect, the period between the First and Second World Wars seems only to have been a breathing space in this long "earthquake." The Allied victory in 1945 established a new stability: with Britain having lost much of its power and Europe, Japan and China in ruin, power passed to the periphery of the European continent, and the United States and the Soviet Union (with China, its part-time ally) faced each other in a relatively stable power relationship.

"Power earthquakes" and "Power Constellations"

1789-1815 – The French Revolutionary Wars earthquake, quarter-century

1815-1914 – The Pax Britannica power constellation, century

1914-1945 – The German Wars earthquake, quarter-century

1945-1991 – The Cold War power constellation, half-century

1990-? – The current power earthquake, duration unknown

This brief sketch requires many qualifications. The "power constellations" are not necessarily enjoyed or tolerated by those not in the inner circle of power – for instance, the resentment by Germany of Britain's power in the late nineteenth century is one of the reasons for the subsequent "power earthquake." The nature of power is much more than just navies and armies. While military power is always to be included when summing up a nation's standing in the power rankings, many other factors contribute. Economic power is always very important – Britain's commercial development and its head start in the "Industrial Revolution" were indispensable to its victory in the long wars against France and vital to its world pre-eminence for many years after. Ideas are also very important, as was shown during the 1789-1815 "earthquake" by the spread of French revolutionary ideology (and the ideas that sprang up to resist it) or in the support that the USSR received from the world-wide dissemination of the Marxist-Leninist ideology. To have once held great power does not necessarily confer it in the next calm period – Spain's power had all ebbed away by 1815. In some periods there are a number of more-or-less equally powerful states, at other times one state stands much higher than the others. But there has never been a situation in which one country's power has been both absolute and unconstrained. "Earthquake periods" are not quick and it can take quite a lot of time before the last aftershock is felt and stability returns. In short, the pattern is variable and the subject complex.

Power, therefore, has many facets but, at any given moment, there will always be an unequal distribution of its attributes among the world's states. And it is the distribution

of that power, and how powerful states interact with each other and behave towards weak states, that make up what we are here calling the "constellation of power."

There can be no doubt that the relatively stable power arrangement that endured from 1945 to the collapse of the USSR in 1991 – the "Cold War" – is now at an end and that we have entered a new era. As the history of the past two centuries informs us, the birth of the new power constellation is not likely to be either easy or peaceful. Transformation will be painful.

When the collapse of the USSR and its satellite system removed the other half of the power constellation, the US and its allies were left alone on the field. During the decade after the fall of the USSR and its satellite system, American leaders appeared to be uncomfortable with the US's ranking as the sole superpower. That changed with 9/11. The jihadist attack on the US in 2001 awoke Washington both to the extent of its power and its determination to use it in its national interests: "Tonight we are a country awakened to danger and called to defend freedom… We will direct every resource at our command… to the disruption and to the defeat of the global terror network." (President Bush, 20 September 2001).

We are, therefore, in the midst of another "power earthquake." But we can no more predict its outcome than someone in 1802, when an exhausted Britain accepted peace terms with France, could have anticipated the long British triumph over the rest of the century and many would have placed their wager on France. At the moment, the United States is the supreme power – a hyperpower, as a senior French official has called it. Many people are looking for some power to balance the United States – some, indeed, believe that they have already identified "peer competitors." The candidates most often mentioned as present or future peer competitors of the US are the European Union or China, and many observers suggest that India could fall into the same category. China and India might, perhaps, be termed "anticipatory great powers" and as such attract a great deal of excited flattery and exaggeration: they – this is especially the case with China – are courted because every country wishes to ingratiate itself with the coming power. A similar hyperbole was seen in the 1980s, when Japan was regarded as a "peer competitor" of the US – if not, in fact, destined to surpass it. Today, however, we hear much less of Japan as the next superpower. If "anticipatory great powers" are courted, and their power exaggerated, what of declining great powers? Russia is a case in point. For two centuries, Russia was a great power and a player in the councils of the mighty – it was a principal actor in the settlement after Bonaparte's overthrow and the USSR was a diarch in the Cold War – but it certainly is not now.

In this *Strategic Assessment* the reader will find chapters that consider the strengths and weaknesses of the four potential great powers. A chapter also discusses the aims and purposes of the "hyperpower" and another the complicated notion of multilateralism. And, recognising that not all change is necessarily positive or universally beneficial, the chapter discussing Africa argues that the countries on that troubled continent will not likely be among the holders of world power in any new "power constellation."

The war on terror is a theme that makes an appearance in nearly every chapter. This should be no surprise: as was said above, the two principal forces that precipitated

the current "power earthquake" were the collapse of the bipolar system, when the USSR fell apart, and Washington's reaction to the 9/11 attacks. The Bush administration has decided to strike at what it sees as the true root causes of jihadism, namely the unfree regimes in the Middle East. Secretary of State Condoleezza Rice said recently in Cairo that Washington had supported stability in the Middle East at the expense of democracy for sixty years and that it was now going to reverse the emphasis. *This is a revolutionary purpose*: Washington now wishes to destroy the status quo in the Middle East and replace it with something else. Reflecting this dynamic, chapters discuss Washington's objectives and the changes, small as yet, in the Middle East.

This year's *Assessment* also includes chapters that are relevant to the new strategic power alignment: specifically "people power" uprisings of which we have recently seen several and may see more; the changing nature of the weapons of mass destruction proliferation problem; oil security; and maritime security challenges as national economies become ever-more dependent on sea-borne trade.

The "power earthquakes" of the last two hundred years each took a quarter of a century to work itself out. If this is an indication of the time-scale of "power earthquakes," then we have at least another decade before the new power constellation appears. Justifiably, therefore, the authors of this *Assessment* can come to no final conclusion as to the shape and members of the next "power constellation." Washington's strategy in the war on terror is perilous and it is by no means clear whether it will be sufficiently successful to end the threat; nor is it known what the final cost will be. Countries have been bankrupted by victory before. The EU appears to be in trouble today, but that trouble can be resolved. China is growing in power and wealth, but it may be imagined that it could soon reach the limits of the possible. India has made many strides, but there is a long way to go yet. Russia is relatively insignificant today, but it may not always be. In other words, no final answer is possible and these are questions that cannot be answered in 2005 any more than the outcome of the French Revolutionary Wars could be correctly foreseen in 1802.

September 2005 – *Patrick Armstrong*

Regional Trends

America and the War on Terror

Introduction

Not since the fall of the Berlin Wall has an event influenced the direction of US foreign policy and the international security environment to the extent the terrorist attacks of 9/11 have done. It was in their wake that American decision-makers determined that a national security strategy based primarily on deterrence was inadequate. The US could no longer afford to ignore rogue or collapsing states and regional instability, as it is recognized that these problems can later become national security threats. After 9/11 the US decided that it would shape the international security environment rather than merely react to it. This determination led to a more activist US security policy, which domestically emphasises homeland security and intelligence reform, and internationally encourages democratic reform in the Middle East and elsewhere. Moreover, it led to the US launching a war to combat terrorists and remove from power those who support them.

The United States recently observed the fourth anniversary of 9/11 and also the start of the war on terror. Despite the fact the war is now into its fifth year, President George W. Bush's public statements suggest that he has no intention of relenting in this struggle. This August, speaking on the subject to a Veterans of Foreign Wars gathering, Bush stated, "We will accept nothing less than total victory over the terrorists and their hateful ideology." The American response to 9/11 and its determination to prevail over the terrorists will, therefore, continue together to shape the new international security environment.

The Post-9/11 United States

The 2002 *National Security Strategy of the United States of America* (NSS) formally articulated the US response to terrorists, to those who supported them, and to the new security environment. The NSS also provided Washington policy-makers with a methodology to reorder the international security environment to counter the threat of terrorism, while advancing freedom and liberty. Since America's founding, the belief that it has a duty to act as a beacon of freedom and liberty has endured, and the 2002 NSS reinforces this, stating, "The aim of this strategy is to make the world not just safer but better." The US would accomplish this through "defend[ing] the peace by fighting terrorists and tyrants … preserve[ing] the peace by building good relations among the great powers [and] extend[ing] the peace by encouraging free and open societies on every continent." In his second inaugural address Bush spoke on the themes of extending freedom and peace: "The survival of liberty in our land increasingly depends on the success of liberty in other lands. The best hope for peace in our world is the expansion of freedom in all the world." He further noted, "It is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture, with the ultimate goal of ending tyranny in our world." This goal would be realized through the mechanisms set out in the 2002 NSS – diplomacy, aid, multilateral institutions, and if necessary force (possibly pre-emptive). Overall, through its words and deeds, the Bush administration has worked since 9/11 to refocus America's approach to its security, and in doing so has engaged internationally on a wide scale. After

determining that coexistence with intolerant ideologies and belligerent and oppressive regimes was untenable, the Bush administration acted to stabilize the international order through encouraging the spread of democracy.

Domestically, the 11 September 2001 terrorist attacks led to an increased focus on US homeland security. Efforts in this area include the standing up of the Department of Homeland Security (DHS), intelligence reform, ballistic missile defence initiatives, and the establishment of US Northern Command (NORTHCOM) with responsibility for continental defence. While each of these efforts has met with varying degrees of success, there does remain room for improvement. Nothing emphasized this point more than Hurricane Katrina. The poorly coordinated response at municipal, state and federal government levels illustrated weaknesses in the US's disaster relief infrastructure. The government response to Katrina, more so than Iraq, has undercut Americans' faith in Bush. He rightly took full responsibility for the shortcomings at the federal level admitting, "Katrina exposed serious problems in our response capability at all levels of government … and to the extent that the federal government didn't fully do its job right, I take responsibility." He also noted, "the system at every level of government was not well coordinated. It is now clear that a challenge on this scale requires greater federal authority and a broader role for the armed forces – the institution most capable of massive logistical operations at a moment's notice." Bush called for "detailed emergency planning to be a national security priority" and pledged close to $200 billion in federal reconstruction funds. Undoubtedly the execution of the recovery plan will occupy much of the Bush administration's attention and its effectiveness will calculate into his approval rating. Attention will also be devoted to Bush's other domestic agenda items, such as tax and social security reform and Supreme Court nominations. Yet regardless of the success of his post-Katrina plan and his wider domestic agenda, it is his foreign policy for which he will be remembered and judged.

September 11, 2001 and the Bush administration's reaction to it led to the overhaul of America's strategic thinking. The US's unmatched power *and* its willingness to exercise that power in the pursuit of its aims merged to forge a new international security environment. The fact that a number of nations and multilateral institutions dislike this new strategic reality has done little to change it. America is the world's sole superpower and, as long as it remains so, it will lead and others will follow or watch from the sidelines. This is not to suggest, however, that every US decision has been sound. Pre-eminent power does not equate to infallibility, something that was readily evident in America's post-invasion stabilization of Iraq.

The War On Terror

The Bush administration's handling of the war on terror, and specifically Operation Iraqi Freedom, has not been without flaws. Some analysts have argued that Bush should have taken a more multilateral approach in the execution of his foreign policy. Undoubtedly greater allied help would have made the US's job in Iraq easier and lessened charges of American unilateralism. Yet, the more troublesome error made to date in the war on terror (of which Iraq is seen as an integral part) has been the Bush administration's failure effectively to explain its rationale for the war at home and abroad. Bush now understands that this must be corrected. To this end, Secretary of State

Condoleezza Rice has worked tirelessly to explain the American position and to solicit allied assistance in America's attempt to reduce the threat of terrorism by addressing the conditions that facilitate its spread. In a 20 June 2005 speech in Cairo, Rice argued: "We should all look to a future when every government respects the will of its citizens – because the ideal of democracy is universal. For sixty years, my country, the United States, pursued stability in this region at the expense of democracy – and we achieved neither. Now we are taking a different course. We are supporting the democratic aspirations of all peoples." While other US leaders have encouraged democracy in the Middle East, no administration has done more than the current one in actually promoting it. Rice further noted, "we know these advances will not come easily, or all at once," illustrating that the administration is careful in its optimism and cognizant that change will come slowly. For democracy to take hold in the Middle East, free elections must be held, civil institutions and fair legal systems created, and women's rights established. None of these tasks will be easy or quick, but the Bush administration believes them to be necessary.

As Rice has been doing internationally, at home Bush has been working to communicate effectively his international security plans. In a 24 August 2005 speech to National Guard troops in Idaho, Bush stated, "We will stay on the offensive. We'll complete our work in Afghanistan and Iraq. An immediate withdrawal of our troops in Iraq, or the broader Middle East … would only embolden the terrorists and create a staging ground to launch more attacks against America and free nations. So long as I am president, we will stay, we will fight, and we will win the war on terror." At a 2005 Pentagon briefing the following month, Bush framed this struggle within his larger effort to bring democracy to the region: "As we work to help defeat the enemies of a democratic Afghanistan we're also working to defeat the enemies of a democratic Iraq. Together we'll help Iraq [and Afghanistan] become a strong democracy that protects the rights of its people and is a key ally in the war on terror." While these efforts to explain how the war on terror and the promotion of democracy are both necessary and also a generational undertaking, more needs to be done. Yet as costs and casualties mount, convincing Americans to stay the course may prove as challenging as eliminating jihadists.

A significant problem encountered by the Bush administration in its war on terror has been establishing post-war security in Iraq. This situation resulted in part from inaccurate estimates of how difficult the stabilization and reconstruction of Iraq would be, a miscalculation that continues to hamper US efforts there. Over-estimates of the number of Iraqis the US could immediately employ in post-war security operations led to the deployment of more US troops in theatre than originally planned. While the ongoing sizeable US military presence has helped to stabilize Iraq, it has resulted in American commanders spending too much time on eliminating insurgents, and too little on improving Iraqi security forces. This is problematic, for without effective indigenous security forces the new Iraqi government cannot hope to win popular support or make significant infrastructure improvements. Some analysts have suggested that a solution to this problem is for the Bush administration to develop a strategy focusing as much on establishing and training Iraqi security forces as it does on US withdrawal timelines. An early American withdrawal would invite disaster for Iraq, for the stability of the region and for democracy's spread. Creating the conditions that will allow Iraq to provide for its

own security demands a continued US commitment, something that may be difficult to sell to the American people. This is why it is crucial for the administration clearly to explain its policy rationale, and also for the US military to increasingly focus on training and operating with Iraqi security forces. Evidence of a greater role for Iraqi troops will illustrate greater burden sharing to Americans, show Iraqis that their forces can secure their country, and prove to insurgents that they cannot achieve victory by waiting for an American withdrawal.

The difficulties the US-led coalition is experiencing in stabilizing and rebuilding Iraq are not unique, and therefore lessons learned there will be applicable elsewhere. Neither the US nor its allies can indefinitely garrison failed or failing states, which makes it imperative for militaries to train effective indigenous forces that can safeguard their government, infrastructure, and citizens. A necessary step in achieving this end-state is closing Iraq’s borders to infiltration. Greater pressure must be exerted on Syria and Iran to end their support, active and passive, of the insurgency. Aiding the US in Iraq is the fact that the insurgents have nothing more to offer the Iraqi people than a return to an intolerant Taliban-like theocracy, which garners them little popular support. Therefore, the more the US can convince Iraqis that their safety will be ensured, the more cooperation in terms of intelligence the US and Iraqi security forces can expect. It is axiomatic that this will assist in further eliminating the terrorist threat.

The terrorist attacks of 9/11, the subsequent war on terror and the lessons it has produced have significantly challenged many of the Pentagon’s long-standing planning assumptions. The increasingly fluid nature of the new security environment has forced the Pentagon away from Cold War-era force constructs towards those better able to counter irregular threats. As well, the evolution of the Iraq operation has underscored more than any other post-Cold War engagement the reality of the three-block war concept. Combat, stabilization, and humanitarian operations are the mainstays of the American experience in Iraq. The ability to seamlessly shift from type of operation to another is a prerequisite to success for the US military, and for others as well. Knowing where and when to focus one’s military efforts is as important as being able to transition from one “block” to another.

To meet the challenges of the post-9/11 security environment, the Pentagon has placed a greater emphasis on homeland security and on improving responsiveness to threats by working to increase the military’s flexibility. Currently, the drafters of the next *Quadrennial Defense Review* (QDR) are considering shifting the main defence-planning focus away from conventional warfare to one based more on counter-insurgency and homeland defence. While the need to counter a conventional threat remains (e.g., China as a military peer competitor is central in the planning process), evidence suggests that it will be counter-terrorism, domestic defence, and large-scale reconstruction operations that the military most often will be called upon to perform. It appears that QDR drafters are considering more of a focus on special operation forces as well as on a lighter and more mobile regular force. Specifically, the QDR is being guided by four principles: defending the homeland in depth by defeating threats before they reach the US and strengthening homeland defence capabilities; building partnerships to defeat terrorist threats; shaping the choices of countries at a strategic cross-roads; and preventing the acquisition and use of WMD by state or non-state actors. The drafters of the upcoming

QDR have an opportunity to better balance America's military structure and also to institutionalize the Pentagon's transformation efforts. Moreover, Iraq, as the main front in the war on terror, offers the US military the opportunity to incorporate real-world lessons into its efforts to transform itself into a more flexible and lethal 21st century fighting force.

Conclusion

The terrorist attacks of 11 September 2001 altered the international security environment. Responding to this change, the Bush administration re-focused US security strategy towards improving homeland security and countering irregular threats. As well, in initiating the war on terror, Bush sought to eliminate terrorists and their bases of support. This war continues to redefine the international security environment and will do so for the foreseeable future. "The only way the terrorists can win is if we lose our nerve and abandon the mission. For the security of the American people, that's not going to happen on my watch," Bush declared this September. The mounting cost of the Iraqi engagement, coupled with the reconstruction costs associated with Hurricanes Katrina and Rita may, however, force the president to limit or reduce the deployment of US forces in the pursuit of his foreign policy in the Middle East.

America is at war, and will continue to be throughout the remainder of Bush's second term. The focus of the administration's agenda will remain 9/11 and the war on terror. Moreover, the war on terror will likely endure beyond Bush's tenure, as his successor would find it difficult to precipitously withdraw from the Middle East in light of the considerable expenditure of American blood and treasure. Moreover, while its long-term success remains unknown, Bush's policy has helped democracy's chances in the wider Middle East. To withdraw while these seeds of democracy are taking root would betray the efforts of hundreds of thousands of Americans, America's allies, and the peoples of the region who have fought to secure greater freedoms.

In its attempt to realize its foreign policy goals, the US as the sole superpower is both advantaged and disadvantaged. While it can bring the weight of its power to bear on those who seek to block its path, its pre-eminent position leads some to hope for its failure. The reality is that the US will always have detractors, and therefore it remains incumbent upon Washington to lessen this animosity by explaining its goals and, whenever possible, securing the help of its friends and allies in executing its foreign policy. If the Bush administration is to be successful in meeting its war aims, it will need the help of friends and allies. Shepherding democracy throughout the world is a task that no nation can achieve single-handedly, regardless of its power.

September 2005 – *Charles Morrisey*

Europe: Challenges in the "Old World"

In a May 2000 speech at Berlin's Humboldt University, German Foreign Minister Joschka Fischer noted that "*Quo vadis Europa*? is the question posed once again by the history of our continent." Not so long ago, such uncertainty expressed publicly by a German leader might have reverberated through the chancelleries of the European Powers. That it did not do so testifies to the positive transformation that Europe has undergone to become, what British diplomat Robert Cooper has termed, "post-modern:" where force is no longer the arbiter of inter-state relations. It is important to remember that it was not always thus. It was only after the collapse of the Soviet Union that a recurrence of war in most of the "Old World," particularly among its major and most affluent actors, became improbable. Perhaps for the first time since the fall of the Roman Empire in the fifth century, Europe is set to experience a situation comparable to what Pliny the Elder once identified as "the immense majesty of the Roman peace."

Despite such optimism, there is still merit in pondering the future of Europe. Developments, such as the May 2005 defeat in France of the referendum on the European Constitution or the Madrid (March 2004) and London (July 2005) terrorist bombings, have highlighted continuing uncertainties. The *European Project*, which over the decades has often been presented as an almost organic process, can no longer be described in such terms. And, the successful construction of a security community in Europe, where war is no longer conceivable among its members, should not obscure new threats in the "Old World" that have now become more evident. While it can be greatly exaggerated, the danger to European societies from jihadist groups (foreign- and home-based) is very real. With these qualifications in mind, three challenges in particular – the future of the European Union, European Islam, and demographic trends – warrant further attention.

The Future of the European Union (EU)

On 29 May 2005, the people of France rejected the *Convention on the Future of Europe*. The defeat two days later in a similar referendum in the Netherlands by an even wider margin reinforced the inglorious, but decisive, end to what many termed the EU Constitution. The results were rhetorically called "an insurrection, a democratic intifada" by one French commentator, and reflected a profound public disaffection with a process that was perceived as too elite-driven and too closely identified with an institution that many see as remote and disconnected from their daily lives. Designed to reform the newly enlarged EU, the Constitution had included institutional reforms and a transformation of the organisation's international profile. Many of the proposed changes, such as a common Foreign Minister, were viewed as benign. Others, including the adoption of a qualified majority voting system for all but the most sensitive issues before the European Council (e.g., foreign affairs, defence and tax law), the assertion that EU legislation took precedence over national legislation, and the establishment of the EU as a legal entity with the power to sign treaties without reference to national governments, clearly pointed the way toward a closer political union. Many opponents of the Constitution also argued that it would have imposed an excessively liberal (or Anglo-Saxon) free market upon the EU, compromising current social welfare programmes and opening national markets to cheaper labour from poorer member-states. The outcomes of the two referenda do not mean the end of the EU, but there are implications.

The inability to agree on the end-goal of the EU poses a continuing challenge to any discussion of that organisation's future. Recent polling shows that a clear majority (61 percent) of EU citizens support the idea of a written constitution, although there is a considerable level of disquiet with the "democratic deficit" such a document might enshrine. The notion of a unified European political entity enjoys public support in some member-states (e.g., Germany) but it is very controversial in others (e.g., Great Britain), and its dimensions – both political and geographic – are still undefined. While political union has always been discussed, most member governments have never been in favour of the transfer of the necessary sovereignty to make that a reality – and almost all populations have never felt more loyal to Brussels than to national governments. In a mid-October 2004 article in *Le Monde*, the contours of the debate were described: "two visions of Europe confront one another. One is political and historical. It is a matter of doing away with countries and the delegation of sovereignty, and of constructing a European country with clear borders, the outcome of a common history. (…) For the other vision, equally respectable, it is a matter of spreading democracy and economic growth, without a focus on history or [redrawing] borders." Ironically, the outcomes of the two referenda were a definite setback for the vision of the *European Project* that France has most recently supported, but the debate between the two visions, as was seen during the acrimonious Brussels Summit (June 2005), will certainly persist.

The situation following the referenda is, however, almost unprecedented. The refusal to ratify the Constitution means that two founding members have rejected an EU initiative, and that the EU has had a Treaty defeated by a popular vote. The significance of those developments in the long-term should not be under-estimated. One of the likely important administrative consequences is eventual institutional paralysis, due in large measure to an expanded membership. In the short-term, of course, the EU can continue to operate on the basis of existing treaties, but the need for consensus among 25 member-states, based on the Nice voting rules, could lead to deadlock on controversial issues. Qualified-Majority-Voting, as provided for in the Constitution, was designed to make decision-making more efficient, even as it sacrificed the unit-vetoes long held by individual member-states. Even the notion of a self-identified "core Europe" led by France and Germany that could provide short-term leadership for a moribund Union is not likely to transpire in the near future -- French leadership in the EU has been too damaged by the 'no' vote, and Germany is bedeviled by a political malaise. Failure to ratify the Constitution means that necessary solutions to existing and probable future administrative problems will need to be found. Despite strong encouragement from the British Presidency (ending in January 2006) for new approaches, administrative and institutional adaptations will nonetheless take years to emerge.

Further enlargement of the EU is now uncertain, creating new challenges along its borders. "We have to suspend enlargement," France's Interior Minister and likely presidential candidate, Nicholas Sarkozy, recently asserted, "at least until the institutions have been modernized." While advocating a halt to enlargement might also affect the EU's relations with Russia and Ukraine, nowhere is this new approach better seen than in attitudes to Turkey's decades' old application. A last minute agreement in early-October 2005 to begin accession negotiations nonetheless confronts low public support (32 percent) in the EU for Turkish membership. Moreover, both Sarkozy and the new German chancellor, Angela Merkel, when she was opposition leader, have publicly

opposed Turkish accession, for both cultural and economic reasons, offering instead a "privileged partnership." "Europe will not exist," a senior German conservative politician noted, "if the EU's borders will stretch to Iran and Iraq." So, while negotiations will be launched – and the process might last ten years – but may not reach the conclusion that Ankara desires. Therein lies yet another challenge. Anything short of membership might undermine those in Turkey who have long advocated democratic and secular approaches to politics and society, a development that European leaders will surely want to avoid.

Regardless of the referenda, in some areas there will be little change. The development of the European Security and Defence Policy (ESDP), for example, will continue. ESDP was adopted in the 1991 Maastricht Treaty, and has been the framework for a police mission in Bosnia and Herzegovina, its first military operation in the Former Yugoslavian Republic of Macedonia and a UN-mandated peacekeeping mission in Congo. At the June 2004 Istanbul Summit, NATO decided to terminate its Stabilization Force mission in Bosnia and, in December 2004, turned it over to the EU under Berlin Plus arrangements (which gives the EU access to Alliance planning and command capabilities). European militaries still have significant military deficiencies, and have missed deadlines to improve them, but they are continuing to work toward a Headline Goal that should yield some concrete results, such as the creation of 13 national and multinational "Battlegroups," that are designed to be capable of conducting stand-alone operations or the initial phase of larger operations. The European Defence Agency, which will coordinate and encourage the development of capabilities and industrial cooperation in support of ESDP, has been stood-up already. It remains to be seen, however, if the *European Security Strategy* adopted in December 2003 will spawn unified and effective foreign and defence policies, let alone real capabilities. EU member states are still developing their own policies on a national basis, common security strategy or not.

European Islam and Jihadism

A second major challenge with which European leaders and publics are now confronted is that posed by extremist elements that have emerged from within Muslim communities inside Europe. The last year has seen brutal evidence of the nature of this threat, beginning with the Madrid bombings in March 2004, the vicious murder of the Dutch film-maker Theo van Gogh in November, and the London bombings in July 2005. EU countries might not have fully grasped the nature of the threat they faced prior to the attacks in Madrid, but by mid-2005 it was recognised that there is a clear line of radical religious thought (i.e., jihadism) linking the 9/11 attacks in the US to the past year's events in Europe. Nevertheless, there is also an important and chilling difference: unlike the foreign-born terrorists who perpetrated the 9/11 attacks, those who are operating in Europe have in most cases been second- or third-generation members of large immigrant communities. Many of the jihadists were born, or have lived for years, in European countries, have been educated in European schools or universities, and speak European languages. The incidents of the past year clearly indicate that the jihadist threat is defined by elements in diaspora communities (i.e., Algerians, Moroccans, and now Pakistanis), many of whom are native-born, that have been recruited into a global war, the battleground of which includes European countries, and are tacitly supported by a segment of those same communities. (It is estimated, for example, that seven to nine

percent of the 1.5 million Muslims in Great Britain may sympathise with jihadist beliefs.) As one writer recently wrote of European jihadism, "[i]t is not a political programme in religious clothing, but rather a vision in which politics and religion are inseparable."

Europe's jihadist problem includes a homegrown component in the EU's large Muslim communities (with a total size of perhaps 15 million). In his important studies of Muslim communities in Europe, Olivier Roy has argued that the root of the jihadist problem is a profound alienation of Muslim youth. While many Muslims in Europe are no longer foreigners, Roy has argued that "their integration was not achieved through assimilation (…) nor through the making of a multicultural society." Consequently, Muslim youth find themselves adrift, opposed both to the cultural Islam of their parents that they view as compromised and the liberal and secular beliefs (particularly those concerning the role of women) of the European social milieu in which they live. According to a 2003 study, for example, only one-quarter of Muslim youth in France believe that Islamic values are compatible with those of the Republic. Many of these youth are therefore drawn to foreign imams, few of whom are able to speak European languages, and preach anti-Western values that are, in many cases, accompanied by virulent anti-Semitism. The coherent and straightforward guidance for a faith-based life that these preachers provide produces a trans-European Islamic nationalism in which jihadism is often encouraged and is accepted by some adherents. While many Muslims have been angered by the Israeli-Palestinian dispute and the US-led war in Iraq, it is generally believed that the goal of the European-born jihadist is not simply the liberation of the Middle East but is, instead, the destruction of the world order as he sees it.

It is difficult to know the number and size of jihadist cells operating in Europe today, but it is reasonable to assume that they exist (independently or as part of larger networks) in every sizeable Muslim community. British officials, for example, believe that as many as 200 jihadists reside in their country, although that estimate predates the London bombings; there are an estimated 150 in the Netherlands. Moreover, there is considerable and growing evidence of a blowback toward Europe of extremists from foreign conflicts, as well as graduates from foreign training facilities and madrassas. Much of this began with the welcome given to mujahedin (estimates range from 800 to 4,000) assisting the Bosnian Muslim war effort. There are increasingly credible reports that many of them remained behind when that conflict ended, to run terrorist training camps and to produce and distribute jihadist materials. They have since established working relationships with international criminal organisations in an effort to finance their activities. As a result, Bosnia is today an important support base for jihadist activities in Europe. The mastermind of the Madrid bombing fought in Bosnia, Dutch authorities are investigating a link between Van Gogh's murderer and a Bosnia-based al-Qaida cell, and German intelligence have suggested a Sarajevo link to the London bombings. Beyond Bosnia, there is concern that Kosovo may be a "breeding ground" for jihadists, French police believe that extremists within the Pakistani immigrant community can be linked to the 2001 attack on the Indian parliament, at least two German converts to Islam were killed in Chechnya, and European Muslims number among the foreign terrorists in Iraq, with several British and French Muslims having been killed there.

The growing awareness in the EU of the jihadist threat has resulted in a variety of responses. It is accepted by most European leaders that appeasement of Islamic

extremists would not suffice to lift the threat from Europe. Identifying moderate factions in the local Muslim communities to help address the problem of disaffected youth has, however, sometimes proven difficult. In some countries, such as Great Britain, the Netherlands and Italy, new powers of investigation, arrest and detention have been granted to local police forces. In Denmark, new laws to regulate immigration and restrict putative support for terrorist groups have already been implemented. In France and several German states, wearing the Muslim headscarf in classrooms has been proscribed. And, within the EU, tighter monitoring of borders, as well as of internet and telephone usage, have been agreed. Time alone will show whether these measures are effective. Repeated commitments to improve police and intelligence cooperation for counter-terrorism have been made before by EU leaders, although most observers believe that such efforts are still "far too bureaucratic and fragmented." These developments have also naturally been accompanied by concerns that civil liberties are being sacrificed too readily to security concerns, an argument that European publics and political leaders will continue to debate.

Demographic Implications

A less pressing, but still significant, challenge for modern Europe is that posed by current demographic trends in most EU member-states. Declining fertility means that Europe is now, as one analyst wrote, "the world's grayest region." In fourteen EU member-states, mortality rates now exceed birth rates. One recent US study predicts that by 2017, deaths will have exceeded births in the EU over the previous 10 years by a total of nearly 10 million. This trend has profound long-term political implications, not the least of which is the social welfare burden of an increasingly aged population. But there is another dimension that cannot be ignored, for while European population trends show a decline, European Muslim communities are believed to be growing in size. Having more than doubled during the past three decades, some demographers have suggested that present trends could result in Muslims comprising 20 percent of Europe's population by 2050. Noted historian Bernard Lewis charged that this could lead to Europe becoming "part of the Arabic west, the Maghreb" by the year 2100, although this seems far-fetched. Nevertheless, the concentration of European Muslims in urban settings will make their presence more prominent with corresponding pressures on political leaders, and will lead to further increases in support for nationalist political parties and organizations.

Conclusion

Twice in the last century, competition among the European Powers dragged the world into the maelstrom of total war. In the middle of the new century's first decade it is safe to say that Europe no longer faces a recurrence of that nightmarish scenario. The *European Project*, whichever vision one holds, has accomplished a great deal in this regard. Safeguarded by American power during the Cold War, European leaders built a system of integration that has endured into the modern era – and has been so successful that membership, despite the past year's events, remains a very attractive prospect for several countries. In this context, the complexity of the challenges that do exist should not be underestimated, but they do not presently threaten the stability of the "Old World."

September 2005 – *Ben Lombardi*

The Russian Federation

Introduction

It is a truism that a new power arrangement of the world is taking shape. While no one knows what it will look like by, say, 2025, no one can doubt that the end of the Cold War and the beginning of the war on terror are two realities that are shifting the "tectonic plates" of power in the world today. The question for Russia can be simply put: whatever this new system turns out to be, will Russia be *inside* it, or *outside* it? It is certain that it will not be a second pole in a new bipolar world, let alone the only pole in a unipolar world, but will it be an important country able to secure most of its interests in the world? Or will it be a weak and fragmented country whose only appearance in the discussions of the powerful will be as a problem for them to tackle? One could argue that the essence of what President Vladimir Putin is trying to do is to make Russia a significant member of the world system – a "great power." While Putin's government – aided greatly by the increase in energy prices and the import substitution forced by the ruble collapse of 1999 – has presided over a period of significant economic growth and has brought a great deal of order into the chaotic Yeltsin-era Russia, it is by no means clear whether he is on the right track. Power is not just military or economic might; it is also education, stability and prosperity and many other factors. Not just hard power, but also soft power. Soft power flourishes in societies that are free and pluralistic. A centralised but corrupt and inefficient Russia, run by suspicious and security-obsessed people, will not produce soft power and, as past experience has shown, neither will it produce hard power.

The Soviet Superpower

The Cold War was a time of "bipolarity:" on the one side the US and its allies, on the other the Soviet Union and its allies. Despite attempts to declare a "third" or "non-aligned" world at the Bandung Conference in 1955 – an effort soon hijacked by Moscow anyway – most countries were either in one of the two camps or were fields of action in which the two struggled.

The Soviet Union was considered to be a "superpower" because of three factors: its enormous military structure, especially its nuclear arsenal; the world-wide presence of the Marxist-Leninist ideology; and its international alliance structure. A few high technology non-military prestige operations – particularly the space program – supported the pretence that it was truly a broadly based and fully "modern" state.

The Soviet Union's status as a "superpower" was principally based on its military power and maintaining it was a very high priority of its rulers. The cost, however, of the arsenal was immense: not in money, for the Soviet Union was not truly a money economy, but in natural resources and foreclosed alternative investments. Doubt began to appear in some military circles in the 1980s. Did the state really have the assets to build all the forces it thought it needed and would these be the appropriate forces in contemporary circumstances? These questions were asked in 1985 by the then Chief of the General Staff Ogarkov in his book *History Teaches Vigilance*. He described the

Soviet Armed Forces' problems elliptically by discussing the French failure in World War II. Was he suggesting that the Soviet Union's weaponry and operational doctrines were as out-of-date as France's had been in 1940? Perhaps he was, because he then went on to discuss smart weapons and imply that the Soviet Armed Forces needed radical reconstruction. He was dismissed presumably because his thinking challenged the comfortable complacency of the Brezhnev era and events continued in their accustomed way.

Simultaneously, civilian thinkers began wondering whether the "zero-sum" approach of Soviet defence policy could actually be making the Soviet Union *less* secure. Year after year, its weapons build-up made its neighbours nervous, they began their own build-up, the Soviet Union piled up more weapons and so on in an ever-widening race; a race that, as more states were sucked in, the Soviet Union could neither win nor even maintain its standing. Two examples from the naval build-up of the Brezhnev years suggest the problem. After decades of the cycle, the ever-increasing Soviet Pacific Fleet had unnerved the Japanese into building up their forces. The growing Northern Fleet convinced the US Navy to adopt a forward policy of deploying carrier battle groups in the Norwegian Sea. Thus, by the 1980s, the Soviet Union's relentless build-up had created threats – the world's second-largest economy re-arming and carrier groups close to its northern coast – that it had not had to worry about twenty or thirty years earlier.

As a superpower, the Soviet Union was in truth, a very shallow one: one Western politician derisively termed it "an Upper Volta with nuclear missiles" and by the 1980s the shallowness, the strain, the lopsided economy, the social costs and the strategic dead end were becoming apparent to the new leadership. All the doubts, all the failures united when Gorbachev became General Secretary in 1985.

In fact, the Soviet Union was a failure across the board. Its security policy, quite apart from its cost in resources and lost investments, was making it less secure. Soviet "allies" were unenthusiastic, like Eastern Europe; net drains on its power and resources, like Cuba or Angola; or "cupboard love," as Egypt showed by summarily reversing itself in 1976. In the Soviet economy, only the oil and gas sector produced a return on investment; investment in other sectors drained the economy. The economic plans were failures: *Pravda* in 1988 declared that "for the last 20 years the targets for the 170 most important types of products under state control have not once been fulfilled." It was soon apparent that almost no one believed in the dogma either. The second "superpower" was, in fact, anything but.

The bi-polar world of the great international competition disappeared together with the Soviet Union in 1991 and only one "superpower" was left standing. The "tectonic plates" of world power began to shift into a new alignment.

Contemporary Russian leaders remember the Soviet "superpower" period and, for the most part, are aware of how hollow that power was. Putin in 1999 scathingly described communism as "a road to a blind alley, which is far away from the mainstream of civilisation" and has several times criticised the obsession with weapons in the Soviet days when no heed was taken of "the state's real economic abilities." While there may be nostalgia occasionally, Russia's present rulers understand the damage being a "superpower" did to Russia.

Potentially a "Great Power"

Under no circumstances and in no category could the Russian Federation today be considered to be "a peer competitor" of the US. The latter exists in a category all its own – it is pre-eminent in every measure of power. In both hard and soft power the US stands at the head of all lists.

Russia is far behind it and, generally speaking, President Putin knows this well. Nothing he said in the document he produced before becoming President (*Russia at the turn of the millennium*, December 1999) has been contradicted by his subsequent statements or actions. "Russia is not a state symbolising top standards of economic and social development now." "Communism vividly demonstrated its inaptitude for sound self-development, dooming our country to a steady lag behind economically advanced countries." "It will take us approximately fifteen years and an annual growth of our Gross Domestic Product by eight percent a year to reach the per capita GDP level of present-day Portugal or Spain." "History proves all dictatorships, all authoritarian forms of government are transient. Only democratic systems are intransient." "[It is an important goal] to consistently integrate the Russian economy into world economic structures. Otherwise we would not rise to the high level of economic and social progress that has been attained in the industrialised countries." Whatever one may think of his subsequent decisions, no one can deny that Putin saw the reality of contemporary Russia.

While there have been improvements under Putin, Russia's military today remains weak and inefficient, Russia is still a poor country with a low standard of living and decrepit social structures, it is rife with corruption, its government is inefficient and venal, it has no allies and most of its neighbours are suspicious of it. Almost all that remains of the Soviet Union's former "superpower" status in Russia today are rusting tanks, aircraft and ships, declining (but still large) nuclear forces and a still-significant space presence. It has few of the levers of world power.

But it is a latent "great power" with a potentially important position in whatever new constellation of power is taking shape. It is so because of objective reality:

- Russia's location means it *must* be a consequential player in Europe, the Balkans, the North Pacific, the Caucasus/Caspian region and Central Asia.
- Russia is too large and potentially powerful to have as an enemy.
- Russia is a permanent member of the UN Security Council, a G8 member and has a special relationship with NATO. As a result, its assent is usually desirable and sometimes necessary.
- Russia is an important energy supplier and, under the right circumstances, a stable supplier because its economy depends so much on energy exports.
- Russia is a source of many other raw materials.
- There are business opportunities as the Russian economy modernises and grows.
- The population is well-educated and there are a number of areas of excellence (aviation, space, some medical, mathematics, computer programming). No one can foresee what a creative and intelligent people can do.
- Russia is an ally in the war on terror because it is also a target. Alliances are founded, not on common values, but on common enemies.

It is therefore most accurate to think of Russia as *a great power that is temporarily weak*.

But can it ever reach its potential? Under Yeltsin, Russia was in economic decline: precise numbers are hardly possible, but it was clear that Russia's economy declined every year at least until the last Yeltsin years. Under Putin, however, Russia has been growing at a respectable rate (although still not at his eight percent per annum). The simple truth is that a Russia with a declining GDP can be written off, but a Russia with a growing GDP cannot. Much of Russia's improved position in the world today is a result of that growth, together with Putin's more orderly style of ruling. Nonetheless, Russia's membership in, say, the G8, is more a matter of courtesy than a recognition of reality.

Yeltsin used to boast that nothing in the world could happen without Russian involvement; he was wrong and the more realistic Putin does not make that boast. Rather, Putin has been trying to find some intractable world problem – Korea or the Middle East for example – where Moscow can play an essential role in solving it. But it has not happened – Russian diplomacy seems to have very little traction. Another theme of Russian diplomacy is the attempt to be friends with everyone – a military exercise with China is followed by one with India. Everywhere Putin visits, he announces another "strategic partnership." The foreign policy statement of 2000 described the following "priority" relationships: the CIS was "a priority area;" strengthening the Russia-Belarus union was "a priority task;" Europe was "Russia's traditional foreign policy priority;" a good relationship with the US was "the necessary condition;" relations with Asia were of "steadily growing importance;" friendly relations with China and India were "one of the crucial directions;" relations with Iran were "important," Moscow would "expand interaction" with Africa. In short, everyone was top priority, which is to say no one was. This is not a list of priorities, it is just a list.

Putin's two *real* immediate foreign policy goals – and their existence can be traced back throughout his presidency – are to integrate Russia into the world economy and to gain support for its war in Chechnya which it regards as part of what is now called the war on terror. Before the attack on the US in September 2001, these two aims contradicted each other because Moscow's attempts to integrate were often blocked by revulsion against the brutality and savagery of its war in Chechnya. Since 9/11 Moscow has gained greater support in its position – at least from Washington – as people come to understand the role of the Wahhabi Jihadist Network in that war. Similarly Russia is slowly gaining integration into the world economy.

But progress is slow, stalled by atrocities in Chechnya and the corruption and opacity of the Russian economic and legal system. Russia is still an unfriendly place to do business and the reality is not helped by politically-inspired investigations into businesses or by government take-overs of "strategic" companies. There are still many reasons to suspect that Russia, at least under Putin, is heading in an overly centralised and security-obsessed direction that will result in its being an isolated and reviled state, "outside" whatever new constellation of power is appearing, lacking either the hard or the soft power that it can use to protect its national interests.

Russia and the New Kind of Power

Can Russia again become a great power, a significant player in the new constellation of power or will it be always on the edge trying to get in? It is evident that Putin wishes Russia to become a major world power. He understands that power today is much more than numbers of weapons. Again, from his 1999 paper already quoted:

> Russia was and will remain a great country. It is preconditioned by the inseparable characteristics of its geopolitical, economic and cultural existence… In the present world the might of a country is manifested more in its ability to be the leader in creating and using advanced technologies, ensuring a high level of people's well-being, reliably protecting its security and upholding its national interests in the international arena, than in its military strength.

Therefore, the question that remains to be determined is whether Russia will become a country with advanced technology and a high level of well-being that can protect its position in the world. If it does, it will be a "great power" with influence and significance in whatever new world power system evolves over the next years. If it does not, if it becomes a country run by a suspicious, narrow-minded, security obsessed bureaucracy, corrupt and poor, it will not be. In this latter case it would be important in the new power constellation, but only as a problem.

September 2005 – *Patrick Armstrong*

China's Growing Regional Influence

Western security and economic assessments have for the past several years been replete with references to China's impending emergence as a regional, if not global, great power. Beijing's leaders would not disagree. China's long-term strategic goal is to replace the US as the pre-eminent regional power in Asia, and the leadership in Beijing see themselves leading Asia's economic and security affairs by mid-century. While local concerns about the "China threat" have lessened in recent years, should Washington abandon its long-standing role as regional guarantor and substantially reduce its presence in Asia, perceptions of China as a benign great power would likely be revisited in many capitals. There are, however, many twists in the road to Chinese regional hegemony, and there is reason to suspect that China's rise may soon peak, if indeed it has not already done so. By attempting to reap the benefits of limited capitalism without succumbing to its blandishments, Beijing may be forced to choose between regime survival at the cost of economic stagnation, and a vast, surging liberalized economy leading inevitably to the radical transformation, if not the collapse, of Chinese communism.

Regional Aspirations

Regional influence. China enjoys cordial relations with most of its neighbours. Sino-South Korean ties are expanding, with Beijing promoting both trade and common objectives *vis-à-vis* North Korea. Links with Southeast Asia are equally robust. Beijing has signed the *South China Sea Code of Conduct*, a joint declaration on cooperation in non-traditional security issues, and an agreement establishing a free trade area by 2012. China has also acceded to the *Treaty of Amity and Cooperation in Southeast Asia*, committing itself to non-aggression and non-interference in Southeast Asian affairs.

Beijing was long suspicious of regional multilateralism. Now, however, it is an active participant in the Association of Southeast Asian Nations "ASEAN Plus Three" (together with Japan and South Korea), the ASEAN Regional Forum, the Shanghai Cooperation Organization, and has been hosting the Six-Party Talks aimed at halting North Korea's nuclear weapons program. China's leaders now recognize that regional institutions may be leveraged to constrain US dominance – a goal corresponding with China's global activism, including its promotion of the United Nations in international security and its cultivation of "strategic partnerships" with other great powers. This increased involvement has helped to alleviate regional concerns about its strategic ambitions. Beijing has also launched a major propaganda campaign – "China's Peaceful Rise" – aimed at further defusing latent anxieties. While the country's political power and influence still lag behind its economic importance, they are growing steadily. China's neighbours increasingly look to Beijing for regional leadership – or at least, to take account of Chinese concerns.

An expanding economy. China's growing regional influence is founded largely in its economic performance over the past decade. Imports from regional sources now exceed US $170B per annum, and an estimated 60% of China's total trade is intra-regional. China and Japan, Asia's two principal economic motors, are now each other's largest trading partners, and this trend is unlikely to change. China's capacity for further economic growth, however, is rather larger than Japan's, rendering China the more likely

engine of future regional economic expansion, and giving Asian trade partners a stake in its continuing stability. Western governments have been quick to recognize the potential of an emerging Chinese consumer class, and are racing to secure a portion of what, if present trends continue, is expected to be an exceedingly lucrative demographic. The result has been fierce competition for access to what remains a largely speculative Chinese *über*-market in a headlong rush reminiscent of Internet, land, tulip and other historical "bubble" phenomena.

Military modernization. China has the largest military in Asia and spends more on defence than any of its neighbours (in 2004, the official defence budget grew by 11.6 percent to US$25 billion, but the true figure is probably more than double that amount). China needs strategic reach to realize its regional aims, and its defence modernization aims to improve the military's force projection and combat capabilities through more advanced submarines, warships and fighters, aerial refuelling and airborne warning and control aircraft, land-attack cruise missiles, and electronic and information warfare.

Equally significant is Beijing's costly and ambitious program to modernize and expand its fleet of tactical, medium-range and strategic ballistic missiles. This expansion is focused on Taiwan Strait scenarios – namely, an overwhelming capability to subdue Taiwan quickly, while posing a sufficient threat to US forces to deter American intervention. The goal of this program is to make it hazardous for US forces to operate along its periphery and to place at risk the network of US bases along the Asian littoral.

North Korea. China is North Korea's only significant ally. Beijing's primary concern has been that North Korea's moribund economy could lead to regime collapse, possibly precipitating a flood of refugees northwards. By playing the patron to Pyongyang, Beijing is able both to stabilize the regime, and leverage its erratic behaviour – including its nuclear aspirations – as a foil to Japan's economic weight and America's military might. For these reasons, China provides substantial humanitarian assistance to the Democratic People's Republic, while continuing to tolerate a growing trade deficit.

Internationally, the Korean Peninsula is defined by the crisis over Pyongyang's nuclear aspirations. While Beijing might be expected to take a dim view of nuclear weapons in the hands of its mercurial neighbour, the crisis has offered China an unprecedented opportunity to demonstrate its diplomatic *bona fides.* By hosting the Six-Party Talks and (reportedly) playing a major role in securing a fourth round agreement between Washington and Pyongyang, Beijing is attempting to cast itself as the indispensable regional power broker – and, to a certain extent, is succeeding.

Regional Irritants

Maritime boundary disputes. Many of the 15 maritime boundaries in the South China Sea are contested by littoral states. China is party to disputes involving Vietnam (the Gulf of Tonkin); Taiwan, Vietnam, the Philippines, Brunei and Malaysia (the Paracel and Spratly Islands); and Japan (the Senkaku [Daioyu] Islands). These disputes are not only delaying exploitation of the seabed, but also pose a risk of open conflict, as states tend to enforce their claims through occupation. Indeed, China, Malaysia, Taiwan, Vietnam and the Philippines have built semi-permanent "fortresses" in the Spratlys, and while the situation has become more stable in recent years, incursions by aircraft, surface ships, and submarines have in the past led to protests, exchanges of gunfire and even rammings.

Although all parties have agreed in principle to joint resource development and peaceful dispute resolution, there does not appear to be either a political or a military solution in the offing. Until one appears, resource considerations, national prestige and concerns over regional influence will keep the maritime boundary issue simmering.

China and the War on Terror. Beijing considers itself a victim of terrorism, painting the East Turkestan (Uighur) "terrorist forces" as a serious threat to Chinese security. Like most nations, China expressed its condolences to the US after 9/11, but has subsequently taken a legalistic, multinational approach to terrorism, demanding that the international community take the lead, insisting that military operations require clear targets, conclusive evidence justifying action and conformity with both the UN Charter and the norms of international law. Beijing has also joined other nations in arguing that it is necessary to address both the symptoms and "root causes" of terrorism.

China's actual contribution to the war on terror has been limited to temporarily reinforcing its troops along the Afghan border. Beijing's support for Security Council Resolutions condemning the terrorist attacks was promising, but there has since been only limited intelligence sharing and little or no operational cooperation. Instead, China has used the war on terror as a vehicle to sanction its long-standing campaign to crush "splittism" in Xinjiang, deliberately blurring the distinction between terrorism and calls for Uighur independence. China sought to "water down" UNSC Resolution 1540 (criminalizing WMD traffic), and opposed the US-led intervention in Iraq.

Sino-Japanese relations. Beijing sees Tokyo, which also aspires to regional prominence, as part of Washington's attempts to contain China's strategic ambitions. The joint Japanese-American security statement of February 2005 (which calls for peaceful resolution of the Taiwan situation and greater military transparency on China's part) will likely reinforce this perception. From Tokyo's perspective, China's active regional diplomacy seems designed to minimize Japanese influence. Both countries also compete for markets, maritime influence and secure energy supplies. Overlapping jurisdictional claims (noted above), Chinese drilling in contested waters, and incursions by Chinese naval and research vessels into Japanese waters have led to protests and even, in November 2004, a rare Japanese "naval security action" after a submerged Chinese submarine was detected transiting Japan's territorial waters off Okinawa prefecture.

In contrast to their solid and expanding trade relations, Sino-Japanese political-diplomatic relations have been cooling for several years. Japan has traditionally been phlegmatic about Chinese encroachments into her waters, but with both security and economic concerns on the line (due to the potential natural gas reserves beneath the disputed waters), Tokyo appears unwilling to remain passive. Recent defence policy documents for the first time named China as a potential threat, and over the past year, Japan has shown an increasing readiness to lodge protests, to identify Chinese actions as threatening to Japanese security, and to bolster its local military presence.

A misunderstanding over North Korea or Taiwan, Asia's two most volatile flash points, is more likely to provoke a regional crisis than any direct clash of interests between Tokyo and Beijing. Sino-Japanese tensions are closely linked to fluctuations in the intensity of these volatile situations. A relaxation in either would decrease tensions,

while a sudden escalation could bring Chinese and Japanese interests, and even armed forces, into confrontation.

Ballistic Missile Defence. Chinese officials argue that the threat of ballistic missile attacks by rogue states (e.g. North Korea) has been exaggerated by Washington in order to justify BMD deployments aimed at neutralizing its small nuclear deterrent, forcing Beijing to expand and enhance its strategic arsenal (although China's modernization program in fact antedates US deployment plans). China is more concerned with the ongoing extension of missile defence technology to Northeast Asia, and has objected to US sales of these systems to Taiwan. Washington has partially respected these concerns, authorizing the sale of Patriot PAC-3 batteries, but not *Aegis*-equipped warships (although these have been made available to Japan and South Korea). However, there is little doubt either that Washington would move to protect Taiwan in the event of a threat of war, or that BMD technology will eventually be made available. While still some years off, such a move would significantly alter the strategic calculus in the region.

Sino-American relations. The Sino-American relationship has fluctuated since diplomatic relations were established in 1979, reaching a nadir with the April 2001 collision between a Chinese fighter and a US surveillance aircraft off China's south coast. Since 9/11, relations have been more positive, the war on terror providing a basis for political if not practical cooperation. Nevertheless, persistent irritants such as Taiwan, North Korea, the growing trade imbalance (which could reach US $220 billion this year), human rights and democratization continue to bubble below the surface. While both sides have a clear interest in maintaining constructive economic and political relations, China's growing economic power and increasingly aggressive foreign policy are moving security concerns back to the forefront.

Foremost among these are China's regional aspirations. Although a rising power, China by every conceivable measure remains substantially weaker than the United States, and will remain so for the foreseeable future. The Chinese still expect that in the long term their "comprehensive national power" will surpass that of the United States, but in the meantime China is struggling to assert itself as *maître chez soi*. From Beijing's perspective, Washington is not only a regional competitor but also a potential threat, striving for "absolute security" by seeking to acquire both "the spear and the shield" (i.e., offensive capabilities and missile defence). Many Chinese have long believed that the US hopes to contain China, and that the war on terror is being used to increase US strategic leverage. Continuing increases in US military spending, strengthened alliances, a robust Western Pacific military presence and missile defence are all taken as proof of this thesis. Beijing believes that US security policy in Asia remains focused on the "China threat," and intends to thwart China's "peaceful rise."

At the same time, however, US preoccupation with the war on terror has created a "strategic window of opportunity." Washington's focus on counter-terrorism and security in Iraq and Afghanistan is allowing Beijing to strengthen internal security and increase China's global standing by quietly striking "partnerships" with ASEAN and the major powers. For example, Beijing is expanding ties with Europe in hopes of exploiting transatlantic divisions over Iraq and the war on terror, holding out the prospect of European participation in high-profile projects (such as its nuclear energy program) as economic incentives to entice the EU to lift the 1989 arms embargo. Beijing is also

working to capitalize on perceptions of US "unilateralism," portraying its own long-term goals in benign terms, accentuating its principled stance on non-intervention and the peaceful settlement of international disputes, and making appropriate noises on non-proliferation and "no-first-use" of nuclear weapons. In short, China sees traditional multilateralism, from the UN (especially the Security Council) to ASEAN and other international organizations, as a means of attenuating the overwhelming international influence of the United States. While Washington and Beijing will continue to seek common ground, both are aware that their interests diverge on many critical issues, none more so than who is to be the predominant power in Asia in the years to come. Sooner or later this question will come to a head, with potentially grave consequences.

Taiwan. Unlike China's occasional disputes with its neighbours, the Taiwan question is not one of resources, boundaries, hegemony or even sovereignty, but rather an existential conflict fuelled by nationalism and diametrically opposing ideologies. The Taiwanese people simply do not want to be ruled by the present regime in Beijing. For many in Washington, this expression of self-determination is sufficient, and failure to support Taiwanese liberty in the face of China's threats would be a betrayal of America's ideals (as well as its laws, e.g., the *Taiwan Relations Act*). Beijing's leaders, meanwhile, likely worry that after playing so overtly to the forces of nationalism, it would be difficult, if not impossible, for the regime to back away from its reunification policy, and survive.

Within Asia, China wields its growing economic and regional influence to isolate Taiwan, while further abroad, the principal goal of Beijing's foreign policy, military build-up and rhetoric has been to convince Washington to abandon Taiwan or risk war. In this context, the Bush Administration's insistence upon peaceful dispute settlement coupled with democratization is itself seen as a direct threat. Peaceful resolution takes time, and prolonged Taiwanese independence further entrenches democratic reforms, acclimatizes the Taiwanese people to freedom and democracy, and, through cultural intercourse and difficult-to-control information technologies, demonstrates the stark differences between Taiwanese and mainland life to the citizens of the People's Republic.

Beijing sees Washington as the principal *agent-provocateur* in this dynamic, and its conventional and nuclear force modernization, its maritime activities, its opposition to missile defence in Asia and its regional and international diplomacy are difficult to explain in any context other than that of preparations for a military confrontation over Taiwan. The Chinese leadership may expect that a surprise attack executed while cross-Strait tensions are low, American military forces are heavily committed abroad, and Washington's attention is elsewhere could achieve all of Beijing's principal aims and present the world with a *fait accompli* that the international community would be unwilling or unable to reverse. Failure by the US to deter such an attack, or *in extremis* to defend Taiwan, would raise serious doubts throughout Asia about Washington's willingness and ability to continue to act as guarantor of regional stability, allowing Beijing to realize it's other long-term strategic goal: that of replacing America as Asia's regional hegemon.

China's lack of military capability relative to the United States will not be redressed overnight, but at the same time, it will not necessarily prove a deterrent to forceful action. In the eyes of the regime in Beijing, Chinese sovereignty, national reunification and regime legitimacy and survival are more critical national goals than peace, prosperity or

even China's gradual rise to regional pre-eminence. It should not be assumed that China would opt for peace, prosperity or recognition as a trustworthy international actor should the opportunity to attempt the final reunification of the motherland present itself.

Impediments to China's "Peaceful Rise"

While China has attracted many international supporters, it only rarely finds itself allied with Western nations on issues of global significance (and even less seldom with representatives of the anglosphere). The cause is a troubling, but not entirely unexpected, duality in Chinese diplomacy. Ostensibly favouring multilateralism, Beijing opposes or works to attenuate crucial international agreements, and is striving to reduce Washington's regional influence and extend its sway throughout Asia, while at the same time condemning American "unilateralism." Despite demanding UN approval for the use of military means in dispute resolution, Beijing insists that it will brook no interference with its aim of reuniting Taiwan with the "motherland," against the will of its people if necessary, and if necessary by force. Even unequivocal diplomatic victories can carry a heavy price; prolongation of the North Korean crisis has not served Beijing's interests, trying Washington's limited patience, imposing a severe economic drain on South Korea (an increasingly important Chinese trade partner and a major source of foreign investment), strengthening the US-Japanese alliance, and providing Washington and Tokyo with an excuse for enhancing cooperation on ballistic missile defences. Furthermore, while North Korea is heavily reliant upon Chinese largesse, the nature of its regime is such that there is probably a limit to Beijing's sway over its fractious client state. When that limit is reached, Beijing's influence with North Korea – and therefore much of its regional credibility and clout – will begin to be questioned, both in neighbouring capitals and in Washington.

Beijing has staked a large part of its reach for regional influence upon modernized conventional and nuclear forces. These programs impose a drain on China's newfound prosperity, and, along with inefficiency and a lack of structural reforms, particularly in the banking sector, will curtail Beijing's ambitions. Other constraints flow from factors not altogether within Beijing's control, including freer access to advanced Western military technology, and strong economic growth. There is no guarantee either that previous economic trends will continue, or that Western states will continue to permit Beijing to purchase weapons that, if China remains intent on becoming the predominant regional power, are likely to end up being pointed back at them.

The rate-limiting factor in Beijing's rise to regional and global influence, however, remains its economic performance. Despite two decades of double-digit growth, serious structural impediments are likely to preclude continuity of the "Asian miracle." China's scope for growth is bounded by a spiralling demand for mineral and energy resources, uneven economic development across its many provinces, persistent calls for justice, fairness and an end to corruption, and increasing pressure for political liberalization from a populace that, despite Beijing's imposition of draconian measures to control the flow of information, is increasingly globally aware. China's economy, moreover, is largely geared to production based on inexpensive labour, imported oil and open overseas markets, and interruptions in any of these could have a significant, potentially disastrous, impact on its "powerhouse" performance. Nor may domestic

considerations be discounted; despite claims of internal liberalization, China remains a repressive totalitarian state, denying fundamental human rights, restricting religious freedoms, controlling the free exchange of information ideas, and imposing harsh punishments upon dissidents, factors which – although they have done little to discourage Western governments, who continue to queue for access to China's immense domestic markets – do not augur well for sustainable economic growth.

Conclusion

There are constraints upon every state's freedom of action. Economic interdependence brings with it an obligation to act responsibly that is antithetical to the unrestrained behaviour characteristic of a dictatorship with pretensions to regional hegemony. The limited economic liberalization that has facilitated China's rise could, if allowed to continue, eventually prevent Beijing from wielding its growing influence too rashly. Over the coming years, China's behaviour vis-à-vis its neighbours, particularly Taiwan, will offer clues as to whether Beijing perceives itself to be capable of achieving its ambitious goals.

Beijing's domestic policies, meanwhile, while useful for sustaining performance in a permissive and expanding global economic environment, are inherently inimical to China's long-term stability and prosperity, and are more likely to stifle than to facilitate China's "peaceful rise." Three factors are in play. First, China's booming export market is vulnerable to a downturn in the global economy, which would deprive China of the excess capital it requires to sustain spending and growth. Second, China's economy, geared to serving Western markets, would suffer if notoriously mercurial Western populations suddenly decided to take umbrage at Beijing's totalitarian domestic policies. And third, as the first country to attempt to divorce economic liberalism from the political liberalism that, since the Industrial Revolution, has both enabled and sustained it, China may be on the cusp of discovering that while limited economic reforms may be both useful and "controllable," there are no historical examples of a great power being "a little bit capitalist."

China has been growing and expects that growth to continue, but there is no guarantee that it will. Beijing's leaders face an unpalatable choice: whether to clamp down on calls for political as well as economic liberalization, stifling further economic growth; or to bend to those calls and pursue the booming economy they desire, at the risk of the long-term viability of their political system. Indeed, the limited reforms already instituted by Beijing in hopes of energizing China's economy may prove in the end to have been a "poison pill" – the final straw that breaks the back of totalitarianism and renders the leadership in Beijing, rather than their Western "peer competitors," obsolete.

September 2005 – *Donald A. Neill and Elizabeth Speed*

India: Emerging Great Power

Ten years ago, India did not seem to be of particular significance, politically, militarily or economically. The US regarded South Asia as a third-class backwater. In 1997, Lord Desai, a British academic and Labour peer, lambasted his country of origin, calling India "the laughing stock of the world" and expressing pessimism about its future. As recently as November 2003, he said that "China will again become a viable Great Power; India may become just a Great Democracy."

Nonetheless, in the past two years a different view of Indian power has emerged. Indian commentators have referred to their country variously as a "rising superpower" and an "Asian giant with nuclear capabilities." Outsiders have been equally impressed. Within the space of four weeks in spring 2005, New Delhi hosted US Secretary of State Condoleezza Rice and Chinese Premier Wen Jiabao; Rice offered to "help India become a major world power in the 21st century." The US National Intelligence Council (NIC) compared the emergence of China and India to that of Germany in the nineteenth century and the US in the twentieth, with "impacts potentially as dramatic."

Many of the assertions of India's imminent great power standing rely on long-term demographic and economic projections. However, in the present or the near-term, observers (especially Indians) tend to oscillate wildly between optimism and pessimism. A major conference, organized annually by the magazine *India Today*, took as its theme in 2003 "India Tomorrow: Global Giant or Pygmy."

India: Giant or Pygmy?

In international relations, power is generally defined as the ability of a country to impose its will on others, often by means of military or economic strength. Conversely, states that have the capacity to resist being imposed upon also have a certain degree of power, without it necessarily being termed "great."

The recent transformation in India's global standing owes much to its economic prospects, and there is no doubt that economic growth and commercial allure will greatly reinforce India's diplomatic influence. In the years after independence India distanced itself from the global economy, but during the past decade it has increasingly reaped the benefits of globalization. Nonetheless, a recent ranking of economic globalization placed India at only 61st (China is 37th), suggesting there is plenty of scope for further improvement. Among the indicators of economic success: a dozen Indian companies have listed on Wall Street since 1999; Indian companies are increasingly taking over foreign companies; and over half of the Fortune 500 companies out-source to India.

In 1980, India had the world's ninth largest economy (measured at purchasing power parity exchange rates); by 2004 it had risen to the fourth largest. Goldman Sachs predicts that India will have the world's third largest economy by 2032, and analysts at Standard Life have estimated that by 2050 India could have become the third largest stock market in the world. India's growing population – more than half of all Indians are under 25 (India is projected to overtake China as the most populous country before 2040) - is a potential asset: elsewhere in Asia, the expansion in the working-age population now experienced by India brought rapid economic growth.

However, India's performance pales beside that of China, and not all its portents are rosy. India still accounts for less than one percent of world merchandise trade and 1.5 percent of world services exports. Agriculture constitutes less than one-quarter of India's GDP but employs nearly 60 percent of the labour force, ensuring that the large rural population is a critical element in consumption. Thus, growth remains quite weather-dependent, and observers are concerned at what they perceive as some worrying long-term trends, including declining agricultural growth and growing water scarcity. Equally, India imports two-thirds of its oil, and is expected to have to import up to one-third of its natural gas by 2015, making it very vulnerable to energy availability and price rises.

Many of the constraints upon economic growth are political, infrastructural and bureaucratic in origin. Inefficient ports, power shortages, and transportation bottlenecks all take a serious toll. India's fiscal deficits are relatively among the largest in the world, and the IMF and the World Bank argue that they are a major threat to India's long-term growth prospects. At the same time, political imperatives have stalled such reforms as cutting subsidies and instituting labour market reforms. Bureaucracy is a major obstacle to business, and India has been relatively slow to privatize state-owned companies.

Political paralysis has contributed to retarding economic development. Over the past two decades, there has been a dramatic rise in smaller, often regional or caste-based, parties. Between them, the two largest parties – Congress and the BJP – attracted 48 percent of the vote and 53 percent of the seats in the 2004 elections. This situation enforces coalition-building – Congress is currently governing in an alliance of some fifteen parties, and still falls short of a majority, forcing it to rely on the support of a leftist bloc that is suspicious of many of Congress's economic, foreign and other policies.

India's social problems tend to get overlooked in the absorption with its economic potential. India ranks a lowly 127th on the UN's Human Development Index. Its demographic bulge poses a risk that it will have difficulty creating sufficient new jobs, with the consequent social strains. India has overtaken South Africa as the country with the largest number of HIV-infected people, and the epidemic is most prevalent in those parts of India that have enjoyed the highest growth. A recent analysis of this development warns that HIV/AIDS is "one of the greatest threats facing India's future."

India's domestic situation also belies its actual or potential global standing in another important respect: internal security. Perhaps surprisingly in a country with a vibrant democracy and a highly credible military system, India is plagued by insurgency to a remarkable degree. At the end of 2004 it was reported that about 45 percent of India's area, covering 220 districts, was in the grip of some kind of insurgency, and the problem seems to be escalating rapidly.

Nonetheless, India's growing economy will not only give it greater weight on the international scene, it will also enforce a more aggressive diplomacy, whether in securing access to energy supplies or making its case in the World Trade Organization (as it did in the September 2003 WTO negotiations). Another arrow in India's diplomatic quiver is its diaspora, which numbers over 20 million and is growingly influential. India does not need US help to become a leading power, but American assistance (especially in investment and technology) will accelerate the process, and Washington's pledge to boost India's global standing is itself an important signal of that standing. In June 2005 the two

countries agreed on a framework of defence relations that specified areas of cooperation, including collaboration on missile defence. In July the two sides reached agreement on a number of issues that had dogged the relationship. Washington tacitly recognized India as a nuclear weapons state, and provided Delhi with a long-sought commitment for cooperation in civilian nuclear technology. The US administration has invested significant political capital in these moves, which both represent a reversal of US nuclear policy and will involve the administration in major legislative and bureaucratic battles. The recent actions of the Bush administration have also fulfilled a long-standing Indian goal, in effectively de-linking India and Pakistan, so that the US will deal with each country on its own merits and not in relation to the other.

One of the gaps in India's diplomatic arsenal is a permanent seat on the UN Security Council. In its anxiety to secure such a seat, Delhi has signaled that it is prepared to forgo the veto. This concession seems to have increased support for India's candidacy, but an implied willingness to accept a second-class status in the Security Council suggests that Delhi remains unsure of its global standing.

Delhi regards military capacity as an important adjunct of great power standing. Shortly after the 1998 nuclear tests, a top Indian analyst argued that Delhi's nuclear policies had more to do with status than with security, and that if India played its cards right, it could parlay its nuclear programme into recognition as a "global player." Major powers, especially the US, certainly seem to have taken India more seriously after the tests. However, the development of India's nuclear arsenal has proceeded very slowly since 1998, and Delhi is thought to be several years away from having a credible nuclear command-and-control structure. Nevertheless, it is now reportedly planning to develop an inter-continental ballistic missile, scheduled for operational assignment by 2015. Acquisition of such a weapon would certainly augment India's military reach and stature.

Still, India has the third largest active armed forces in the world, and one of the most combat-tested. Delhi has ambitious military modernization plans, and emphasis is being placed on acquiring newer technology equipment. One of the military attributes of great power status is power projection, an area in which India has been quite deficient. India's rapid provision of tsunami relief to Indonesia, and its deployment of six Sukhoi Su-30K aircraft – using air refuelling – to France for a joint exercise in June 2005, show that it is acquiring power projection capabilities, but it is moving to boost its capacity further. Most of the initiatives involved will be naval, in large part in the pursuit of energy security. In November 2003, former Prime Minister A.B. Vajpayee told senior officers that India wanted to be a world power by 2020, and demanded defence strategies that extended from the Arabian Sea to the Strait of Malacca, from Central Asia to China. The planners were charged with finding ways of projecting military power to more than fifty nations. Aircraft carriers are intrinsic to power projection, and it is India's plan that it will have three, but it will not reach this level until at least 2012. Other elements of "blue-water capability" – including more surveillance aircraft and more submarines (one an indigenously developed nuclear vessel) – will take even longer to acquire (up to fifteen years, according to the navy chief). (Indeed, although impatient for India to assume a leading place in the world, one nationalistic Indian strategic thinker thought that it might not be able to dominate the Indian Ocean region until the 2050s.) In 2004, India

established its first foreign military base, in Tajikistan, and over the next decade defence planners want to develop logistical support in places like Iran, Kazakhstan and Myanmar.

Ambitious as are India's plans, reality tends to lag rhetoric. In 1988 defence spending represented 3.59 percent of GDP; currently it is 2.35 percent, partly offsetting India's increased wealth. Among the problems facing the armed forces are bureaucratic inertia, an inefficient procurement system, poor coordination, morale issues, officer shortages, debilitating operational demands, shortages of parts, defective equipment, and poor maintenance. Nevertheless, India is one of the few countries to have placed its own satellites in orbit, and while it currently does not have an extra-regional military muscle commensurate with great power standing, within two decades it will.

Yet while India now has, and increasingly will have, the military - as well as the economic and diplomatic - power to resist unwelcome foreign demands, it is not yet a great power in the sense of being able militarily to influence the behaviour of other countries of any significance. This is most evident in India's relations with Pakistan, a country one-seventh its size. For years, Pakistan has abetted militant infiltration into Indian-held Kashmir, without India being able to prevent it. Occasionally, Indian sabre-rattling forces Islamabad to curb militant activity, but such restraints are cosmetic and short-lived. Equally, Delhi has been unable to thwart China developing the Pakistani port of Gwadar, potentially giving the Chinese navy a foothold at the entrance to the Gulf and flanking India. India's relations with Nepal are another test of Delhi's geopolitical stature. As the Maoist insurgency in Nepal worsens, it is fuelling leftist rebellion in India. So far, Delhi has been unable significantly to influence these threatening developments in its own backyard. This suggests that for a long time to come Indian power projection will be more diplomatic (exercises, ship visits, relief, and so on) than forceful.

Pakistan: The Test of India's Stature?

Like India, Pakistan is a nuclear power and yet there is a body of opinion that sees it as being on the verge of state failure. In 2000, the NIC projected that by 2015 "the central government's control probably will be reduced to the Punjabi heartland and the economic hub of Karachi." Pakistan does embody some of the traits of failing states. It has been a serious nuclear proliferant, government writ runs feebly in some regions, communal conflict and *jihadism* flourish, political institutions are feeble, and poverty and unemployment are rising. Nevertheless, some of the trends of the past five years belie the NIC assessment. Economic growth has been robust, Islamabad is trying to establish its sway in tribal areas that had never previously accepted government authority, Pakistan has emerged from relative international isolation and relations with India are improving.

While Pakistani failure is an unlikely prospect, its behaviour can either continue to retard India's economic development and its assumption of a greater global position, or by ceasing to be a regional drag it can accelerate existing trends in Indian growth.

Five years ago, President Bill Clinton described Kashmir as the most dangerous place on earth. Since then, India and Pakistan have initiated a bilateral dialogue and adhered to a ceasefire launched in November 2003. These and other initiatives, reinforced by a growing public opinion in favour of ending confrontation, have defused the sense of crisis evident in 1998-2002, and observers detect a new maturity in bilateral relations.

Both sides are becoming more aware of the financial drain caused by confrontation. For instance, it has been estimated that during the 1990s the Indian army spent up to US$3.5 million a day trying to maintain control in Kashmir. Likewise, formal bilateral trade is thought to amount to only $600 million, and Indian trade associations say it is possible to increase that ten-fold. There is also a considerable risk premium to India-Pakistan conflict. The threat of war in early 2002 led some countries to warn against travel to the region, and some foreign nationals, including businessmen, left. The crisis negatively affected wheat prices in Pakistan and the information technology and tourism sectors in India. It is thought that the Indian business community played a role in dissuading the government from attacking Pakistan. Progress in bilateral relations with Pakistan is factored into recent assessments of India's economic potential.

Conclusions

Clearly, India has come a long way in the past decade. However, some of the claims made for its new global standing perhaps owe as much to anticipation or to enthusiasm as to current reality. Unlike countries, such as Russia, whose claims to great power status have rested mainly on military power, India's claims – in a region with other great power contenders – rest more on economic and demographic potential than on military power, despite the acquisition of nuclear weapons. In this regard, the expected milestones of India's entry into the top flight among global powers range from about 2030 to 2040. At the same time, some of the concerns about India's global economic standing have less to do with its present weight (for instance, its puny share – 1.7 percent - of the world economy) or its future potential than with a perceived failure to reach its full capacity - hence the interminable comparisons with China. Militarily, India aims to have the sinews of global power, and the concomitant means of projection, by about 2020. However, given its record of programme delays, realistically it will be some years after that before the country attains a noticeable extra-regional military influence, and it will be more in the nature of a (nuclear) balancer – *vis-à-vis* China – and a warden of the Indian Ocean than of a power willing and able to use military means to effect change beyond its own region. Yet while it may be a quarter-century or more before India reaches the economic and military threshold of the leading global powers, diplomatically it may already have attained great power status as other leading powers – notably the US – vie for its favour. However assiduously it is courted, Delhi may be relied upon to maintain its tradition of foreign policy autonomy.

Currently, the limits to India's geopolitical power are evident in its inability to deter cross-border infiltration from Pakistan or to influence threatening developments in Nepal and Bangladesh. Many factors retard India's development as a major power: political instability, sclerotic administration, infrastructural problems, domestic rebellion and regional confrontation, HIV/AIDS, and so forth. The removal or reduction of constraints such as these, many of them largely self-imposed, would accelerate India's rise (as has been the case of China), but most of them are unlikely to be neutralized in the near or medium term. Nevertheless, India's dependence on economics and demography for great power status look like a better long-term bet than military strength has been for some contemporary great powers.

August 2005 – *Tony Kellett*

The Middle East: An Arab Spring?

In the spring of this year, President George W. Bush proclaimed the dawning of a new democratic era in the Middle East. Addressing students and faculty at the National Defense University on 8 March 2005, he announced:

> [A]t last, clearly and suddenly, the thaw has begun. The people of Afghanistan have embraced free government, after suffering under one of the most backward tyrannies on earth. The voters in Iraq defied threats of murder, and have set their country on a path to full democracy. The people of the Palestinian Territories cast their ballots against violence and corruption of the past. And any who doubt the appeal of freedom in the Middle East can look to Lebanon, where the Lebanese people are demanding a free and independent nation…Saudi Arabia's recent municipal elections were the beginning of reform that may allow greater participation in the future. Egypt has now – has now the prospect of competitive, multi-party elections for President in September.

Without question, these are hopeful trends. However, it is as yet too early to declare "Mission Accomplished" for democratic reform in the region. As Marina Ottaway, a senior associate at the Carnegie Endowment for International Peace, reminds us, "Trends do not amount to real change." Hopes for lasting democratic reform in the Middle East have been raised – and dashed – before. In the 1980s and early 1990s, for example, several Arab regimes embarked on programs of political liberalization as a means to contain domestic pressures for change stemming from popular dissatisfaction with stagnant economies, widespread government corruption and human rights abuses. When faced with the prospect of sharing or losing power to opposition forces, however, these regimes scaled back or abandoned altogether these tentative democratic experiments. Once again, the region seems to be on the cusp of a genuine democratic revolution. While recent developments to which the President referred in his National Defense University speech appear promising at first glance, they are not, upon closer examination, the unequivocal democratic successes that would lead one to conclude that democracy has at long last taken hold in the troubled Middle East.

Iraq. In the words of senior analyst Nimrod Raphaeli of the Middle East Media Research Institute, the National Assembly election held on 30 January 2005 was "a seminal event in the history of the country and, by extension, an important benchmark by which the future evolution of democracies in other countries of the Middle East will be measured." Despite insurgent threats of violence against those participating in the election, approximately 8.45 million Iraqis (59 percent of registered voters) courageously cast their ballots. There is some question, however, whether the vote met the standard for "free and fair" democratic elections. For example, the names of candidates running on party lists were kept secret (understandably so) in order to protect them from reprisals from insurgents seeking to disrupt the election. What this meant, however, was that Iraqi voters did not know whom they were voting for. This left many with only their sectarian ties as the basis for deciding how to cast their votes. As one United Nations official commented, "The election was not an election but a referendum on ethnic and religious

identity. For the Kurds, voting was about self-determination. For the Shiites, voting was about a *fatwa* issued by [Grand Ayatollah Ali al-]Sistani." Moreover, *The New Yorker* reporter Seymour Hersh has raised allegations (though without providing concrete supporting evidence) that both the U.S. and Iran tried to manipulate the election so as to secure a more favourable outcome.

Palestine. President Bush praised the Palestinian presidential vote held on 9 January 2005, which, he said, "observers describe as largely free and fair." It is impossible, however, to hold "free and fair" elections under conditions of foreign military occupation. In theory, elections under occupation can be "fair" in so far as the restrictions imposed by the occupation authority equally disadvantage all candidates and favour none. In other words, though the electoral "playing field" may be severely confined, it may be "level" for all candidates. In this sense, the Palestinian election was largely fair, in the estimate of the Palestinian Centre for Human Rights and the National Democratic Institute international observer team. However, it strains credulity to describe the election as "free." As the international observer team noted in its preliminary statement on the election, "freedom of movement over the entire electoral period would have been necessary for candidates, voters and election authorities to participate fully in the election process." Israel had agreed to ease restrictions on Palestinian freedom of movement during the election campaign. Yet, as the observer team observed, "hundreds of checkpoints, the barrier wall, temporary closures and other security controls hampered the work of election officials, limited the ability of candidates and their supporters to campaign and had an inhibiting effect on some voters."

Lebanon. Massive popular demonstrations in Beirut called for the withdrawal of Syrian military and intelligence personnel from Lebanon following the assassination of former Prime Minister Rafik Hariri on 14 February 2005. However, the apparent unity of the anti-Syrian opposition, which, together with sustained international pressure, compelled Syria to withdraw from its neighbour after twenty-nine years, fractured as the sectarianism that has long characterized Lebanese politics reasserted itself. Parliamentary elections held between May 29 and June 19 only reinforced the country's ossified confessional system. The elections, based on the sectarian framework of the 2000 electoral law, ensured that the old political elites and their scions would return to power; the elections confirmed the Future Movement's Saad Hariri (the murdered Prime Minister's son and a Sunni), Druze warlord Walid Jumblat, Shiite Hizbullah's Sayyed Hassan Nasrallah, and Christian leader Gen. Michel Aoun as the unchallenged leaders of their respective communities. Rather than signaling a new age of liberal democratic politics, the sectarian polarization witnessed in the parliamentary elections "bodes ill for a process of political reform in Lebanon based on concrete proposals for nation building, addressing corruption, and communal reconciliation, that includes the wider public, as opposed to the intermittent reconciliation of elites", in the assessment of Julia Choucair, Assistant Editor of the *Arab Reform Bulletin*. *Plus ça change…*

Saudi Arabia. Staggered municipal elections for half the seats on Saudi Arabia's 178 municipal councils were held in three phases over the period 10 February to 21 April 2005. Many observers applauded the Kingdom's cautious experiment in electoral politics. As Egyptian political scientist Amr Hamzawy insisted, "[I]n spite of all its structural shortcomings, [the elections signify] at least an opening in an authoritarian

political spectrum and probably a step in the direction of more citizens' participation." While the elections may be the harbinger of greater openness in the Kingdom in the long run, the structural shortcomings of the current round should not be lightly dismissed. Eligibility rules restricted the vote to some three million Saudis out of a population of approximately twenty-four million. Most prominently, women were excluded from voting or standing as candidates. With political parties banned in the Kingdom, candidates had to run as independents, though an informal "Golden List" of Islamist activists, endorsed by Saudi religious leaders, was able to circumvent these restrictions and sweep to victory in many areas of the country. Finally, the mandate of the elected councillors is limited to local issues rather than "high politics," and they will be forced to share power with an equal number of government-appointed members. The elections may prove to be a step on the long road to democracy in the Kingdom, but so far it appears to be a small and halting step at best.

Egypt. The Egyptian presidential election, held on 7 September 2005, was the first direct presidential election in the country's history. Nine candidates challenged President Hosni Mubarak for the presidency, but, as expected, the incumbent won handily with about 88.6 percent of the vote (though voter turn-out was a dismal 23 percent). Long before election day, many democratic reformers in Egypt had criticized this apparent opening in the political system as cosmetic. George Ishak, a founding member of the Egyptian Movement for Change (also known as *Kifaya,* meaning "Enough"), dismissed the amendment of Art. 76 of the constitution permitting direct elections for president as "rubbish" in light of the restrictions imposed on the opposition and independent candidates. *Kifaya* called for a boycott of the election, as did the two main leftist opposition parties, the Tagammu and the Nasserist. Only days before the vote, the electoral commission rejected a judicial ruling permitting local independent non-governmental organizations to enter polling stations to monitor the election process, a decision that raised doubts as to the transparency of the vote. Cairo also rejected President Bush's call for international observers, citing sensitivity to external intervention in any form in Egyptian politics deriving from the country's colonial past.

On the basis of developments to date, it is too soon to celebrate the arrival of an "Arab spring." They do hold out the tentative promise that the region may be moving in the direction of greater democratization. Certainly, there is a hunger in the region for democracy. A series of U.S. National Science Foundation-funded surveys carried out in 2003 and 2004 in Algeria, Iraq, Jordan and Palestine reveal overwhelming support for democracy among the general population. The proportion of respondents who believe democracy is a "very good" or "fairly good" system for ruling their countries ranged from 88 percent in Algeria to 95 percent in Jordan. Nevertheless, there are significant challenges that must be overcome for these aspirations to be realized.

Internal Obstacles to Democratization

The Arab Human Development Report 2004, released in April 2005, sets out some of the reasons for the lack of genuine and sustained democratic reform in the Middle East. It rejects the notion that the root of the problem is cultural, that Arab or Islamic civilization is somehow incompatible with democracy. Rather, the obstacles to democratization, it argues, are political, including "the decades-long imposition of

'emergency powers' by authorities across the region [and] the systematic suppression of independent courts and parliaments." This centralization of power in the executive has created what the Report terms the "black-hole" State, where "power is concentrated at the tip of the executive pyramid and…the margin of freedom permitted (which can swiftly be reduced) has no effect on the state's firm and absolute grip on power."

Can the "black-hole" State be reformed? The challenge is daunting. Democratic reformers must overcome the resistance of entrenched elites who are loath to relinquish their grip on power for reasons of material self-interest and deeply-held nationalist ideology. Alan Richards, professor of economic and environmental studies (University of California, Santa Cruz), identifies three conditions that are necessary for the transition to democracy in authoritarian states:

> 1) A sufficiently large number of reformers within the existing regime must reach an agreement with moderate opponents of the regime; 2) the reformers must persuade military/security hardliners within the regime to cooperate with institutional change; and 3) moderates must contain their allies, the more radical opponents of the regime.

Only if all three conditions are met, Richards insists, "will it be possible for a large enough set of social actors to believe that a credible commitment has been made by both current power wielders and their opponents to follow a set of rules of the game in which defeat at the polls does not mean annihilation."

External Obstacles to Democratization

International support and encouragement can contribute to such a 'meeting of minds' between reformers in government and opposition. Yet, unfortunately, the policies of regional outsiders can also short-circuit the transition to democracy. Bush administration supporters are quick to claim credit for U.S. policy spawning the recent democratization surge in the Middle East. However, many in the region do not share this perception. Arabs doubt the sincerity of the U.S. commitment to democratization. A May 2004 Zogby International poll conducted in six Arab countries asked respondents to rank the importance of U.S. motivations behind its March 2003 invasion of Iraq (what has become the centerpiece for the Administration's regional democratization program). "Controlling oil" and "protecting Israel" consistently topped the list as "extremely important" motivations for the U.S. action; "sponsoring democracy" ranked a distant seventh or eighth out of the eight possible motivations offered respondents. Nor did the U.S.-sponsored National Assembly election in Iraq in January 2005 dispel these doubts. A May 2005 poll for the Pew Global Attitudes Project asked Lebanese and Jordanian respondents how the election had affected their opinion of the U.S.. Seventy-eight percent in both countries reported that their view of the U.S. had not changed or was *less* favourable after the elections; only 18 (Jordan) and 19 (Lebanon) percent of respondents indicated that their opinion had improved. Moreover, approximately three-quarters of respondents felt that the January election would either lead to no change in Iraq or would actually make things worse; a mere 10 (Lebanon) and 22 (Jordan) percent felt the election will lead to a more stable situation. Why this profound mistrust of U.S. motivations? Syrian reformer Tariq Ramadan succinctly set out five specific grievances in which Arab misgivings are rooted:

> [T]he feeling that the United States's role in the Israeli-Palestinian conflict is unbalanced; the longstanding American support of authoritarian regimes in Islamic states and indifference to genuine democratic movements (particularly those that have a religious bent); the belief that Washington's policies are driven by short-term economic and geostrategic interests; the willingness of some prominent Americans to tolerate Islam-bashing at home; and the use of military force as the primary means of establishing democracy.

Even if their intentions are sincere, outsiders' policies can nevertheless have a negative impact on regional democratization trends. The Bush Administration's 'war on terror' is a case in point. According to the *Arab Human Development Report 2004*, the U.S. fight against terrorism has had a doubly negative impact on the reform movement in the Middle East. The *Report* contends that moves to restrict civil liberties, especially of Arabs and Muslims, in countries like the U.S., which Arab reformers have long held up as paragons of freedom and democracy, have "weakened the position of those reformers calling for Arab governments undertaking similar actions to change their course." At the same time, the *Report* maintains, it has provided authoritarian governments in the region with the justification to further restrict civil liberties in the name of combating terrorism. Outsiders' policies considered necessary to fight terrorism do not necessarily complement policies intended to promote democratization in the region.

Outlook

It is too early to declare victory for democracy in the Middle East. The winter of authoritarianism has yet to give way to the spring of democratization. Nevertheless, the first shoots of democracy are bravely pushing up through the snows of repression. Their survival, however, is not guaranteed. Authoritarian elites may yet choke off these fragile buds. But if outside powers can overcome local mistrust of their intentions and minimize the negative aspects of their regional policies, they may be able to help home-grown democracy take root.

September 2005 – *James W. Moore*

African Security Operations Capacity – Improvement or Illusion?

Africa is also affected by the major changes occurring in the world and has garnered significant attention from the international community aimed at building the capacity of African states to manage perennial security problems. Various organizations have launched programs or established goals to assist African countries. The UN, for example, adopted the Millennium Development Goals (MDG) in 2000, leading other groups to devise their own supporting programs. The African Union (AU) developed its New Partnership for Africa's Development (NEPAD) in 2001 and the G8 has been intensifying its focus on African development and security with each summit during the past decade. While the UN MDGs and NEPAD's objectives do not pertain directly to security, it is generally recognized that there can be little development without stability; hence, many countries in Africa and from abroad have devoted considerable effort to improve the capacity of African states to promote internal and regional security. While these programs are still relatively new, there are already some indications they are having a positive impact. This chapter will outline recent African security initiatives and analyze their potential impact.

UN MDGs All UN member states committed to achieve the following by 2015:

1. Eradicate extreme poverty; 2. Achieve universal primary education; 3. Promote gender equality and empower women; 4. Reduce child mortality; 5. Improve maternal health; 6. Combat HIV/AIDS, malaria, and other diseases; 7. Ensure environmental sustainability; and 8. Develop a global partnership for development.

NEPAD

Objectives include: 1. Eradicate poverty; 2. Place African countries on path to sustainable growth and development; 3. Halt marginalisation of African globalisation process and promote its integration into the global economy; and 4. Accelerate the empowerment of women.

A key structural component of NEPAD is the Peer Review Mechanism created to monitor economic, political and corporate governance and socio-economic development across Africa.

G8 Engagement

During their annual summits, over the past decade, G8 member states have increasingly devised policies aimed at developing African countries' governance and stabilization operations capacity. A significant undertaking, the Africa Action Plan was adopted at the Kananaskis summit in 2002. At the Evian summit in 2003, G8 leaders established the Africa Partnership Forum that biannually convenes representatives of the G8, African states, the Organisation for Economic Co-operation and Development (OECD), and various other international institutions, selected on an issue-specific basis, to discuss development. African security

G8 Africa Action Plan The G8 countries pledged support for African states in the following areas: 1. Peace and Security; 2. Political and Economic Governance; 3. Trade, Investment, Economic Growth, and Sustainable Development; 4. Debt Relief; 5. Education, Information and Communications Technology; 6. Health and HIV/AIDS; 7. Agricultural Productivity; and 8. Water Resource Management.

was also discussed at this summit, resulting in the creation of the Evian Joint Plan to increase the capacity of the AU and sub-regional peace and security institutions. In practical terms, this pledge led to financial and personnel support to African Peace Support Training Centres in Ghana, Mali, and Kenya. The 2004 summit at Sea Island in the US further advanced the African peace and security agenda by instituting a global plan to train and equip up to 75,000 troops from developing nations to engage in peace support operations by 2010. A program to end famine in the Horn of Africa was also created at Sea Island.

At the 2005 summit in Gleneagles Scotland, host Prime Minister Tony Blair declared Africa and Global Climate Change the two priority areas. Having made improved security, governance, and the social and economic prosperity of African states a major component of UK foreign policy, it was no surprise that he elevated Africa on the agenda. The Gleneagles summit resulted in pledges for increased development aid, approximately doubling the current US$25 billion by 2010, and debt forgiveness for 18 of 38 countries, many of them African, that comprise the Heavily Indebted Poor Countries (HIPC) initiative. The G8 members also promised to fund the training of 20,000 African peacekeepers and to address shortfalls in the five regional brigades of the African Standby Force (ASF [See below]).

African countries whose debts have been forgiven: Benin, Burkina Faso, Ethiopia, Ghana, Guyana, Madagascar, Mali, Mauritania, Mozambique, Niger, Rwanda, Senegal, Tanzania, Uganda, Zambia

While the G8 focus on Africa has increased in recent years, it is likely that it will decline in the near future. Some analysts suggest that the 2006 summit in Russia will be dominated by energy security due to high oil and gas prices. These prices are likely to impact negatively on the world economy and consequently garner more attention from G8 leaders. A loss of focus on Africa may result in a diminished development and security assistance effort in the future.

Peace Support Capacity Building

In addition to, or in support of, the G8 sponsored peace and security initiatives, member states have engaged in bilateral and multilateral military training or operations either to help stabilize portions of Africa or as part of the war on terror. The US has been especially active in this regard by providing counter-terrorism training for indigenous military forces in countries such as Mali, Niger, Chad, and Mauritania and also through the deployment of approximately 2,000 personnel in the Combined Joint Task Force, Horn of Africa, in Djibouti. This force, augmented periodically by small detachments from France, Germany, Spain, and Italy, has been conducting counter-terrorist operations in countries throughout the Horn of Africa. France recently conducted stabilization operations in Côte d'Ivoire and Chad, while the UK was instrumental in halting the violence in Sierra Leone in 2003. Clearly, the US, France, and the UK, periodically supported by other countries, are engaged in numerous security operations in Africa.

NATO has also played an operational role in Africa recently, providing logistical and air transport support to the AU force deployed to Darfur in western Sudan. Additionally, tens of thousands of non-African troops are currently deployed throughout

the continent as part of either the 8 UN missions, or other unilateral or multilateral missions.

Other training programs are being conducted in Africa in addition to the US counter-terrorism efforts. France offers training to African military personnel through its Reinforcement of African Peace-keeping Capacities (RECAMP) program. RECAMP is designed, as the name implies, to help African forces develop their capacity to deploy on peace support operations as part of a multi-national force modeled on UN missions. The UK also has substantial training programs intended to increase the operational proficiency of African military forces. Other countries, including Canada, provide training for various African military and police organizations on a smaller scale.

African Security Efforts

African countries are also engaged in addressing their own security challenges. In 2004 the AU formalized its stabilization efforts by creating the Peace and Security Council (PSC). The PSC's role is to find solutions to security threats in Africa. To add teeth to its stabilization role, the AU pledged to adopt a common security policy and to operationalize the African Standby Force (ASF) by 2010. The ASF will consist of five brigades of 5,000 personnel on standby in each of Africa's five regions. These brigades are intended to be rapidly deployable and prepared to enforce or maintain the peace.

Recently the PSC has been active in various conflict resolution efforts, including the deployment of a force to Sudan's Darfur region. This situation is perhaps more indicative of the shortfalls in AU stabilization capacity than its success. Consider that the current conflict in Darfur began in February 2003 and that a small AU force, initially numbering 150 observers, only arrived in 2004. At the outset this force was powerless to stop the atrocities that were occurring in the region. An additional 300 soldiers from AU countries were deployed in August 2004 to protect the observers. Later that same year, the AU deployed approximately 2,000 troops with a mandate to protect the observers and also to protect civilians for the first time. As of July 2005 the force had grown to 3,300 personnel and is expected to number 8,000 by October. The mounting death toll caused by this fighting (it is estimated that over 350,000 civilians have been killed and over 1.2 million displaced since February 2003) calls into question the speed and effectiveness of the AU reaction.

The lengthy deployment of stabilization forces to Sudan is partially attributable to substantial mobility capability shortfalls in all African states. These countries lack the strategic and operational lift capacity required to deploy and sustain large numbers of troops, equipment, and provisions across substantial distances; hence the need for NATO support in Sudan. Since few African states have the financial resources to address the problem, it is likely that in the short- to mid-term continental peace and security organizations will continue to require outside assistance to deploy and sustain operations.

Another challenge facing African security organizations is the number of demands placed upon them. Although some of the major conflicts are currently halted by tentative ceasefires or peace accords, Africa is still extremely strife-ridden and will likely remain so in the near-term. While the planned 25,000-strong ASF would be significant, it will comprise less than half of the nearly 51,000 (as of July 31, 2005) military personnel

deployed on the eight UN operations in Africa. This figure does not take into account thousands of other military personnel deployed on non-UN operations in Africa, such as the over 4,000 French troops deployed on Operation Licorne in Côte d'Ivoire. While many of the forces currently deployed in Africa are African, and could count toward the ASF total once it is operational, the point is that even with the current large number of military personnel deployed on stabilization operations, stability is proving an elusive objective. Under current political conditions, a force of 25,000 is inadequate to meet the stabilization operations demand.

Force rotation ratios need also to be considered when assessing the potential viability of the ASF. Although ratios vary, it usually requires 4 soldiers to deploy and sustain 1 in the field. African militaries generally lack sufficient numbers of personnel. As a result, their collective ability to provide enough forces to meet the ASF goal is doubtful, particularly because they have other roles that will often be a higher priority, such as border or internal security and maritime patrols. This problem is further exacerbated by the HIV/AIDS epidemic that is increasingly undermining the effectiveness of security forces in some African countries. Under these circumstances, the ability of African states to foster security across the continent in the near- to mid-term will be extremely limited.

More positively, there is a burgeoning capacity at the regional level to negotiate and broker peace deals. Aside from the AU, the Economic Community of West African States (ECOWAS), brokered a peace deal in Liberia, and the Inter-Governmental Authority on Development (IGAD), helped the government of Sudan and the Sudanese Peoples Liberation Movement reach their accord in early 2005. These efforts suggest that the African capacity to manage conflict could grow if the necessary resources and willingness are sustained.

Support for the stabilization capacities of organizations such as the AU, ECOWAS, and IGAD is particularly important since they currently rely on charismatic regional leaders for successful interventions. Without mature organizational structures and procedures, along with the staffing of the bureaucracies to run them, these bodies may become less effective when the current leadership departs. For example, President Obasanjo of Nigeria has played an influential role in the AU and ECOWAS in recent years and has increased the effectiveness of both these organizations. However, he is constitutionally obliged to resign from office in 2007. Nigeria's political situation is unstable, suggesting that the succession process may be fractious and could potentially lead to a civil war. If the AU and ECOWAS have not matured and no other regional leader steps in, then the loss of leadership could reduce their effectiveness as economic and security organizations.

African Reform

Underlying the African efforts to provide for their own security are programs to reform governance in many countries. Political leaders in some of these countries recognize that reform is necessary to prosper politically, economically, and socially. It is also a condition for debt forgiveness or aid packages. Hence, steps toward better governance, increased democratization, and reduced corruption are occurring in some countries. However, there is much work to be done given the kleptocratic, patrimonial,

and paternalistic characteristics that pervade many African governments. The instances of rigged elections, bribery, graft, and general disregard for good governance are numerous in Africa. The coup in Mauritania and the rigged elections in Togo and Zimbabwe are but three examples that have occurred within the past year. Clearly, much reform needs to occur before political and economic stability prevails.

Early Returns?

There has been a slight reduction in conflict in parts of Africa in recent years, including tentative peace deals in Sudan, Burundi, Liberia, Sierra Leone, and Côte D'Ivoire, although any or all of these situations could rekindle at any time. Where stability has increased, a degree of economic growth has followed. Reports published in the spring of 2005 by the OECD and IMF indicated that the annual economic growth in Africa of more than 5 percent in 2004 was the highest in eight years. Success varied regionally with Central Africa enjoying 14 percent on the back of expanded oil production. East African economic output grew by 6.8 percent while West Africa enjoyed a growth rate of 3.4 percent. Inflation was less than 10 percent in most countries in 2004. These positive numbers are the product of many factors, including improved security, but also government reforms, leading to better economic and fiscal policies, as well as reduced corruption, targeted foreign aid and investment, and increased prices for certain commodities, especially oil.

With the recent G8 decision to forgive a significant portion of African debt, these numbers could improve in the coming years. However, this will depend largely on the will and ability of African leaders to continue, or in some cases commence, reform. If existing peace deals hold, then economic growth may be sustainable. Continued aid and direct foreign investment in African countries will also be crucial to maintain momentum. Major setbacks in any of these trends could reduce stability.

Outlook

It is clear that Africa's political, economic, social, and security problems have received considerable international attention in recent years. There have been some positive developments; however, there is still much effort required before most African countries enjoy enhanced security. Military training and operational assistance have helped stabilize the continent to a limited degree and the growing African capacity to be more self-sufficient in this domain is a positive development. However, it is likely that the current ASF personnel targets are inadequate for the demand that will be placed upon this force. In this circumstance, requests for stabilization interventions are likely to continue indefinitely. As the international community becomes more engrossed with economic concerns stemming from oil and energy related security issues, the attention paid to Africa may decrease. This could be a significant setback for Africa.

August 2005 – *Peter Johnston*

Functional Issues

The Anglosphere At War

Did 9/11 and its consequences create new alliances or reinforce old ones? Let us consider the case of the English-speaking alliance. It has been argued that the English-speaking democracies – the United Kingdom, the United States, Canada, Australia and New Zealand – have important similarities, including ethnic British populations, shared values and democratic traditions, which combine to create the conditions of a natural alliance. In times of grave threat, this group of nations has come to the forefront to defend the fundamental tenets of Western civilization. In peacetime, they have had a history of cooperation and close political ties, and have developed a network of military alliances centred on ANZUS and NATO. The five were military allies in the two world wars and fought together under the UN banner in Korea. All five contributed combat forces to the overthrow of the Taliban regime in Afghanistan in 2001, and still participate in Operation Enduring Freedom. While the US, UK and Australia expanded this cooperation to include the 2003 invasion of Iraq, Canada and New Zealand did not.

In the war on terror, there is a clear core of participants – the US, UK and Australia – supported, to varying degrees, by "like-minded" countries, such as Poland, Italy and Japan. US officials would undoubtedly argue that their experience has been that, in moments of grave challenge, it is usually members of the anglosphere, particularly the UK and Australia, who can be counted on, and who are worth standing beside in turn. What explains the durability of this Anglo-American core? What is its significance and how enduring will it be? Is the influence of Western liberal democracy in international politics a vital national interest for us all?

The Anglosphere Concept

The idea of civilization groupings is hardly new, explored for instance by Samuel Huntington in *The Clash of Civilizations* (1996). However, as James Bennett has pointed out, the idea of a "civilizational" alliance of English-speaking nations has taken on new impetus following the 9/11 terrorist attacks and the onset of the war on terror. In his 2004 book *Anglosphere*, Bennett argues that this is a new international coalition based on a shared commitment to civil society and free economies, and a determination not to appease but to confront terrorism. It is a vision of the future of the West that anticipates an expanding group or network of countries that share its basic principles – individualism, rule of law, honouring contracts and the elevation of freedom to the first rank of political and cultural values. In a June 1997 address in New York City, Australian Prime Minister John Howard, speaking on US-Australian commonalities, articulated this vision succinctly: "We both celebrate the role of the individual and the spirit of private enterprise. We both share an unequivocal commitment to democracy, to free speech, the freedom of the press and the independence and the authority of the rule of law. …We share common views about the kind of society and sort of world we wish to bequeath to our children. …Our common endeavours are reflected in the shared sacrifices made by our men and women in war."

As observers such as Mark Steyn have noted, John Howard, Tony Blair and George W. Bush may all have different domestic agendas, but on the great issue of the

age – the war on terror – they agree. All three were recently re-elected, despite popular opposition to war in Iraq. This succession of electoral victories suggests that candidates who engage seriously with the central issue of the age can see off their opposition, whether left or right.

Overall, the Anglo-American tradition is a common heritage of democracy, individual liberty and the rule of law The September 2002 *National Security Strategy of the United States of America* (NSS) reflected this heritage, calling for the spread of democracy and the expansion of liberty. It also called for pre-emptive and possibly unilateral action to thwart a threat to the US or its allies, and promoted the maintenance of a "favourable" balance of power. These are all things the anglosphere shares to varying degrees.

The View From Washington

For a good deal of its history, America would have denied the existence of the anglosphere. From its birth in revolution against British rule and its later conflicts with Britain, through bitter disputes over the Monroe Doctrine, slavery and London's support for the South during the Civil War, America in its first century found itself at odds with the United Kingdom more often than not. While they came to see eye to eye more often in America's second century, disagreements continued at the Hague conferences, over America's belated entry (albeit as Britain's ally) into the First World War, over Washington's perceived betrayal of the League of Nations, of President Wilson's Fourteen Points, and of America's initial reluctance to confront Hitler in the Second World War.

It was only in the wake of the latter conflict, in which the English-speaking nations had joined together to defeat an unprecedented threat to their shared civilization, that the emergence of an even greater menace to liberal democracy convinced them to make permanent their association. In terms of population, prestige and power, America stood at the forefront of these nations, and as first among equals, became the de facto leader of the anglosphere. A half-century later, it was clear that the last vestiges of Anglo-American rivalry had been overcome when British Prime Minister Tony Blair, receiving the Congressional Gold Medal from a joint session of Congress following the Iraq War, was able to jokingly refer (to uproarious laughter) to the burning of the Congressional Library by British troops in 1814; and only a moment later, to reflect that, unlike his predecessor Lord North, the one thing he would never have to worry about was "losing America."

To the United States the anglosphere represents a group of like-minded nations sharing the belief that freedom and liberty are transcendent values. Since its founding, America has been shaped by the "City on a Hill" vision – one where the US embodies the ideals of freedom, liberty and virtue – of its Puritan founders. While one can always point to shortcomings in its attempt to live up to this vision, America has striven to achieve its ideals at home and abroad. The terrorist attacks of 9/11 only intensified the pursuit of this goal. This is seen in the strategic direction found in the 2002 NSS. One of the document's key goals is "to create a balance of power that favours human freedom: conditions in which all nations and all societies can choose for themselves the rewards and challenges of political and economic liberty." The document also argues, "Freedom is the non-

negotiable demand of human dignity: the birthright of every person – in every civilization." Moreover, the NSS claims that America has a duty to make the world a better place: "our responsibility to history is already clear: to … rid the world of evil." For many Americans, Abraham Lincoln's claim that "America is the world's last best hope," remains a fact, and a worthy goal.

In its effort to realize the ideals of freedom and liberty, the US has always looked to like-minded nations to assist it, and the country that has been most steadfast in its support has been the United Kingdom. This cooperation has been seen in the relationships of Winston Churchill and Franklin D. Roosevelt, Margaret Thatcher and Ronald Reagan, and Tony Blair and George W. Bush. These leaders worked closely together to realize common strategic goals that they believed would benefit the greater good. In the war on terror, Blair and Bush have worked together both to eliminate the terrorists and to foster stability through encouraging the spread of democracy. Bush has repeatedly held the UK and Blair up as the exemplar of an American ally. Shortly after the 9/11 attacks, Bush told a joint session of Congress, "America has no truer friend than Great Britain. Once again, we joined together in a great cause."

The foundations of this friendship and pursuit of common causes was explained by Bush during his 2003 UK state visit.

> The fellowship of generations is the cause of common beliefs. We believe in open societies ordered by moral conviction. We believe in private markets, humanized by compassionate government. We believe in economies that reward effort, communities that protect the weak, and the duty of nations to respect the dignity and the rights of all. The deepest beliefs of our nations set the direction of our foreign policy. We value our own civil rights, so we stand for human rights for others. The United States and Great Britain share a mission in the world beyond the balance of power or the simple pursuit of interest. We seek the advance of freedom and the peace freedom brings.

Like the UK, Australia has been steadfast in its support for the US-led war on terror. In July 2005, Bush praised John Howard, Australia's Prime Minister, for his commitment to democracy in Afghanistan and Iraq. Speaking on the US-Australian friendship, Bush noted that the two countries "share a commitment to freedom. We understand we compete against an ideology of hatred. We know we must be steadfast and strong when it comes to bringing to justice those who would kill innocent life. [W]e also understand that to defeat an ideology, you've got to have a better ideology – and we do, one based upon human rights and human dignity, minority rights and freedom."

These shared beliefs and goals explain why the US, the UK and Australia have often found common cause in the pursuit of foreign policy. Since the war on terror encapsulates many of these shared beliefs, cooperation amongst like-minded nations is not difficult to understand. Moreover, as Islamic fundamentalists threaten the very values and freedoms upon which the nations of the anglosphere rest, it is likely these bonds of friendship will only deepen as its members work together to safeguard democracy, and extend its reach.

The View From London

The much-vaunted "special relationship" between the United States and Great Britain dates to the close cooperation developed during the Second World War. It is possible to find the roots of strategic alignment earlier, perhaps even to the growth of foreign policy elites in both countries during the Great War that favoured close Anglo-American cooperation in shaping the post-war international order. Yet, it was the momentous struggle of defeating the Axis Powers that solidified the habits of burden sharing that defined this most successful alliance. It was no accident, therefore, that American, British and Canadian military staff talks began soon after 1945 to advance standardization and liaison. It was a natural outgrowth of wartime collaboration. Ever since, British governments have developed military and intelligence capabilities able to operate with those of the United States. Washington and London have since stood on the same side of the world's major struggles, including the Second World War, the Cold War and, now, the war on terror.

It would be flippant, and even misleading, to suggest that Anglo-American security cooperation has always been automatic, easy and frictionless. Indeed, no account of the relationship in the 20th century would be complete without reference to significant disagreements. While London and Washington did not always see eye-to-eye on the strategic direction of the two world wars or their post-war settlements, in the end, they emerged victorious. By 1945, however, Britain's decline had made way for America's rise, and it was the latter that led the Western world to victory in the Cold War against the Soviet Union. Anglo-American military and intelligence collaboration was well established by then and it provided the foundation of the NATO alliance. Still, in 1956, Britain sided with France against the United States in trying to re-take the Suez Canal nationalized by Egypt's president, Gamel Abdel Nasser. The United States, under President Dwight Eisenhower, actively and effectively opposed Anglo-French-Israeli actions, resulting in Washington increasingly taking responsibility for the balance of power in the Middle East. In East Asia, American and British troops found common cause in Korea, but not in Vietnam (Australians and New Zealanders did), although Harold Wilson's Labour government provided diplomatic support. During the 1960s, there were also tensions over transfer and development of high technology, resulting in Britain's efforts to reduce its dependence on the US. Even now, with the close relationship between President Bush and Prime Minister Tony Blair forged in the war on terror, there have been areas of disagreement, such as Kyoto, the International Criminal Court and relations with China. Tony Blair's government, for instance, has not actively opposed proposals to lift the European Union's ban on weapons sales to China, even though the United States opposed the move vociferously because of vital security interests.

Still, the Blair government parted ways with so-called "Old Europe" (which, incidentally, included Russia) on the issue of how to deal with Saddam Hussein. Already a strong interventionist, having articulated his ideas in the Kosovo-inspired concept of the Doctrine of the International Community, Blair spoke soon after 9/11 of the need for a "moral world order" to deal with instability and failed and failing states. Both Blair and US President George W. Bush have consistently defended the war on terror, including the

toppling of Saddam Hussein's regime in Iraq, as a moral imperative. When Tony Blair addressed the US Congress in July 2003, he argued again that the search for freedom was a universal, not only western, human condition, and that "the spread of freedom is the best security for the free. It is our last line of defence and our first line of attack."

However, in a March 2004 speech, he also reminded his audience that the decision to go to war against Iraq had been taken primarily to enforce United Nations Resolution 1441 (warning of "serious consequences" for the Saddam Hussein regime if it failed to disclose fully its weapons programs) and not to change Iraq's political regime. Prime Minister Blair stressed that international division over the intervention in Iraq stemmed fundamentally from different characterizations of the threat. Blair was "galvanized" by the attacks of 11 September, which he saw as a declaration of war against the West by Islamic extremists. This more martial response to 9/11 stands in contrast to those who argue that fighting terrorism is primarily a matter of law enforcement and intelligence. Blair's apparent vacillation between advancing freedom and enforcing Security Council resolutions as the justification for removing Saddam Hussein from power possibly reflects the difficulty he has had in communicating the anglosphere's strategic objectives in the war on terror, while trying to work within the norms of international law and security concepts that often value consensus at the expense of decisive action.

Consensus among non-anglosphere nations is far more fleeting. Consider, for instance, the cases of the Madrid bombings of 2004 and the London bombings of 2005, where the British and Spanish responses stand in stark contrast. Under the pro-American Prime Minister Jose Maria Aznar, Spain had been one of the strongest supporters of the coalition in Iraq, hosting the Azores summit on the eve of the invasion, however the Madrid bombings in April 2004 contributed to the defeat of Aznar's People's Party at the hands of Zapatero's socialists. The result was a fundamental shift in Spain's foreign policy and counter-terrorism strategy. Spanish troops quickly pulled out of Iraq, and the Zapatero government shifted its allegiance to the Franco-German compact that opposed the Anglo-American interpretation that "serious consequences" for Saddam Hussein (UNSC 1441) meant military action. In contrast, Blair has solidified Britain's leading role in the war. In fact, his government introduced several robust counter-terrorism measures before the end of July, including administrative power to deport extremist asylum seekers. It is most important to recognize that this stance is being taken by a Labour government; if the Conservatives had won the May 2005 general election, it is not likely that the party of Margaret Thatcher would take a radically different approach either to the United States or the war on terror.

Critics of British policy, however, suggest that Blair has created or, at the very least, exacerbated the terror threat by his support for Bush in Iraq. A Chatham House study, released soon after the bombings, lamented that the country has been only a "pillion passenger" in the war on terror, following the US lead without exercising any influence. The invasion of Iraq, so goes this line of reasoning, did little to solve the terrorist threat, and used up resources that should have been applied instead to finding Osama bin Laden, who turned the invasion allegedly into a major propaganda victory. To critics, therefore, Iraq was outside of the legitimate goals of counter-terrorism, and

"regime change" was a tragic and costly mistake that has set back those goals, which they see as being primarily the eradication of al Qaeda.

This "pillion passenger" view of Blair, however, betrays a misunderstanding of the anglosphere at war. The Blair government has made its own choices about military operations in Afghanistan and Iraq because of its perceptions of threat; whether London gets immediate and public "benefit" from its strong support for the US, or whether Blair exercises "influence" over Bush as a pay-off for that support, is of secondary strategic importance. Dealing with the Taliban and Saddam Hussein, however, was of primary strategic importance because these were British policy objectives. Put simply, Britain, like America, is at war because London has decided that war is necessary for its own national interests. Caricatures of Blair as "Bush's poodle," moreover, ignore both Blair's aggressive stance on Slobodan Milosevic and his Doctrine of the International Community, as well as the pre-Blair US-UK leadership of coalition efforts to contain the Hussein regime throughout the 1990s. Furthermore, given George Bush's tendency to value individual relationships above all others, there is no way to know whether or not Tony Blair has influenced him on Iraq or any other issue.

Britain's strategic culture, therefore, continues to include the legitimacy of the use of military power to defend national interests. This means planning for further expeditionary operations under US leadership, from peacekeeping to "deliberate intervention" with "'as much combat power as is necessary to defeat or destroy an adversary." British forces have engaged in the full range of such operations in Iraq, often conducting war fighting, peace enforcement and civil reconstruction tasks in the same theatre.

It makes sense for Britain's military to anticipate future coalition expeditionary activities with the US, whose forces are essential to any conceivable NATO or "coalition of the willing" operation now or in the foreseeable future. After all, British defence policy reflects that of the US in keeping open the option of pre-emption in the post-9/11 security environment. The "New Chapter" of the *Strategic Defence Review* (2002) referred to the need to "coerce, disrupt and destroy potential opponents," and that "legally the right to self defence includes the possibility of action in the face of an imminent attack." In a major speech on 5 March 2004, Blair argued that pre-emptive action was justified in Iraq, and may again be necessary elsewhere to deal with threats in early stages of development. Furthermore, taking pre-emptive action to counter emerging threats may be the only effective way to deal with the murky nexus of WMD and extremists. While Blair is emphatic that not every situation may require military action, he nonetheless argues, "surely we have a right to prevent the threat materializing."

Such vigorous thinking about security and defence has driven the Blair government to modernize its military capabilities. For Blair, the UK – and other European Union members – has a responsibility to do so in order to remain an effective partner of the United States. But that is primarily an anglosphere view. At least on the part of France, which has competed with the United States for influence in Europe during the Cold War and since, its opposition to the Bush administration on the Iraq issue has been more than just a disagreement over methods. Rather, it was evidence that Gaullism and the decoupling of European and American security remain entrenched in French foreign policy. For France, the EU is a means to pursue its foreign policy objectives,

which include reducing US influence in Europe. President Chirac's call in 1999 for the EU to become an international "pole" to balance the United States clearly foreshadowed his (and Foreign Minister Dominique de Villepin's) aggressive mobilizing of opposition to US policy in the run-up to Operation Iraqi Freedom.

The View From Canberra

Prime Minister Howard's success has been a result, in part, of his ability to tap into the value and core beliefs of the Australian people. Moreover, his deft diplomacy has reflected long-standing principles of Australian strategic culture. In *The Tyranny of Dissonance* (2005), Dr. Michael Evans of the Land Warfare Studies Centre (Canberra) produced a succinct and compelling assessment of this culture. Among its main features are the reality of Australia's complex geopolitical situation and the country's tendency to fuse statecraft with strategy in order to defend values in times of war or prolonged security crisis.

With regard to the former, the clash between Australia's Asian geography and European history reflects the paradox of geographical proximity to, but cultural distance from Asia; and of its geographical distance from, but cultural intimacy with, the Anglo-Saxon heartlands. This translates into a geopolitical suspension between two worlds, creating a permanent oscillation between the imperatives of a defence policy defined by Eastern strategic geography and Western historical values. Throughout its history, Australia has faced the dilemma of focusing limited human and economic resources on either the protection of territory or the use of offshore forces in order to help preserve a favourable global balance of power. This is reflected in the views of Australian Prime Minister John Howard, who has described Australia as occupying a "unique cultural, historical and geographical intersection," the management of which is the proper task of statecraft.

Australia has been most successful in managing the competing demands of its unique geopolitical status in times of crisis when it has sought carefully to integrate statecraft with strategy. The interdependence of foreign policy with security and defence has always been a matter of overarching purpose – which has usually had as its core the creation of a favourable international environment to uphold Australian interests. From the Boer War to Iraq, the use of expeditionary warfare has become a metaphor for the remarkable fusion between Australia's statecraft and strategy in the quest for national security.

The aim of policy has consistently been to link Australian decisions with Australian needs and interests. That has generally translated into dependence on great power cooperation in order to protect those interests. Australians have felt that their safety would not be assured by remaining aloof from world events and that the global balance of power matters to them. This explains the long tradition of activism in Australian statecraft and the tendency to seek the security of a powerful ally – the UK and then the US – which reinforces the strong identification with the Anglo-Saxon world.

Australia's military deployments since the two World Wars have tended to be applied on a minimalist basis through expeditionary warfare – a military deployment in support of a diplomatic position. The combination of diplomacy with alliance politics and

offshore warfare provided the principal means for Australia to counter the great 20th century threats to the influence of Western liberal democracy in international politics. Prime Minister Howard has argued powerfully that the jihadist threat is of a similar scale, thus necessitating Australia's full participation in the war on terror. He, like Blair, has come to understand that success in rooting out jihadists and creating a new, more liberal political order in the Middle East will make their countries and their citizens more secure. They also understand that they can exert more influence on their superpower ally through closer relations.

In times of war and security crisis, Australian governments – irrespective of their political persuasion – have always been willing to send military forces overseas to uphold national political interests. The political disagreement over Australian involvement in the 2003 war in Iraq was an unusual breakdown in the national political consensus regarding Australia's vital national interests. However, had Labour been in power in the post- 9/11 period, one wonders if Australia's response would have been fundamentally different.

Australia has become a country of disproportionate consequence in world affairs – a reality particularly apparent since 9/11 (Howard was in Washington on that date). The Australian government invoked Article IV of the ANZUS Treaty, committing Australia to "act to meet the common danger." If Howard harboured any doubts about the Bush doctrine (not likely), they were completely dispelled with the October 2002 Bali bombings in which 88 Australians were murdered. In the aftermath of the bombings, Australia stepped up security at home, took the lead in organizing a regional response to terrorism (by improving security and intelligence cooperation) and adopted a proactive approach to the failing states of the South Pacific (e.g., the Solomon Islands). The shock of Bali also led Australia's leaders to muse about the efficacy of international legal norms and institutions and to speak about pre-emption against grave and imminent threats. In a December 2002 television interview, Howard stated, "…it stands to reason if you believed that somebody was going to launch an attack against your country … and you had the capacity to stop it and there was no alternative than to use that capacity then of course you would have to use it. …Any Prime Minister who had a capacity to prevent an attack against his country would be failing the most basic test of office if he didn't utilize that capacity if there's no other alternative." Howard offered rhetorical and moral support for US prewar diplomacy concerning Iraq, and then committed forces for the invasion, even though the war was deeply unpopular in Australia.

Australia's enduring values reflect those of the UK and US. In a powerful address before the Lowy Institute in Sydney on 31 March 2005, PM Howard declared:

> Australia brings with its role in the world certain ideas and values. Our place in the international system is informed by who we are, and by what we stand for. Australia has a proud history of supporting political and economic freedom. We believe that these freedoms produce a more stable and prosperous Australia, and that they also produce a more stable and prosperous world. We support freer trade and investment for the material benefit this can bring to ourselves and to others. We support countries making the often-difficult journey to democracy, conscious that they will choose the path that fits with their history and culture. We seek

> cooperation with other nations based on the same values of mutual respect and tolerance that Australians strive to uphold at home.

He added, further,

> In uncertain times, we should take heart from how democracies can find renewed power and purpose abroad from institutions and instincts at home. …From the murder of 88 Australians in Bali in October 2002 and the attack on our Jakarta Embassy last September, we know that the threat to our country is very real. Australia's national security depends upon a collective response to this terrorist threat. There is no sharper weapon in this fight than high-grade intelligence, reinforcing the value we place on long-standing allies – the United States and the United Kingdom.

Conclusion

The anglosphere is an alliance motivated by the idea that security can be pursued only by the struggle to expand the boundaries of freedom and liberty. US leadership is a given, but it remains an alliance (or network, to use Bennett's concept) based not on coercion but on the shared ideas and values of the nations involved. It is, inherently, the most natural "coalition of the willing." For the UK and Australia, cooperation with the United States is a choice to be made on individual issues as they arise. They will not automatically stand with the United States on every issue but since they reach decisions based on their own interests and values (which, converge on the important ones), they represent a more resolute and potent force than if they were reluctant camp-followers of the US.

That sense of acting in self-defence and being "at war" against Islamist terrorists and their sponsors is what defines the anglosphere response to 9/11 (although Moscow might argue that the West is only joining up to a war it has already been waging in Chechnya). There is every indication that the alliance was only strengthened by 9/11, and no matter how power is distributed in the world as the present "power earthquake," continues, it will remain the most vociferous, deliberate and successful champion of the spread of freedom and liberal democracy.

September 2005 – *Peter Archambault, Charles Morrisey, and Elizabeth Speed.*

Contemporary Multilateralism

Although it has long existed, the ongoing discussion of multilateralism seems more pronounced in the post-9/11 world. It has often been identified as a more progressive (and therefore legitimate) approach to foreign policy than what many critics of the Clinton and, especially, the Bush administrations have termed unilateralism. That contrast is rather unconvincing. For while US policy may sometimes be assessed as unilateral, most other countries have at one time or another acted similarly, and many still do. Moreover, there is little agreement as to what multilateralism means beyond cooperation by several international actors; although who those actors (states, private corporations, international and non-governmental organizations or a combination thereof) are is also subject to dispute. And, as with many "-isms", the rationale for the cooperation is unexplained. Is multilateralism a principle that ought to be upheld, or is it simply a tool for inter-state relations? The answers to these questions, alongside the preponderant international presence of the US, will help determine the role of multilateralism in contemporary world affairs.

The Impact of an "Ism"

In its most basic form, that is as a system of multi-state cooperation, multilateralism is not new. Indeed, it has long existed and historians can identify elements in the competition among the city-states of Ancient Greece. Gatherings of diplomats to conclude major wars are yet another example of this approach's lineage. In some cases, such fora have had enormous influence on the course of history. The two congresses that led to the Peace of Westphalia (1648) lasted three years, since the upset wrought by 30 years of war and of so many combatants could not be addressed by bilateral peacemaking. It was a practical solution to an unprecedented problem, and led to the principle of sovereignty being placed at the heart of the modern state system. A similar need existed in 1815 after nearly 25 years of armed conflict. That settlement gave rise to what is often termed the Congress system, although the attempt to create a mechanism for collective action – the so-called Holy Alliance to combat revolutionary liberalism – failed when agreement on its purpose proved illusory. Nevertheless, the belief persisted for nearly a century after that multilateral coordination among the Great Powers sometimes afforded a constructive opportunity to regulate aspects of inter-state relations. Interventions in China (1900) and Macedonia (1904 to 1908) reflected this belief, but so did the European Danube Commission (1856 to 1916) and the International Postal Union (established in 1874). And, if the attention of the most important statesmen of the day was largely focused on the great diplomatic conferences, such as at Paris (1858), Berlin (1878), Constantinople (1885) or Algeciras (1906), it was because preventing a systemic war was the principal *raison d'étre* of such gatherings.

Still, if multilateralism has its origins in a world of power, there has always been some room for governments that have sought to advance less self-interested goals on the international stage. The abolition of the overseas slave trade begun by the Congress of Vienna (1815) under British pressure, and the Russian-sponsored Hague Conferences (1899 and 1907) which led to a code of conduct in wartime, are early cases in point. After the devastation of 1914 to 1918, and especially after 1945, these efforts acquired a new

dimension that has not, until very recently perhaps, faded: a desire took hold to construct a new international order where resort to war was no longer deemed legitimate and human rights were emphasised. Many at the time held that the international community – yet another woolly term – needed a form of global governance different from the time-honoured balance of power. Coinciding with the emergence of the United States as a global actor, this outlook was infused by a strong ideological component that argued there was an underlying harmony of interests among all states and peoples, and conflict, when it erupted, was largely due to misunderstanding. (As a corollary, such conflicts could and ought to be peacefully resolved, generating a need for new multilateral institutions.) This outlook included a belief that international order *required* the subordination of sovereignty, to some degree, to multilateral fora. The ill-starred League of Nations and its successor, the United Nations, reflect this perspective, as do the efforts at European integration, as well as minority and human rights accords. In the age of globalisation, some have argued that multilateral negotiations are increasingly necessary and will become ever more public in nature. This argument finds support among the large number (over 50,000 according to one recent study) of issue-specific non-governmental organizations (NGOs) that, although representing only themselves, are frequently participants alongside government delegations at international conferences.

While traditional military alliances (e.g., NATO) and other instrumental organizations (e.g., the International Civil Aviation Organization) have persisted in this era, the influence of multilateralism upholding norms should not be under-stated. As one author has written, it "took firm root in the early twentieth century under the impact of world war and democratic ideas." It is perhaps most evident in economic affairs, where both the international financial and trading systems are based on multilateral agreements. One thinks here of the International Monetary Fund (IMF) and the World Trade Organization (WTO). Often referred to as "embedded liberalism", the underlying norm argues that growth and efficiency should not be pursued in ways that prevent other governments from "fulfilling their role of providing social and economic welfare to their citizens." There is a consensus among the advanced industrial states that the "beggar thy neighbour" policies of the interwar years ought to be avoided, and that an open trading system is both desirable (i.e., encourages wealth creation) and useful (i.e., reduces international tensions from trade wars). Indeed, even the most powerful, such as the G8, largely adhere to these norms. Notwithstanding trade disputes with important partners, such as Canada, many experts credit the US with advancing free trade: and China and the European Union (EU) are currently engaged in talks to limit Chinese exports of textiles that are undermining the clothing industry in Europe.

Despite such evident successes, multilateralism is nonetheless affected by a variety of constraints implicit in a system of sovereign states. The most obvious is that not all governments share the same approach to it all of the time. For many, multilateralism is often little more than a foreign policy tactic, easily altered, that seems to offer at the time broad acceptance and legitimacy to advance narrowly defined self-interests. France's behaviour on the Security Council in the run-up to the US-led conflict with Iraq is a very good example, as were Washington's efforts to build a "coalition of the willing" to wage that war and to rebuild that country afterward. For other governments, maintaining a commitment to the principle of multilateralism has itself

become an important component of, or value upheld by, their foreign policy. While such a normative commitment offers a greater prospect of predictable policy, it is often too politically costly to uphold without qualification. The March 1995 seizure by Canada of the Spanish trawler *Estai* to protect North Atlantic fishing stocks (i.e., the so-called "turbot war") was decried by the EU as illegal, but was probably unavoidable given the economic impact of the fisheries on Canada's Atlantic provinces. Having strongly endorsed the EU's Stability Pact when it was created, Germany ignored the Pact's deficit limit for several years due to the domestic political upset cuts in government spending would have created. Similarly, the July 2005 decision by the EU, perhaps the strongest advocate of the Kyoto Accord, to abandon its long-term environmental strategy was explained by a need to prevent expected job losses.

The most glaring limitation of multilateralism, some critics would label it a failure, is, however, the UN's continuing inability to ensure a system of collective security. As the centre-piece of multilateralism, the UN has been singularly unsuccessful in fashioning an effective means of addressing conflicts and threats in the post-Cold War era. The UN Preventative Deployment Force (UNPREDEP) may have stopped conflict from spreading to Macedonia in the early-1990s, but the civil wars in the former Yugoslavia nonetheless raged for years. The decade-long civil war in Congo, the genocide in Rwanda and the equally tragic situation in western Sudan, alongside the inability to hold Saddam's Iraq to account, are among other serious instances of failure. The revelations of widespread corruption surrounding the Oil-for-Food programme, originally created to sustain the Iraq sanctions regime, will only reinforce this criticism.

The fault for the UN's inaction undoubtedly lies both with the organization and its member-states, particularly those on the Security Council. Nevertheless, it highlights the fact that in the inevitable clash of state interests and multilateral norms, countries often ignore the latter. Secretary-General Kofi Annan's charge, for instance, that the Anglo-American attack on Iraq in March 2003 was "not in conformity with the UN Charter" fails to take account of the most obvious limitation of this "ism": the reality that states, in that case the US and Great Britain, often act out of a perceived need to ensure their own security rather than be restrained by what others argue is right. China's public support for reform of the UN as well as a stronger role for multilateralism must be juxtaposed with the March 2005 legislation authorizing an invasion "to curb and oppose Taiwan independence forces." India refuses to accede to the widely endorsed Non-Proliferation Treaty, viewing that regime as, according to one author, "a racist, colonial project to deny India the fruits of its own labour and the tools of its own security." Other examples include the repeated French interventions in Africa for the past half-century usually without UN sanction, Russia's opposition in the 1990s to UN-sponsored military intervention in the Balkans, and Turkey's adamantine support for ethnic Turks in northern Cyprus despite pressure from both the UN and EU. Such actions may be viewed as unilateral, but are believed by those capitals to be both necessary and entirely compatible with the assertion of a more highly valued principle, that is sovereignty.

Indeed, it is not entirely clear how the political legitimacy of a multilateral norm is determined, and this lack of clarity is often the cause of considerable friction. Is a state *guilty* of unilateralism when it exercises its sovereign right not to sign or ratify a multilateral accord? Are new norms defined by numbers of supporters, of acceding

governments, or the aggregate of populations of acceding states? The controversies surrounding the Comprehensive Test Ban Treaty, the Kyoto Accord, the Land Mines Convention and the International Criminal Court, are cases in point. More recently, efforts to obtain formal approval for principles underlying the *Responsibility to Protect*, a Canadian-sponsored report on humanitarian intervention that now informs ongoing efforts at UN reform, revealed wide fissures within the international community. Governments that truly support those principles may number fewer than their opponents, suggesting that even the recent endorsement by the General Assembly cannot ensure its actual implementation. Some observers have argued that traditional opposition to intervention by countries representing a large proportion of the world's population (i.e., India, China, Russia, Pakistan and many African states) could over time likely challenge the legitimacy of any new norms unless they are substantially weakened.

The US and the Future of Multilateralism

Since the end of the Cold War, some world leaders have argued that the international system is confronted by a contest between multilateralism and US hyper-power or unilateralism. While US power will naturally influence the dimensions of multilateralism in the post-9/11 world, that contrast is too sharp. Although it is not yet clear what type of multilateralism will emerge in the years ahead, this "ism" will continue to have an impact on international affairs. What is certain is that even with the most deeply held convictions and earnest efforts of some governments, a new global order achieved through negotiation, founded on law and eschewing war is not going to arise anytime soon. Multilateral efforts cannot succeed save in areas that have little negative impact on core interests of the most powerful: and key proposals in which Great Power interests are involved will only succeed with their support. Indeed, Great Powers acquire their rank precisely because they possess a relative capacity for independent action far greater than other states. (The essential role of the US in distributing relief after the December 2004 Tsunami in Southeast Asia underscores this argument.) Accepting the constraints of an international order that would deny that freedom – a longtime objective of weaker countries – is incompatible with that status and would, logically, be perceived as a threat to their interests. France, for example, uses the rhetoric of multilateralism in its efforts to contain US power, but strongly opposes the creation of an order that would effectively curtail its own traditional policy of *grandeur*. Seeking a greater global profile, the EU's pursuit of enhanced military capabilities is in part intended to make it less dependent on the US. And just as Washington views its veto in the Security Council as a reflection of its ranking in global affairs, less powerful permanent members jealously guard their vetoes to preserve the limited independence that it gives them.

The attacks of 9/11 and the ongoing war on terror have catapulted security to the top of the US foreign policy agenda and this has had an impact on multilateralism in global affairs. It has created frictions with traditional allies, who do not always share the same sense of insecurity, and with other Powers, such as China and Russia, who perceive the new emphasis as a cover for augmenting US influence. Those tensions will persist. The goal of a multipolar system, advocated by France and China, and sometimes Russia, has, for instance, been categorically rejected by the US. Unable to balance the US, some countries will therefore pursue multilateral efforts – at both global and regional levels –

as a means of orchestrating opposition. It is an open question whether such a strategy will always succeed, as the US invasion of Iraq demonstrated. The final draft of the Kyoto Accord was widely endorsed without Washington's support, but the US is the greatest producer of the greenhouse gases that the treaty was designed to reduce. (With the EU's environmental agenda stymied by that opposition, British Prime Minister Tony Blair has recently called for a "new dialogue.") The emphasis on security, and consequently with overstretching capabilities, nonetheless also means that Washington is very willing to see regional organizations, such as the EU (in Bosnia) or the African Union (in Sudan), assume a greater profile in counter-terrorism (e.g., the EU arrest warrant) or local peace support operations, with probable US assistance for many such efforts. Indeed, the scope for regional cooperation is probably greater than ever.

Washington's consideration of possible multilateral approaches to policy will, like that of other countries, be determined by the value of their likely contribution to enhancing either national interests, particularly security, or norms, such as human rights. With a greatly reduced focus on process, the new US approach, termed "effective multilateralism", implies the pursuit of cooperation with like-minded governments (i.e., coalitions of the willing) on specific issues. This means that while the US will engage other countries in a common cause, it will do so largely on its own terms. This is hardly surprising. Examples such as the NATO management of the Kosovo campaign (1999), and the "notorious vagueness" of Security Council Resolution 1441 (2002) that fuelled the debate surrounding military intervention in Iraq, have soured US views of many existing institutions that are often perceived to be ineffectual. That attitude is unlikely to change and, indeed, effective multilateralism is already being implemented, with US support for a new Human Rights Council at the UN to replace the existing, but completely discredited, body, and in the war on terror through growing police cooperation and intelligence sharing. The Financial Action Task Force (89 member-states), for instance, monitors possible money-laundering, including by suspected terrorist groups, while the recently created Egmont Group permits the exchange of intelligence among its 101 members on "suspicious or unusual financial activity." A more prominent example is the Proliferation Security Initiative (PSI), a US-led effort involving dozens of countries, some of which are contributing military forces to interdict shipments of technologies and materials believed to be related to weapons of mass destruction.

If effective multilateralism emphasizes outcomes, norms and values will always influence Washington's outlook. For, like its predecessors, the Bush Administration has stated that the values the US advances through its policies are, by their nature, universally applicable. In a *Foreign Affairs* (2000) article entitled "Promoting the National Interest," Condoleezza Rice rejected the argument that the US "is exercising power legitimately only when it is doing so on behalf of someone or something else. (…) America's pursuit of the national interest will create conditions that promote freedom, markets, and peace." For the past century, all administrations as well as the Congress have been continually pulled both ways: toward international organizations that Washington has often taken the lead in creating; or toward exercising leadership without recourse to others, a more efficient and promising option. That oscillation between cooperation and leadership will continue for it is rooted in America's self-perception of its role in history, and because the US does not always see any incompatibility between the two. That will add still more uncertainty to any discussion of contemporary multilateralism.

September 2005 – *Ben Lombardi*

"People Power" Uprisings

During the past quarter-century mass popular action – widely termed "people power" – has effected significant change in a number of countries, leading observers to ask whether "people power" has become a force for change on the international scene. This chapter will examine the dynamics and strategic implications of "people power."

At one end of the spectrum these demonstrations have toppled governments, at the other they have supported them (for instance, the popular rising against the 1991 coup in the Soviet Union), or have forced major policy changes (e.g., the 2005 Lebanese protests that forced Syria to withdraw its troops). Typically, significant change is affected with a relatively low level of violence, and sometimes with surprising suddenness and speed. There have been a number of "people power" uprisings in recent years, including:

- Iran, 1978-79: Shah overthrown after months of popular upheaval;
- Philippines, 1986: some 800,000 people form a protective barricade around rebellious troops, leading to the overthrow of President Ferdinand Marcos;
- Eastern Europe, 1989-90: mass demonstrations occurring in East Germany, Czechoslovakia, Hungary, Romania, Bulgaria and Albania were a major factor in the overthrow of their Communist regimes;
- Mongolia, 1990: hunger strike and demonstrations forced free elections;
- Federal Republic of Yugoslavia, 2000: President Milosevic ousted;
- Philippines, 2001: over one million demonstrators - President Estrada overthrown;
- Georgia, 2003: President Shevardnadze toppled;
- Ukraine, 2004: election victory of President Kuchma's chosen successor overturned by mass demonstrations;
- Kyrgyzstan, 2005: a protest begun in the Fergana Valley ousts President Akayev.

Not all "people power" demonstrations are successful, failed ones including:

- Burma, 1988: army represses demonstrations, military junta still in power;
- China, 1989: after weeks of demonstrations (under "people power" and other slogans), the army represses protesters at Tiananmen Square;
- Uzbekistan, 2005: rising in the Uzbek part of the Fergana Valley is crushed.

Popular uprisings against authoritarian regimes are nothing new. Historical examples include the French Revolution, the Revolutions of 1848, and the Russian Revolutions of 1905 and February 1917. Nonetheless, such popular upsurges do seem to be occurring with increasing frequency. In their study of non-violent popular movements in the twentieth century, Ackerman and DuVall remarked that the "vise of change" was closing more often around authoritarian rulers as the century drew to a close.

Before 1986, the term "people['s] power" tended to be used to legitimize the institutions and policies of authoritarian regimes, mostly Communist. In its current usage, the term seems first to have been applied to the 1986 uprising against Marcos.

The relative significance of "people power" demonstrations increases when certain types of states, where political turmoil is endemic, are excluded from the analysis. Thus, failed and failing states are excluded (they anyway rarely experience "people

power" in the sense addressed here). Similarly, countries that do not embody many of the features of "failed states," but are historically characterized by government instability, are also excluded. This latter category primarily embodies Latin America, a region characterized by chronic political instability. Between 1997 and 2005, popular uprisings forced seven South American presidents from office. In addition, in 2002 Venezuela experienced a bizarre successful popular uprising that quickly turned into a failed military coup, and Peruvian President Toledo narrowly survived country-wide protests in 2002. Thus, from the perspective of this analysis, "people power" transitions are seen as being more typical of relatively stable authoritarian or semi-authoritarian systems.

Factors That Promote "People Power" Opposition

A study of crowds and power has observed that, where animals band together to maintain the status quo, humans form crowds when they want things to change. Thus, the performance and the legitimacy of a regime are important elements in whether it provokes a popular uprising. Without the structure of an authoritarian regime being weakened, it is not easy for mass opposition to be effective. Revolt is facilitated if a defining event, such as election fraud, catalyzes opposition.

Election Fraud: Apparently unfair or unfree elections have been a feature of several "people power" transitions. When authoritarian governments seem to take a chance on elections, and then manipulate the results, they become vulnerable to the anger of all who invested hope for change in the elections. Elections have been the catalyst for revolt in the Philippines, Yugoslavia, Georgia, Ukraine and Kyrgyzstan. Nonetheless, as many governments seem to get away with election fraud as are punished for it. Several of the dictators whose overthrow was precipitated by electoral fraud emerged unscathed from earlier elections that were apparently tainted. The opponents of Saddam Hussein and Robert Mugabe had no real expectation that the most recent elections staged by them would bring change, and so electoral fraud did not trigger popular uprisings against them.

Contagion: The occurrence of three popular uprisings in sixteen months raises the question of whether successful revolt in one country stimulates similar action elsewhere. The 1848 Revolutions spread rapidly in Europe, and the collapse of Communism there was equally swift and widespread. However, examples of revolt do not always provoke emulation. Tajikistan held a questionable election at the same time as Kyrgyzstan, but Tajiks did not follow their neighbours' example in ousting their regime.

Communications: Television and radio played a crucial role in Marcos's overthrow, and foreign radio broadcasts alerted Romanians to the revolt against Ceausescu. In Georgia and Ukraine independent television stations effectively sided with the opposition. Newer technologies have played a similar role in recent uprisings. Cell-phones were critical in Estrada's overthrow in 2001, and weblogs were a valuable tool in mobilizing Ukrainians to protest the November election and in coordinating street action.

Opposition Leadership: Leadership is a key component of efforts to unite often-disparate opposition forces. Corazon Aquino (Philippines), Lech Walesa (Poland), Aung San Suu Kyi (Burma), Vojislav Kostunica (Yugoslavia), Mikhail Saakashvili (Georgia) and Viktor Yushchenko (Ukraine) were all popular and credible individuals who personalized and rallied opposition. In contrast, Uzbekistan lacks a credible

opposition leader. Leaders also need organizational backing, and a well-developed civil society is important to generating protest; Kyrgyzstan has one, but Uzbekistan does not.

Another requirement of effective opposition is courage, and a willingness to absorb casualties. This was certainly the case in Iran. In Romania, the security forces fired on the demonstrators, but they refused to be cowed, and accounts of the heavy loss of life incited protests in Bucharest that led to Ceausescu's downfall.

Government Failings: Government failure and loss of legitimacy is a central precondition of popular revolt. Regimes that are ineffective in managing economic, social and other quality-of-life issues become vulnerable to protest. The anti-Marcos protest erupted during a deep recession, and Shevardnadze was widely blamed for the impoverishment of Georgians. Likewise, governments that indulge in election fraud erode their own legitimacy, especially when they claim to have a popular basis.

External Involvement: Finally, outside assistance can facilitate popular revolt. The US discouraged Marcos from using force to quell the Philippines uprising and enabled him to leave the country. Western countries supported democracy-building and monitoring programmes in Yugoslavia, Georgia and Ukraine that exposed election fraud. Equally, the withdrawal of external backing can erode a regime's ability to resist "people power," which happened in the late-1980s, when Gorbachev made it clear that the USSR would not protect Communist regimes against protest, as it had in 1956 and 1968. In contrast, outside involvement in Uzbekistan tended to support the regime.

Factors That Undermine Government Resistance

While some governments successfully stare down mass protests, others seem to defeat themselves. A number of factors seem to be key to this process.

Loss of Will: A key factor is the loss of the will to resist public pressure. Marcos was in ill-health, and argued on national television with his armed forces chief of staff, ordering him not to attack rebel troops and the crowd. Shevardnadze's background as a *perestroika* liberal may have made him reluctant to use force, and it seems to have taken very little for Akayev's regime to collapse. President Karimov of neighbouring Uzbekistan showed more resolve, and personally directed the suppression of the rising.

An important dimension to the willingness to resist is regime leaders' assessments of their personal fates if they lose power. Knowing that his fate would be a grisly one if he were overthrown, Saddam Hussein never weakened in his repression of opposition. Several of the rulers who folded were less afraid of the consequences of overthrow or were assured of a safe departure. Washington flew Marcos out of the Philippines, and Shevardnadze seems to have been assured of a relatively luxurious "retirement."

Failure of Force: One of the striking features of many of the "people power" uprisings, particularly the four most recent, was the absence of security force resistance. The uprising against Marcos was precipitated by a rebellion by two key military leaders. In 2000 Yugoslav police made little attempt to block the protestors, and the army refused Milosevic's orders to crush the protest. Georgian troops defected to the opposition, and many Kyrgyz police simply fled. Security force failure is not inevitable, as the examples of China, Burma and Uzbekistan demonstrate.

It used to be thought that different types of security force responded differently to protest. The police, partly because of their ethos and partly from fear of losing their jobs, were believed to be typically more loyal. Relatively high degrees of loyalty could also be expected of regular and elite troops, whereas conscripts have typically been less reliable. One way of averting disaffection is to use troops from areas remote from the scenes of protest. However, demonstrators are finding ways of subverting security force loyalty, and keeping protests non-violent can deprive troops of an excuse to use force.

Accountability: It is increasingly difficult for governments to hide brutality, and officials now risk being hauled in front of international tribunals. Thanks to intense international pressure on Serbia and other regional countries, Milosevic and many of his officials have gone on trial. These states are susceptible to threats to withhold loans and block accession to the EU and NATO, but not all regimes are similarly vulnerable.

The Future of "People Power" Uprisings

"People power" uprisings are on the increase, but it is not yet clear how far this represents a trend. The reality is that more states are unfree than free. Freedom House assesses 89 countries as being "free," 54 "partly free," and 49 as "not free." Given that so many states have resisted trends towards freedom, it might be useful to review some of the tactics employed by authoritarian governments that successfully cling to power.

Repression: As the example of failed uprisings makes clear, repression ranks high among the tools used to crush popular protest. It is as effective in preventing mass demonstrations as in crushing them once started, as Saddam Hussein showed.

The day after Akayev fled, Belarusian police beat and dispersed 1,000 protestors demanding the resignation of President Lukashenko, who has ruled with an iron fist. He intends to seek a third term in 2006, and given the post-electoral revolts in the region, both he and his opponents will see risks and opportunities in the 2006 elections. Thus, the March protest and its suppression may well be a declaration of intent by both sides.

Communications: Knowing that communications is important in popular mobilization, authoritarian governments can quite effectively restrict access to information. Cuba, for example, outlaws the sale of personal computers to individuals. On the other hand, governments that have relatively well-developed infrastructures, and are keen to participate in the global economy, would have greater difficulty in choking information. With its rapid growth and high Internet usage, China is in this position. While Beijing attempts to control information (including the use of particular words in internet communications), stories about the increasingly frequent protests in China do spread among the population.

Regime Legitimacy: Ideology may play a role in deterring revolt. The longevity of the Castro regime in Cuba seems to be founded on a blend of repression and political (socialist/nationalist) legitimacy. After all, Castro has been in power for 46 years, whereas in the previous 46 years Cuba had 16 different governments.

Economic collapse can de-legitimate governments and precipitate revolt, but it can also be exploited by a really ruthless government, an approach apparently adopted by Saddam's Iraq, North Korea and Zimbabwe. Such regimes seemingly believe that the

worse the situation, the greater the incentives for regime supporters to remain loyal, in order to retain access to scarce goods. In fact, in some cases the praetorian guards of authoritarian regimes actually control a share of the economy – such as oil refineries, cooperative farms, and so on - increasing their stake in regime survival. Naturally, authoritarian leaders are just as able to exploit economic strength as they are to profit from economic distress. A recent study found that oil wealth has generally increased the durability of regimes, even during periods of collapsed oil prices. The author speculated that the leaders of such states invested their windfall revenue into building state institutions and political organizations that could carry them through hard times.

Barriers to International Oversight: Where rulers rank the economic and social costs of isolation fairly low (and can channel the burden onto their opponents), the international community's capacity to monitor elections or otherwise promote opposition is reduced. By the same token, long-lived authoritarian rulers have often proved quite adept at distracting their populations with foreign adventures or concerted efforts to demonize other countries. Equally, for geographic, economic, strategic or other reasons, some countries fail to attract significant outside attention.

However, there does seem to be scope for further popular revolts. One way of looking at the 103 countries that Freedom House contends are not "free" is to regard them as potential new locales of "people power." Among the 49 countries it assessed as "not free," at the start of 2005 Freedom House identified 18 that were the "most repressive." In light of the needs of regime status quo and popular revolt, few if any of these 18 states seem likely to experience a successful popular uprising in the medium term (three, including Uzbekistan, have in fact crushed "people power" revolts). Rebellion may be somewhat more likely among the remaining 31 "not free" countries, and, in fact, one of them – Kyrgyzstan – has shown its feasibility.

If the thesis of the nineteenth century political thinker, Alexis de Tocqueville – that it is authoritarian regimes that relax their grip which most risk overthrow - is valid, then the greatest likelihood for a popular uprising probably lies among the 54 countries in the "partly free" category, particularly where they try to conduct elections. In the year prior to each of their "people power" uprisings Yugoslavia, Georgia and Ukraine were rated as being "partly free," and elections were the catalyst for revolt in each of them. The fact that more than half the "partly free" countries are electoral democracies is noteworthy, given the role of elections in triggering mass protest.

The Strategic Impact of "People Power" Uprisings

The strategic impact of "people power" undoubtedly varies according to the country affected. "People power" uprisings in countries such as the Philippines, Mongolia and Kyrgyzstan probably had, or will have, relatively limited global repercussions. Within six years of Marcos's overthrow, the US bases in the Philippines were closed after ninety years' existence. While the bases constituted an important logistics hub, their strategic value was greatly reduced with the end of the Cold War.

On the other hand, some modern popular uprisings have had significant strategic repercussions. For instance, the overthrow of the Shah changed Iran from an ally to a long-time adversary of the US. The Islamic regime has played a pivotal role in the

Middle East, with its backing of the Lebanese Hizballah and several Palestinian groups. In addition, the installation of an Islamic government played a crucial role in the development of religious terrorism, which in turn has significantly influenced global security. In contrast, Washington has found particularly reliable allies among the Central and Eastern European countries freed by popular protest in 1989, most of which are now members of NATO or of the Euro-Atlantic Partnership Council. Ukraine's "Orange revolution" may prove to be similarly significant in possibly reorienting a strategically placed country away from Russia and towards Europe and NATO. Finally, Syria's forced military evacuation of Lebanon will undoubtedly have major repercussions.

Whether popular uprisings could have a broader, more cumulative, strategic impact would be hard to assess. "People power" revolutions do not always produce durable democracy, but over the past three decades Freedom House has found that, of those countries where civic resistance was a key element in the overthrow of authoritarian regimes, nearly two-thirds remained free years after the event. In rare instances, "people power" can become a self-perpetuating instrument of governance, without necessarily curtailing freedom and democracy. With their tradition of populism, this is true of some South American countries, but it has also proved to be the case in the Philippines. The expansion of freedom and democracy may in turn have security implications. Freedom House contends that this expansion has contributed to the prospect of a more peaceful world, claiming that history shows that stable and established democracies rarely war with one another. However, the democratic peace theory, perhaps most influentially articulated by President Clinton in his State of the Union address in 1994, has been widely challenged. It may be sufficient that growing numbers of people in the world live in conditions of democracy and freedom - whether or not that can be expected to lead to greater peace - and that "people power" seems to play an important role in affecting this change.

August 2005 – *Tony Kellett*

Counter-proliferation in the First and Second Bush Administrations

The London bombings of 7 July 2005 were a reminder that Islamic jihadists remain intent upon carrying out mass casualty attacks against the Western democracies. Chemical, biological and nuclear weapons (collectively, weapons of mass destruction, or WMD) offer terrorists unparalleled means of achieving this goal. The acquisition and use of WMD has been cited as a religious obligation by Osama bin Laden, and it is generally agreed that such an attack is less a possibility than an eventuality.

The threat of such a terrorist attack continues to change how Western governments are seeking to halt, and where possible to reverse, the proliferation of WMD. As the nation hardest hit by jihadism, America under President George W. Bush has led the way in redefining the international counter-proliferation battle. The evolution of Washington's counter-proliferation policy has been manifested most clearly in a gradual shift away from traditional multilateralist models based on post-Second World War treaties and conventions centered upon the United Nations, towards pragmatic national, bilateral and multilateral mechanisms designed to achieve concrete results.

The principles established during Bush's first term (and codified in his eponymous doctrine) formed the foundation for Washington's new approach to transforming counter-proliferation, and have already begun to change the way Western nations are working to fight the spread of WMD. Emboldened by a significantly enhanced electoral mandate, Bush, in his second term, could elect to continue his counter-proliferation strategy largely unchanged; adopt a more conciliatory tone (and a return to more traditional multilateralism) in an attempt to woo estranged allies; or take an even harder line against WMD proliferators by expanding and accelerating existing policy. The evidence to date suggests that he will take the bolder course. This will have long-term implications not only for the counter-proliferation agendas of America's friends and allies, but for the future of international arms control and disarmament writ large.

First Term: *The Bush Revolutions*

While the death and destruction suffered by the United States on 9/11 came as a severe shock, both would pale in comparison to the loss of life even a small nuclear detonation would inflict. A biological attack, while less damaging in material terms, could kill even more people, many of them far beyond the geographic scope of a nuclear explosion. Beyond the human and material cost, moreover, such an event would gravely injure America's national confidence and economy, with incalculable repercussions far beyond its shores.

In the wake of 9/11, the prospect of a WMD attack by a non-deterrable rogue state or terrorist organization prompted the Bush administration to reconsider its approach to countering the proliferation of the weapons and materials of mass destruction. The *National Security Strategy of the United States of America* (September 2002) and the *National Strategy to Combat Weapons of Mass Destruction* (December 2002) together

laid out the case for a more robust and pragmatic approach to WMD non- and counter-proliferation, arguing that "the gravest danger [America] faces lies at the crossroads of radicalism and technology." The severity of the threat posed by this "nexus of WMD and terrorism" demanded that arms control agreements be viewed henceforth as a means to an end, rather than an end in themselves – and the end sought was the security of the United States and the safety of its citizens. Agreements that did not clearly serve these ends would be transformed if possible, and if necessary, replaced.

The new approach was inaugurated long before it was elaborated in print. Late in 2001, as America reeled under the chaos engendered by a few grams of anthrax, Washington withdrew from deliberations aimed at creating a verification and compliance protocol for the *Biological and Toxin Weapons Convention* (BTWC). The US Delegation argued that the Convention was inherently unenforceable and would expose US biotechnology companies to industrial espionage without materially enhancing national security (predicated on the fact that America is home to half of the world's biotechnology industry). Shrugging off international criticism, the Bush administration enacted a series of "realistic [legislative] measures to meet the biological weapons threat," and urged other nations to do the same. The same principle was at work a few months later when Bush withdrew from the 1972 *Anti-Ballistic Missile Treaty*, arguing that it impeded America's ability to protect itself against an accidental or rogue state launch. Once again, the international community reacted angrily, refusing to credit Bush for the rapid negotiation and signature of the *Strategic Offensive Reductions Treaty*, which ushered in the most significant reductions of deployed nuclear forces in history.

The administration's "results-oriented" approach, however, did not prevent Bush from seeking multilateral solutions where appropriate. Abandoning the failed 1994 bilateral "Agreed Framework" with North Korea, the administration began a new series of "Six-Party Talks" designed to involve regional actors (China, Japan, Russia and South Korea) in halting and reversing Pyongyang's nuclear weapons program and opening its nuclear facilities to international verification. Similarly, Washington's willingness to allow the EU-3 (France, Germany and the United Kingdom) to attempt to resolve Iran's uneasy relationship with the IAEA likely stemmed from the dual perception that there was no immediate threat to US national security, and that there would still be adequate time for more direct action to resolve the situation should the multilateral approach fail.

Traditional multilateral institutions were not forgotten; the administration sought UN Security Council Resolutions in pressuring Iraq to accept the return of weapons inspectors (Resolution 1441); criminalizing the traffic in the weapons and materials of mass destruction (Resolution 1540); and demanding that Syria withdraw its troops from Lebanon (Resolution 1559). At the same time, however, Bush declined to subordinate America's national security interests to uncertain UN decision-making, and proceeded with military operations to oust Saddam Hussein without explicit Security Council backing once it became clear that the UN would be unable to find the consensus necessary to act on its own explicit threats.

Contrary to popular critiques, therefore, Bush in his first administration resorted to traditional multilateralism on numerous occasions. Even more emphasis, however, was placed on non-traditional multilateral solutions to knotty international problems. Outside of the United Nations, new purpose-built multilateral institutions were created to achieve

specific counter-proliferation goals. Building on Nunn-Lugar and the Cooperative Threat Reduction Initiative, G-8 heads of state established the Global Partnership Program in 2002 to funnel $20 US billion in aid monies (of which Washington furnishes fully half) towards eliminating Russia's WMD stockpiles, disposing of decommissioned nuclear-powered submarines, and finding employment for former weapons scientists. The following year, the administration launched the Proliferation Security Initiative (PSI), a loose multilateral coalition of states aimed at interdicting the international trade in the weapons and materials of mass destruction. An early interception in October 2003 proved instrumental in prompting Libyan leader Moammar Gadhafy to renounce his WMD programs. The administration has subsequently argued that the PSI – a procedurally-based, operationally-focused, "low-overhead" (in that it has no central bureaucracy), all-volunteer institution that employs existing assets, and that not only interdicts but also deters the international flow of banned materials – exemplifies an emerging trend in pragmatic international cooperation. It is no accident that China and North Korea, states with a record of WMD trafficking, remain vocal opponents of the PSI; nor that Western states left out of the first round of PSI invitations quickly clamoured to join.

Finally, recognizing that no interdiction policies or procedures, however seamless, can reasonably be expected to catch every transgressor (particularly those who, like Pakistan's A.Q. Khan, rely upon complex trans-national proliferation networks abetted or "winked" at by unstable governments, and facilitated by chains of "private enterprise" workshops), Bush acknowledged that America had to be prepared to use harsher means to counter the proliferation of WMD: not only bilateral (Libya) and multilateral (Iran, North Korea) diplomacy, but also sanctions (Syria) and even full-scale military action (Iraq). Indeed, the Coalition invasion of Iraq was, at least in part, predicated upon the need to counter perceived threats "before they are fully formed," and as such illustrates the *ultima ratio* of the administration's counter-proliferation policy – the readiness to act, with allies if possible, but alone if necessary, to safeguard the national security interests of the United States.

Second Term: *Reinforcing Success*

Early indications are that Bush has elected to follow an even more aggressive counter-proliferation agenda in his second term than he did in his first. The replacement of Colin Powell by Condoleezza Rice as Secretary of State suggests that Bush sought a more ardent advocate of his policies – one who not only shares his views on counter-proliferation, but is also a staunch supporter of the president's emphasis on "advancing liberty." Widely considered one of the architects of the administration's blunt diplomatic style, it is not unreasonable to interpret Rice's appointment, her replacement by Deputy National Security Advisor and kindred spirit Stephen Hadley, and the appointment of other administration hard-liners to high-profile posts (e.g. John Bolton to the United Nations, and Paul Wolfowitz to the World Bank) as indicative of a further stiffening of Bush's first administration policies. Beyond these appointments, however, the administration's second-term stance has neither produced the radical action desired by advocates of intervention, nor returned to the level of passivity necessary to placate proponents of traditional multilateralism.

There is no shortage of counter-proliferation quandaries on Bush's immediate horizon. The most urgent challenge remains North Korea's nuclear ambitions. A serial proliferator, North Korea may already have built as many as eight nuclear weapons, has ballistic missiles capable of reaching Japan, and holds South Korea under the threat of thousands of artillery tubes, rockets, chemical and possibly biological weapons. While Washington deemed the reinvigoration of the Six-Party Talks a crucial first step, officials acknowledged that their effectiveness depended largely upon the willingness of Kim's regime to deal in good faith, and of Seoul and Beijing to wield their considerable local economic leverage to force Pyongyang to come to terms. Neither capital was enthusiastic about doing so, the former because it did not wish to imperil the possibility of peaceful reunification, and the latter because North Korea's nuclear aspirations offered a useful foil to American influence in Northeast Asia. These impediments notwithstanding, in September 2005 parties to the Talks issued a joint statement indicating that Pyongyang would renounce nuclear weapons, return to the NPT, implement IAEA safeguards and dismantle its nuclear programs in exchange for future nuclear power assistance – but the nascent deal appeared almost immediately to stumble when Pyongyang insisted that said assistance, including a light-water reactor, be provided first. Absent comprehensive verification, the world is entitled to be somewhat sceptical of North Korea's newfound spirit of cooperation; but if the end result is the verifiable denuclearization of the Korean Peninsula, the Six-Party Talks will stand as another instance of the Bush administration resorting successfully to traditional multi-party diplomacy.

Iran's nuclear aspirations pose as great a threat to peace as North Korea's illicit weapons program. After years of "cheating and retreating," the EU-3 agreement all but rewarded Tehran's refusal to answer legitimate questions about its nuclear ambitions by granting access to European nuclear technology and expertise in exchange for a verified halt to uranium enrichment (although the agreement also paradoxically stipulated Iran's continuing right to enrich uranium). Given the nature of the Iranian regime and its support for jihadism both worldwide and in particular in Iraq, the Bush administration will likely continue to observe developments cautiously, and will not be satisfied with any outcome short of full transparency coupled with comprehensive international verification and monitoring of Iran's nuclear activities. Continued Iranian intransigence at time of writing suggested that Iran's case would likely be forwarded to the Security Council in the near future, although the effectiveness of any resulting international censure remains open to question, as Iran could easily follow North Korea's lead and simply withdraw from the NPT.

These thorny issues aside, other trends inaugurated during Bush's first term will likely come to fruition in his second. With Rice at the helm (and Bolton at the UN), the State Department hopes to strengthen the Nuclear Suppliers' Group and the Zangger Committee, and improve the management and effectiveness of the IAEA (although recent developments, e.g. the US-India Nuclear Cooperation Agreement [see below] could threaten the substance of these institutions). Similar measures to strengthen, but not necessarily expand the membership of, the Australia Group and other export control regimes (e.g. the Missile Technology Control Regime) may also be expected. On the other hand, prospects for ratification of the Comprehensive Test Ban Treaty (already bleak) would wane further if the administration continues to press for funding to explore nuclear "bunker-busters"; and, absent revolutionary developments in verification

technology, the administration will remain unsympathetic to proposals either for a Fissile Material Cut-Off Treaty, or any verification and compliance mechanism for the Biological and Toxin Weapons Convention. President Bush will likely be unwilling to expend political capital to push for the implementation of any agreement that is unlikely to succeed, or that is unlikely to enhance US security even if it does. Instead, gaps in existing agreements and conventions will be patched through further calls for domestic legislation and international action to curb the flow of threatening weapons and materials.

Practical diplomacy will continue to drive administration policy, often to the frustration of proponents of traditional multilateralism. The US-India Nuclear Cooperation Agreement, struck by President Bush and Prime Minister Manmohan Singh on 18 July 2005, promises to renew cooperation between Washington and Delhi on civilian nuclear energy programs in exchange for guarantees of transparency and compliance, including Delhi's promise to separate its civil and military nuclear programs, and open the latter to IAEA verification. Although India is not a signatory to the NPT, the administration has argued that its status as the world's largest democracy, its importance as a regional actor, its role in the War on Terror, its responsible behaviour with respect to its nuclear arsenal and its sterling non-proliferation credentials entitle India to special consideration. Administration officials have argued that India presents a unique case; non-transparent, undemocratic states with a long history of proliferation and support for terrorism would be unlikely to qualify for similar treatment. Although the administration has not said so in so many words, Bush's philosophy on nuclear weapons bears certain similarities to its domestic position on firearms: that it is not the nature of the weapon that matters, so much as the nature of the owner.

While it represents a significant departure from the NPT's obligation to restrict nuclear cooperation to signatory states (and as such has been widely criticized not only for breaching a long-standing international norm, but also for the potential damage that the resumption of US-Indian nuclear exchange would do to the Nuclear Suppliers' Group), the Nuclear Cooperation Agreement is a clear example of case-specific pragmatic bilateralism. As such, it is emblematic of the Bush administration's preference for functional arrangements designed to plug the gaps left by traditional multilateral instruments. India represents many things to Washington: a regional counter-balance to China; an important, and growing, market for American goods; and a crucial partner in the struggle to defeat Islamic extremism. The determining factor for the administration, however, may be that India represents a vital bastion of democracy (and an English-speaking democracy at that) in a profoundly undemocratic region of the world. As a responsible and reliable actor in the anglosphere, India is a natural partner in Bush's over-arching strategic goal of eliminating the root causes of international terrorism by "advancing liberty."

In this context, it is probably no accident that the joint statement accompanying the US-India agreement stated bluntly that "international institutions are going to have to adapt to reflect India's central and growing role," an oblique but obvious reference to Delhi's quest for a permanent seat on the UN Security Council, a long-standing objective closely linked to India's decision to go nuclear in the first place. It is also probably not an accident that, only a few weeks after the agreement was signed, UK Prime Minister Tony Blair announced that his government would soon be seeking changes to British law to

enable closer civil nuclear cooperation with India, which he deemed a "key international partner" in the fight against terrorism and the proliferation of WMD. A British-Indian nuclear cooperation agreement would further cement intramural cooperation on counter-proliferation within the anglosphere. And not only there; a month after Blair's statement, French President Jacques Chirac and Prime Minister Singh announced that a similar agreement had been struck between Paris and Delhi. While there are likely few cases where this type of arrangement would prove fruitful (no other non-signatories to the NPT share India's democratic, anti-terrorist and counter-proliferation credentials), case-specific pragmatic multilateralism will likely become more common as states struggle to find practical means of countering WMD proliferation consonant with their own interests.

Conclusion

In his first term, President Bush crafted a new approach to WMD counter-proliferation based on revisiting, transforming and replacing traditional multilateral instruments, often with case-specific pragmatic mechanisms designed to achieve specific goals. Throughout his second term, the administration will continue to measure past and proposed counter-proliferation mechanisms not only in terms of their effectiveness, but also against the extent to which they serve (or threaten) the national security interests of the United States and the administration's primordial goal of preventing the emergence of a "nexus of terrorism and WMD." Washington will continue to press "nations that depend upon international stability" to assist in preventing the spread of weapons of mass destruction, but will expect potential partners to back up public statements with concrete action both at home and abroad. Rhetoric and empty promises will not suffice; only deeds will count. The administration will continue to support and make use of multilateral instruments insofar as they serve its purposes; but the threat of WMD terrorism demands that the theoretical yield to the practical, and when a new instrument must be created, purpose-built, issue-specific solutions under Washington's oversight will invariably be preferred to more generalized mechanisms under the purview of less biddable international institutions comprising indifferent or even hostile international actors.

As Bush remarked in his third State of the Union address, "America's purpose is more than to follow a process – it is to achieve a result." In his final term, the President will be increasingly focused on achieving results. For the foreseeable future, Washington will likely remain well out in front of its allies in trying to find new and more effective means of combating WMD proliferation. Allies unwilling to transform or abandon unworkable institutions and ineffectual mechanisms will be unlikely to find a sympathetic ear in Washington, while vocal critics and opponents of the administration's approach to what Bush has deemed "the gravest danger" that America faces could find themselves bypassed or the focus of retaliation in seemingly unrelated arenas. States that share the democratic values and traditions of the anglosphere, however, and are committed to substantive, pragmatic cooperation aimed at controlling the proliferation of weapons of mass destruction, will find an enthusiastic partner in the second Bush administration.

September 2005 – *D.A. Neill*

Upcoming Maritime Security Challenges

While the post-9/11 strategic environment has shone a different light on some longstanding preoccupations, such as terrorism and the proliferation of weapons of mass destruction (WMD), it has also drawn attention to other issues across the security spectrum. Unlike its air and land counterparts, the maritime dimension of transportation and trade has not received systematic interest from security experts over the years. The complexity and intricacies of international maritime traffic have made it unattractive to international regulation, largely leaving security matters to individual shipping companies. Today, roughly 120,000 merchant vessels sail crowded shipping routes around the globe, accounting for more than 90 percent of world trade transit. This figure not only makes maritime shipping vital to the global economy, but also a tempting target for any individual or organization devoted to threatening international stability. On the other hand, the new maritime security context has also reinforced an interest among countries with navies eager to play a more active role in their own maritime zone, and ultimately, over their perceived sphere of influence. International laws such as the 1982 United Nations Convention on the Law of the Sea (UNCLOS), and the establishment of Exclusive Economic Zones (EEZ), have been instrumental in defining the roles of today's regional navies. These challenges not only highlight the growing importance of maritime security, but also bring together an impressive range of actors with divergent views.

Emerging Threats

Major naval engagements are becoming relics of the past. While naval combat remains part of strategic equations, modern threats to maritime security are now found primarily outside the war-fighting continuum. However, given the long-term tensions over competing maritime claims, sea-related disputes will not disappear and future naval skirmishes are practically unavoidable. That said, the end of the Cold War, combined with the ever-growing importance of sea-borne transport, have transformed the way maritime security is perceived.

At the top of governments' preoccupations lies the protection of global trade. Maritime commerce is critical to the international economy. In fact, the closure of important strategic chokepoints, such as the Strait of Malacca or the Panama Canal, would affect economies around the globe. Securing sea lines of communication has proven to be an enduring concern of countries, with maritime-related actors especially concerned with the continuous flow of goods around the world.

Piracy has now become the most serious threat to non-military vessels around the globe. Piracy is defined under UNCLOS as "illegal acts of violence, detention, or depredation for private ends committed by crew or passengers of one ship against another ship, or persons or property on board that ship." Piracy in its original definition only concerned crimes in international waters; it now commonly includes acts occurring in territorial waters and ports. Though hardly a novelty, piracy has not only gained momentum in the last decade or so, but has become an everyday nuisance to maritime security. In 2004, nearly 330 incidents were reported to the International Maritime Organisation, mainly concentrated in the South China Sea and the Straits region, the

Horn of Africa, the West African Coast, South America and the Caribbean Sea. Three types of groups usually carry out acts of piracy, both in international and territorial waters: petty criminals, organized crime syndicates and separatist movements. Moreover, the coasts of Somalia and Djibouti are known to shelter local militias engaged in piracy activities against shipping going through the Strait of Bab el Mandeb. Limited resources and the weak political will of local governments makes piracy highly profitable for criminals. Their actions cover a wide spectrum, including cargo theft, vessel hijacking, seizure and ransoming of crew, human smuggling, and narcotics and arms trafficking.

Recent years have witnessed an upsurge in pirates' capabilities and strategies. Apart from highly manoeuvrable speedboats, gangs are usually equipped with assault rifles; some have been seen carrying grenade launchers and heavy machine guns. It also appears that these criminals have access to modern communication systems – such as satellite phones and radar – allowing enhanced situational awareness and improved coordination. Upgraded capabilities have made it tempting for pirates to aim at bigger targets. Currently, due to their low freeboards and limited crew, barges, small carriers and merchant ships are typical preys along the shipping routes. However, hijacking of much larger vessels has occurred recently. On 5 April 2005, the attempted seizure of the Japanese-owned tanker *Yohteisan* (150,000 tons) by seven small craft proved that some criminal organisations are capable of launching significant operations against enormous vessels.

Unlike piracy, maritime terrorism has only come to experts' attention in recent years. The highly publicized attacks on the *USS Cole* and the French tanker *Limberg* brought to light the possibilities and dangers of maritime terrorism. If terrorist acts are far less frequent than piracy, the consequences of an attack could be catastrophic for regional, if not global, stability. Terrorists could exploit several maritime-related scenarios to fulfill their objectives. The explosion of a Very Large Crude Carrier (VLCC) in a major port could cause a high death toll, destroy essential facilities for international shipping and slow down maritime traffic. The smuggling of WMD aboard ships would prove to be an even greater threat to security, as it would potentially jeopardise the lives of millions of people.

At present, it is difficult to assess the inclination of terrorist groups to conduct such operations. While maritime terrorism opens new opportunities and commercial vessels represent potentially soft targets, the complexity of a sea-based operation and the uncertain chance of success could discourage future attacks. Moreover, links have been established between the maritime industry and al Qaida, which uses that network for transportation and business purposes. It would be surprising, though not unthinkable, for the group to jeopardize such a vital asset by committing attacks that would invite a disproportionate response by the international community. Then again, the fragile balance between trade and stability does not permit authorities to let down their guard. Clearly, 9/11 proved that inaction can result in massive casualties, and can have huge impact on economic, social and political consequences. For that reason, governments and other maritime-related actors must assess the real cost of security in this unstable environment.

International Actions

The nature of the maritime environment makes it difficult to establish effective international regulations. The oceans were long under the "freedom of the seas" doctrine, dating from the 17th century, which limited national rights and jurisdiction to coastal zones, leaving the immensity of the oceans to unregulated freedom. It was only after the Second World War that the international community began to develop a legal framework that would oversee the maritime environment. The result was UNCLOS. However, it took 12 years for the convention to enter into force. To this day, the United States has not signed. Although UNCLOS is considered to be one of the most efficient international agreements signed under UN auspices, countries still resent their national sovereignty being compromised by any binding international convention.

One solution to this complex problem can be found in regulatory regimes. Since 2002, several initiatives have been launched to promote non-binding international and regional cooperation on selected maritime security issues. The Proliferation Security Initiative (PSI) has received the lion's share of attention since its creation in May 2003. This US-sponsored program is aimed at countering the spread of WMD to states of concern and non-state actors. In its maritime aspects, PSI reinforces existing international law by giving the right of any participating country to board and inspect any vessel that is flying the flag of another participating state. It also includes joint naval exercises to improve the ability of navies and coast guards to conduct sea interdictions and board and search suspect vessels. Early results of PSI have been positive. In September 2003, American and British intelligence reports led to the boarding of the German-owned *BBC China*, which was heading to Libya carrying parts for gas centrifuges that could be used to enrich uranium. Three months later, Tripoli announced a plan to dismantle all of its WMD research programs. At the moment, 17 countries are members of the initiative, while more than 60 states have expressed their support for the PSI. The United States has signed boarding agreements with several others, some of which are major flag-of-convenience countries (e.g. Liberia and Panama).

Measures have also been taken to enhance shipping lanes security. The Container Security Initiative (CSI), launched in 2002 by the United States, is aimed at improving the security of containers entering US territory. Procedures have been put in place to pre-screen, identify, and target containers posing a terrorist risk. These measures are applied at the containers' departing locations. US Customs agents are stationed in participating ports to provide training to local personnel. As of today, 38 ports in 18 countries are participating in the Container Security Initiative. In the same vein, the International Ship and Port Facility Security (ISPS) Code attempts to reduce threats to maritime shipping and shipping facilities by standardizing security measures around the world. Participants have to follow a number of security and shipping procedures to be certified by the Code. The ISPS Code has been well received, as it is seen as a means to strengthen regional customs, trade and security procedures in the future.

The post-9/11 security environment and the US preference for multilateralism *à la carte* have fuelled these flexible initiatives as opposed to the slower consensual processes of international organisations. Is this tendency only a reaction to perceived threats or a fundamental change in the way international security is addressed? Answering this

question will require further analysis, but these maritime initiatives could open the door for similar international actions in other spheres. However, the value of these kinds of arrangements is often, though not always, measured by the number of signatories. An initiative like PSI will require broad participation to achieve a high degree of effectiveness. Only time will reveal the success of such endeavours.

Naval Adaptations

The new security environment, combined with increasingly complex sea-based activities, has inevitably changed the way navies think and act. Over the last few centuries, navies and merchant fleets have been highly interconnected. This reality was captured by the 17th century English explorer Sir Walter Raleigh: “Whoever commands the sea commands the trade; whoever commands the trade of the world commands the riches of the world, and consequently the world itself.” Though times have changed and the days of “economic colonialism” are long gone, Raleigh’s comment still resonates. The relationship between sea power and trade is still very real, and the new security environment is pushing that reality further.

The end of the Cold War and the dissolution of the powerful Soviet fleet have left only one navy capable of applying sea power throughout the globe. The ascendance of the US Navy has given the US unchallenged supremacy on the high seas. At the same time, it has played a key role in promoting maritime trade. The US has managed to keep major fleets in key locations – the Mediterranean, Arabian Sea and Western Pacific – in accordance with its strategic and economic interests. By securing the sea lines of communication, the US and like-minded countries have established a trade network that encourages the integration of today’s global economy. This forward presence, working as a facilitator and a coercer at the same time, has resulted in the decrease of conventional maritime security threats to the benefit of economic concerns.

The new security environment and the urgency of upcoming maritime challenges have generated two general trends in world navies. First, there is a sharp increase in maritime cooperation between naval/constabulary forces around the world. Governments are well aware of the importance of protecting sea-borne trade, a vital component of their own economic growth and stability. Additionally, the transnational nature of modern threats has raised the importance of collective action. Several initiatives have been taken around the world to tighten security in waterways and promote collaboration between interested parties. After 9/11, NATO was quick to close security loopholes in the Mediterranean. With Operation Active Endeavour (OAE), launched under Chapter V of the Washington Treaty, NATO assigned up to eight vessels at all times to keep tabs on cargo flows in strategic locations across the Mediterranean. Likewise, talks are currently taking place to extend OAE to the Black Sea. Six countries bordering that body of water (Turkey, Russia, Ukraine, Romania, Bulgaria and Georgia) came together in 2001 to increase maritime security, but significant results are slow in coming.

States in East Asia are extremely interested in sharing the maritime security burden since this issue has been a major concern in the region for many years. The area is a major hub for shipping and trade, particularly in the Straits region. Japan, which imports nearly 90 percent of its crude oil from the Middle East, is especially worried

about securing these vital lines of communication. Other regional countries are also particularly anxious to protect these waterways. Several plans have been drawn up encouraging information exchange, coordinated patrols, joint exercises and the establishment of regional centres. However, lack of mutual confidence, combined with disparities in naval capabilities and differences in approaches, make it difficult to establish efficient partnerships.

On the other hand, the vacuum left by the end of the Cold War and the scattered commitments of US naval forces around the globe have pushed several countries to expand their influence in surrounding waters. Some countries are eager to extend their role and modify, at least regionally, the status quo. Growing regional powers like India and China are paying renewed attention to their fleets. Delhi is strengthening its "blue water" capabilities to assert preponderance in the Indian Ocean. Recent acquisitions include the aircraft carrier *Admiral Gorshkov* from Russia and the construction of indigenous nuclear-powered attack submarines. Similarly, Beijing has established a system of extended strategic defence to secure the mainland from hostile forces. China's "active offshore defence" concept aims at securing a maritime buffer zone that runs from the Kuriles Islands chain to the Celebes Sea. While the Chinese Navy does not possess the resources or the technology to effectively control that geographical zone, its recent purchase of advanced platforms shows how seriously it intends to challenge US Navy supremacy in the Pacific.

Along with more traditional sea control and sea denial missions, the projection of force at the regional level has become a goal of several naval forces. During the Cold War, power projection – "the ability to project, sustain and apply effective military force from the sea in order to influence events on land" – was largely restricted to Western navies. Today, countries like Japan, Thailand, India and Singapore possess capabilities to extend their naval reach, establishing a new maritime balance in the Pacific. In light of the 2004 tsunami, strategic sealift has proven to be a formidable tool to enhance responses to serious crises and demonstrates the invaluable contribution of naval forces to humanitarian and peace operations. The focus on power projection capabilities will be an important response to the new maritime challenges, but also to land-based conflicts and disaster relief operations.

Finally, the establishment of EEZs has made territorial sovereignty and surveillance a priority for numerous countries keen to protect their sea-based resources and to secure strategic positions. The creation of the 200 nautical-mile exclusive zone and the upsurge in asymmetrical threats (terrorism, piracy, smuggling) in territorial waters have pushed navies to modernize themselves. Accordingly, many armed forces now opt for lighter, faster vessels able to operate in littoral waters. These naval assets allow small and constabulary navies to effectively patrol their coastlines at lower cost. Increased reliance on Unmanned Aerial/Maritime Vehicles, extended radar coverage, and maritime patrol aircraft have enhanced the monitoring of territorial waters. Several countries have also created para-military services (i.e. coast guards) for maritime surveillance duties. These highly flexible forces are well suited for specific tasks like maritime enforcement and sovereignty duties, but can also play other roles that navies are not suited for, such as search and rescue, protection of the maritime environment, and inland navigational surveillance.

Today's navies are adapting to a new security environment. While traditional roles and missions are not vanishing, new imperatives have broadened the scope of navies' significance.

What's Next?

In the decades to come, the US Navy will remain the dominant maritime power. However, the competition for regional sea control is fierce among navies. Naval procurement is on the rise in several countries impatient to increase their maritime influence. Maritime security will continue to increase in significance, as governments and other interested parties recognize the vital importance of securing shipping lanes around the world and guaranteeing the freedom that has characterized the oceans for centuries. Clearly, today's freedom has to coexist with order and stability, which makes it even more pressing to come up with enduring international solutions that are not only effective, but also reflect the changing, multi-dimensional nature of the maritime environment.

August 2005 – *Mathieu Bussières*

Oil Security: Capacity Woes

Oil remains fundamental to the global economy. It is the world's primary energy source and is likely to remain so for decades. As a result, developed states consider oil security to be a crucial component of national security. Simply stated, the objective of oil security is to maintain unhindered access to quantities of oil or its refined products sufficient to fuel economic activity. Any act that disrupts, or even threatens to disrupt, access to oil is considered a threat to national security.

The global economy has endured a series of record-setting high oil prices during the past year and a half due largely to continued demand growth. Leading the increasing demand are the emerging economies of China and India. The US has long been the world's main consumer of oil, accounting for approximately 25 percent of annual consumption. However, China and India have accounted for nearly 33 percent of new demand since 2000. In a market capable of sustaining the demand, this would not present a strategic challenge to any state; however, the global oil market is fast approaching the point at which demand exceeds output capacity. This is likely to lead to inadequate supply and could create tensions related to oil security as states compete more aggressively to secure their needs. Compounding the problem is the increasing international extraction activity of state-run oil companies from China and India that is changing market dynamics by introducing uneven competition. This may preclude companies and, by extension, other states from having access to oil in emerging markets. Supply scarcity concerns have also increased the diplomatic competition between major powers, particularly China and Japan, regarding the location of oil pipelines. Finally, the market's susceptibility to supply shortages has increased the strategic value of targeting oil infrastructure for terrorist or insurgent groups worldwide, thereby increasing the risk of attack and necessitating a security response. These issues and their possible impacts will be examined in this chapter.

Changes in Oil's Strategic Environment

Until recently, the world oil market has generally been adequately supplied. Tension over access to oil has resulted from political actions rather than supply problems. For example, the oil crises of the 1970s and 1980s were not caused by inadequate supply but were politically orchestrated. The first crisis of 1973-1974 resulted from Arab displeasure at US support for Israel during the Yom Kippur War. The second resulted from Arab anger at the West in the aftermath of the ouster of the Shah of Iran in 1979. In these instances, OPEC and other major suppliers had the ability to use oil as a political tool. Today, these states have far larger populations dependant on steady oil revenue and thus risk internal unrest if they use oil as a political weapon for lengthy periods of time. Moreover, the industrialized countries learned from the oil crises, developing global market mechanisms to counter embargoes and also stockpiling strategic oil reserves to protect their economies from short-term disruptions. Another factor limiting the utility of embargoes is the increased number of global oil producers and consequent ability to diversify supply. Most industrialized states pursue diversification of supply as a tenet of their oil security policy. In combination, these developments have limited the effectiveness of oil embargoes as a strategic tool.

Another significant change is the diminishing gap between supply and demand. Global demand for oil has been increasing in recent years and forecasts indicate that this trend will continue. In 2004, 82.5 million barrels were consumed per day and the rate is expected to rise to 95.7 million barrels by 2010. This increase will be largely attributable to rising demand in China and India as their economies, which are estimated to be up to three times less fuel efficient than those of developed states, continue to grow. Aside from increased industrial consumption, China's use of gasoline and other automobile-related petroleum products is expected to rise dramatically with the anticipated growth of private car ownership. Some studies suggest that there may be 140 million privately owned cars in China by 2020, nearly six times the approximately 24 million today. This will lead to a major increase in oil consumption, unless non-fossil fuel vehicles form the bulk of the new automobiles. In the short-term, this seems unlikely.

Increasing demand should not in and of itself change the strategic outlook for oil. However, the problem the world faces now and will experience more sharply in the future is inadequate supply capacity. Some estimates suggest that demand will outstrip deliverable supply by 2006 when the shortfall is expected to be 1 million barrels per day. By 2010 the deficiency is forecast to reach 8.9 million barrels per day. These shortages will not be due to inadequate oil reserves, but from insufficient extraction and refinery capacity. It is remarkable that there have been no new refineries built in the US since 1981 and, despite efficiency improvements, overall capacity in the US is such that its refineries are 96-97 percent utilized just to meet current demand. This leaves little room for error should a major plant be closed for a lengthy period of time. Hurricane Katrina has brought this fact home in stark terms since it has temporarily resulted in the closure of nearly 15 percent of US refinery capacity. Markets have reacted to this catastrophe with remarkable speed, as evidenced by sharp increases in gasoline prices. No new refinery plant is expected to become operational in the US until 2007, so this vulnerability will remain. Globally the picture is not much better, since refinery capacity is expected to increase by only 700,000 barrels per day in 2005. Natural disasters aside, it is possible that demand growth will outstrip refinery capacity in the short term. Another challenge facing the oil industry is that it has tapped into virtually all of the readily accessible, easily extractable oil reserves. New oil fields tend to present technological challenges that limit their productivity. The high price of oil does make these formerly unprofitable sites viable; however, more energy is consumed extracting and marketing the oil from these fields. Hence, the return from these sites, in terms of overall oil output, is reduced compared to more accessible sources. The days of "easy oil" are dwindling.

The impact of a tight oil market is felt on a nearly daily basis. Any substantial production disruption has an almost immediate impact on the price of oil, indicating that the market is already stretched to capacity. Recent events, such as labour unrest in Venezuela or Nigeria, attacks on oil pipelines in Iraq, and loss of refinery output due to fires or hurricanes in the US, have all resulted in crucial shortfalls in production that have consequently been reflected in higher prices. These record oil prices risk damaging global economic growth. To date, this has not occurred, since consumers have continued to spend money on both non-oil and oil related products. In part, this is because the cost of borrowing remains low, so energy costs have not yet dampened economic growth. However, it is possible that continued high oil prices will lead to inflationary tendencies and, ultimately, to a period of international economic contraction. This blow to economic

security, if it does arrive, might increase the level of political instability in some markets and possibly provoke armed conflict in extreme cases.

Oil security uncertainty is also influenced by the coming end of the oil age. This could result in a malign future marked by inadequate access to energy sources necessary to sustain economic activity and perhaps even basic living necessities. There is much disagreement as to when daily oil production will peak and then begin to decline. Some estimates suggest this will occur within a year, others over thirty years from now. Determining when this will occur is difficult, since it depends on projections of production and consumption as well as scientifically sound analysis of global reserves. Reserve size is an educated guess at best and is complicated by the vested interests of the parties involved in oil production. Suffice to say, the oil age will end at some point and is likely to do so in this century. The impact on the world's energy security depends on the degree to which transition to alternate energy sources takes place. There is a substantial amount of effort underway examining alternatives such as wind power, solar power, hydrogen fuel cells, battery power, nuclear power, and biomass power, among others. If any, or a combination, of these alternatives adequately replace oil as the cornerstone of economic activity, the future energy security will be benign. For oil security, the switch to alternate sources of energy will profoundly reshape the manner in which the world is strategically divided. Oil producing areas will become less relevant, unless their importance is based on other interests.

While strategic reserves serve well to guard against short periods of supply disruption, they are inadequate to sustain domestic markets on a long-term basis. Consequently, persistent shortages will dramatically raise the stakes in the global quest for oil and will have tremendous negative economic impacts. Given the capacity problem the world faces and the likely decline in oil production as the oil age draws to a close, it is conceivable that sustained oil shortages will become regular occurrences in the coming years. Thus, it is possible that strategic reserves will no longer be adequate to offset supply shortages. This will have a profound impact on the way in which economies and societies function. All transportation will be affected and costs for virtually all goods will increase. The mobility capabilities of military forces will also suffer from these increased costs and potential fuel shortages.

Vulnerabilities

Oil is vulnerable to attack or disruption at any point in the process of extracting, transporting, refining, or marketing products to consumers. Threats include terrorist attack, theft, accidental losses or disruptions, embargo, and climatic interruptions. The impact of any disruption on the global oil market will continue to be severely felt due to the tightness in global oil supplies. This increases the attraction of oil infrastructure as a target for terrorist and insurgent groups. Each of these disruptive elements necessitates a response or oil security suffers.

Transportation of oil or its products is particularly vulnerable to disruption. Consider that a supertanker carries nearly 2 million barrels of oil, roughly 2.3 percent of the global daily demand. The impact of stopping or sinking one supertanker could be disastrous for the global market under current conditions. On average, 36 million barrels of oil per day passes through one of seven maritime chokepoints, including the Panama

Canal, the Suez Canal, the Bab el-Mandab, the Bosporus Strait, the Strait of Hormuz, and the Strait of Malacca. Each of these sites could be disrupted or closed by armed attack, shipping accidents, or severe weather. The world's major seaport oil terminals have similar vulnerabilities. All of these sites and the tankers which use them are susceptible to attack by terrorists, insurgents, pirates, and international criminal gangs. Attacks have occurred in recent years and are likely to continue in the future. Long-term disruptions will challenge the ability of developed states to offset losses with their strategic oil reserves.

Even more vulnerable than shipping assets are oil pipelines, which have been more frequently targeted in recent years. Developed countries and many oil producers have taken steps to enhance pipeline security by increasing system redundancy and surveillance, enhancing computer security, and burying pipelines. However, many of the world's major pipelines travel through volatile regions, such as the Middle East or the Caucasus, where the threat of attack is higher. The frequency of pipeline attack has been rising recently, especially due to the insurgency in Iraq, and is likely to continue in the future. Jihadist leaders, including bin Laden, have called upon their followers to engage in holy war against companies that send oil out of Muslim countries. In addition to Iraq, Chechnya, Columbia, India, Turkey, and Sudan have also experienced pipeline attacks recently. These attacks cause extensive infrastructure damage, wreak havoc on the world economy by adding a "fear premium" of approximately US $10 per barrel, reduce oil supply, and increase the security burden on those attempting to protect the pipelines.

Criminals, be they members of trans-national organized crime groups or locals, also target pipelines. Nigeria, one of the world's leading crude producers, is notorious for losses resulting from this activity. Some estimates suggest that as much as 20 percent of Nigeria's crude is stolen from pipelines. This activity has a smaller effect on global supply than terrorism or insurgent attacks since the oil generally reappears via the black market, although it periodically does result in infrastructure destruction and lost supply when attempts to tap into pipelines end in explosions or spills. Nonetheless, oil theft is a major security problem, particularly from an economic perspective, that is unlikely to diminish in the near-term.

Although less likely than other threats to oil security, the possibility of interstate war fought over control of oil fields could also occur in the coming years. For example, tensions between Nigeria and Cameroon over the potentially oil-rich region of the Bakassa peninsula could result in major combat. Both countries lay claim to this border area, although the International Court of Justice (ICJ) ruled that it belongs to Cameroon. Despite the ICJ ruling Nigeria has delayed withdrawing its forces from the region and troops from both sides periodically exchange fire. As supply capacity becomes more stressed, other potential interstate oil conflicts may develop.

Oil Interests of the Major Powers

Given its status as the world's biggest oil consumer, the US goes to great lengths to secure its oil supply. An important component of Washington's oil security policy is diversification of supply in order to minimize the shock experienced when disruptions occur. A major focus of recent US diversification efforts has been development of the burgeoning oil industry in Africa, particularly offshore in the Gulf of Guinea. American

oil companies have invested heavily in this region and the US military has increased its ties primarily through naval training assistance and provision of some equipment to Nigeria. Elsewhere, the US was instrumental in brokering the deal between various consortium members to construct the Baku-Tbilisi-Ceyhan (BTC) pipeline. The path of this pipeline (Azerbaijan to Georgia to Turkey) was strategically chosen to move the anticipated large amounts of oil from the Caucasus to world markets, while bypassing both the Middle East and Russia. American officials chose this route to avoid being held hostage politically or economically by any states in the Middle East or Russia. Even though it does not traverse the potentially volatile Middle East, the BTC pipeline does cross politically unstable areas and is therefore buried for most of its 1,760 km length.

China and Japan are also devoting considerable effort to oil security through supply diversification and pipeline diplomacy. To that end, they have been attempting to persuade Russia to build a pipeline favouring their own countries. Chinese oil firms have also been actively seeking extraction opportunities globally. Recently, one company entered into a business deal supporting construction of a pipeline to transport Alberta tar sand crude to a Pacific terminal in British Columbia, from where approximately half the daily flow would be shipped to China. Chinese oil firms are also seeking to buy out Western competitors, as seen with the recently failed bid to buy out US oil major, UNOCAL.

With respect to Chinese and Indian oil companies' overseas operations, these firms are state-run and therefore often have an unfair advantage over private sector companies. For example, Beijing has sweetened its oil companies' offers by providing attractive development side deals, such as virtually free construction of factories or other infrastructure. Private or publicly traded companies, generally beholden to shareholders, cannot afford to operate in this manner and are at a disadvantage. This trend would not undermine global oil security except that the oil produced by the state-run operations generally goes to the owner-state of the oil company, effectively bypassing the global market. As global supply capacity becomes more constrained, this trend could potentially deprive many states of oil, undermining their oil security as a result.

China and India are not the only countries that seek oil security through nationalization of oil companies. Saudi Arabia, Mexico, Venezuela, Nigeria, Iraq, Kuwait, Norway, and other states control extremely large oil companies whose focus is development of domestic oil reserves, unlike Chinese and Indian companies whose focus is on acquiring foreign reserves. Russia is also exhibiting a tendency to nationalize oil production by reacquiring companies that had been sold to the oligarchs following the demise of the Soviet Union. Many analysts believed that free-market Russian oil firms would improve market supply; however, these hopes have been tempered by the Kremlin's program to buy back control of Russia's oil majors. This may not diminish supply over the long term, but it will give Russia political leverage so long as oil continues to maintain its crucial economic role. The increase in the number and size of state-owned oil companies is significant. Many people assume that the free-market majors, such as Royal Dutch/Shell, ExxonMobil, Chevron Texaco, and TotalFinaElf, dominate the international oil market. However, depending on the method of comparison, some studies indicate that state-owned oil companies have taken over the market share.

Conclusion

The world has entered an era of supply uncertainty that is reducing global oil security. The outcome of this situation depends on many factors, such as new technology or energy sources and their ability to feed demand and whether demand will continue to rise as anticipated. Increased political instability in underdeveloped producer states is likely if oil prices remain high, since this would increase perceptions of inequality in these countries while oil revenues grow. Safeguarding oil security will therefore, be challenging for industrialized or developing nations in the near-term. The potential for economic disruption exists and states will take steps to avert this development or suffer the consequences. These steps will likely include continued diversification of supply efforts and the development of alternate sources of energy. The proclivity of state-owned oil companies to dominate global development is also a trend that could have negative affects in the future.

September 2005 – *Peter Johnston*

Post Face

Le défi de l'analyste

Les États-Unis sont maintenant une «puissance révolutionnaire». Il en est ainsi parce que l'administration Bush veut changer le statu quo, alors qu'avant le 11 septembre, elle suivait la voie tracée par les administrations précédentes en gérant le statu quo international.

Comment l'analyste doit-il traiter le « séisme des puissances » centré sur la faille du 11 septembre? Tout d'abord, il faut nous intéresser aux objectifs et à la stratégie que poursuivent les États-Unis dans l'exercice de leur puissance afin de reconfigurer l'environnement de sécurité. Les analystes doivent donc constamment garder deux questions à l'esprit : premièrement, qui s'opposera aux États-Unis et pourquoi? et, deuxièmement, ces acteurs pourront-ils acquérir les moyens qui feront d'eux un « pair et concurrent » des États-Unis, capable de restreindre leur action?

Nous sommes habitués à l'environnement de sécurité internationale « tel qu'il est » et les analystes sont accoutumés à en traiter les « soubresauts » à intervalles réguliers. Bien avant le 11 septembre, nous cherchions à comprendre l'impact sur la sécurité des États voyous, de la prolifération des armes de destruction massive, du terrorisme, de la concurrence pour les ressources et des points chauds régionaux. Aucun de ces sujets d'analyse n'est nouveau. Il est temps de reconnaître, cependant, que tous les événements, tendances et développements concernant la sécurité dans le monde ne sont pas d'égale importance *stratégique*, et qu'il faut les analyser par rapport aux intérêts et aux objectifs des États-Unis.

La stratégie ne concerne pas l'aspect du monde, mais plutôt l'usage que font les dirigeants, quelle que soit leur idéologie, des moyens à leur disposition pour le changer à leur avantage. Nous ne savons peut-être pas à quel point Washington réussira à atteindre ses objectifs, mais nous pouvons déterminer qui, ou ce qui, pourrait lui faire obstacle, et les risques à prévoir au cas où il échouerait.

Mais les États-Unis ne sont pas le seul acteur, et ne peuvent pas imposer leur volonté. Nous savons que certains autres acteurs s'opposeront à la perte de leur puissance du fait de l'action des États-Unis. Nous savons aussi que certains craignent les risques que comporte le bouleversement du système international. Certains s'opposent à l'action des États-Unis à cause du prix à payer, en sang et en moyens financiers, dans ce qui peut sembler une guerre sans fin. Les opposants des États-Unis ne sont pas tous des « ennemis », mais certains le sont. Les ennemis, comme les alliés des Etats-Unis, peuvent influer sur le succès ou l'échec de leurs objectifs.

Alors, quel est le défi de l'analyste aujourd'hui? C'est de reconnaître que l'analyse stratégique ne concerne pas ce que nous pensions savoir, et certainement pas le monde tel que nous voudrions qu'il soit. Elle consiste plutôt à se demander qui sont ceux qui veulent changer l'état des choses, comment ils veulent le faire, s'ils y réussiront, et quels sont ceux qui s'opposent au changement. Elle concerne l'environnement d'aujourd'hui. Durant les « séismes des puissances » antérieurs, nous aurions étudié l'attrait de l'idéologie de la Révolution française et les résistances qui s'y opposaient, ou le mécontentement allemand suscité par le statut relatif de sa puissance durant la période des guerres mondiales.

L'analyste, aujourd'hui, doit observer comment la «puissance révolutionnaire» d'aujourd'hui, les États-Unis, transforme le monde.

Septembre 2005 – *Peter Archambault et Charles Morrisey*

Afterword

The Analyst's Challenge

The United States is now a revolutionary power. It is so because the current Bush administration wants to change the international status quo, whereas prior to 9/11 it followed the path of previous administrations by managing it.

How does the analyst deal with this new "power earthquake" centred on the 9/11 fault-line? First and foremost, we must concern ourselves with the objectives and strategy of the United States as it exercises its power to re-shape the security environment. Analysts must therefore have in mind two questions at all times. First, who will oppose the US and why; and second, can they gather the capabilities of a "peer competitor" to restrict US actions?

We are used to the international security environment "the way it is" and analysts are used to dealing with its "tremors" on a regular basis. Long before 9/11, we worked to understand the security impact of rogue states, the proliferation of weapons of mass destruction, terrorism, resource competition and regional flash points. None of these is a new subject for analysts. They now must recognize, however, that all events, trends and security developments in the world are not of equal *strategic* importance, and must be analyzed in terms of how they relate to US interests and objectives.

Strategy is not about how the world looks, but rather how leaders, whatever their stripe, use the means at their disposal to change it in their favour. While we cannot predict with certainty how successful Washington will be in achieving its goals, we can identify who or what could stand in its way, and what consequences may come to pass if the US fails.

But the US is not the only actor, and it cannot impose its will on all situations. We know there are those that will oppose losing power as a result of US actions. We also know of those who are leery of the risks inherent in shaking up the international system. There also are those who oppose US actions because of the cost in blood and treasure to be paid in what may look like an open-ended war. Opponents of the US are not all "enemies," but some are. Both enemies and allies, however, can affect the success or failure of US objectives.

So what is the analyst's challenge today? It is to recognize that strategic analysis is not concerned with what we thought we knew, and it is certainly not concerned with how we would like the world to be. Rather, it is concerned with who wants to change the way things are, how they want to do it, whether they will succeed and who opposes change. This is today's strategic environment. During past "power earthquakes," we would have studied the appeal of, and resistance to, French Revolutionary ideology or, later, Germany's resentment of its relative power position during the period of the World Wars.

Today's analyst must examine carefully how today's revolutionary power, the United States, is transforming the world.

September 2005 – *Peter Archambault and Charles Morrisey*

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