



The Journal of
**International
Security Affairs**

No. 26, Spring/Summer 2014

America's Frayed Foreign Policy, And How To Fix It

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NAVIGATING THE NEW BATTLEFIELD

Featuring articles by T.X. Hammes and Kenneth Allard

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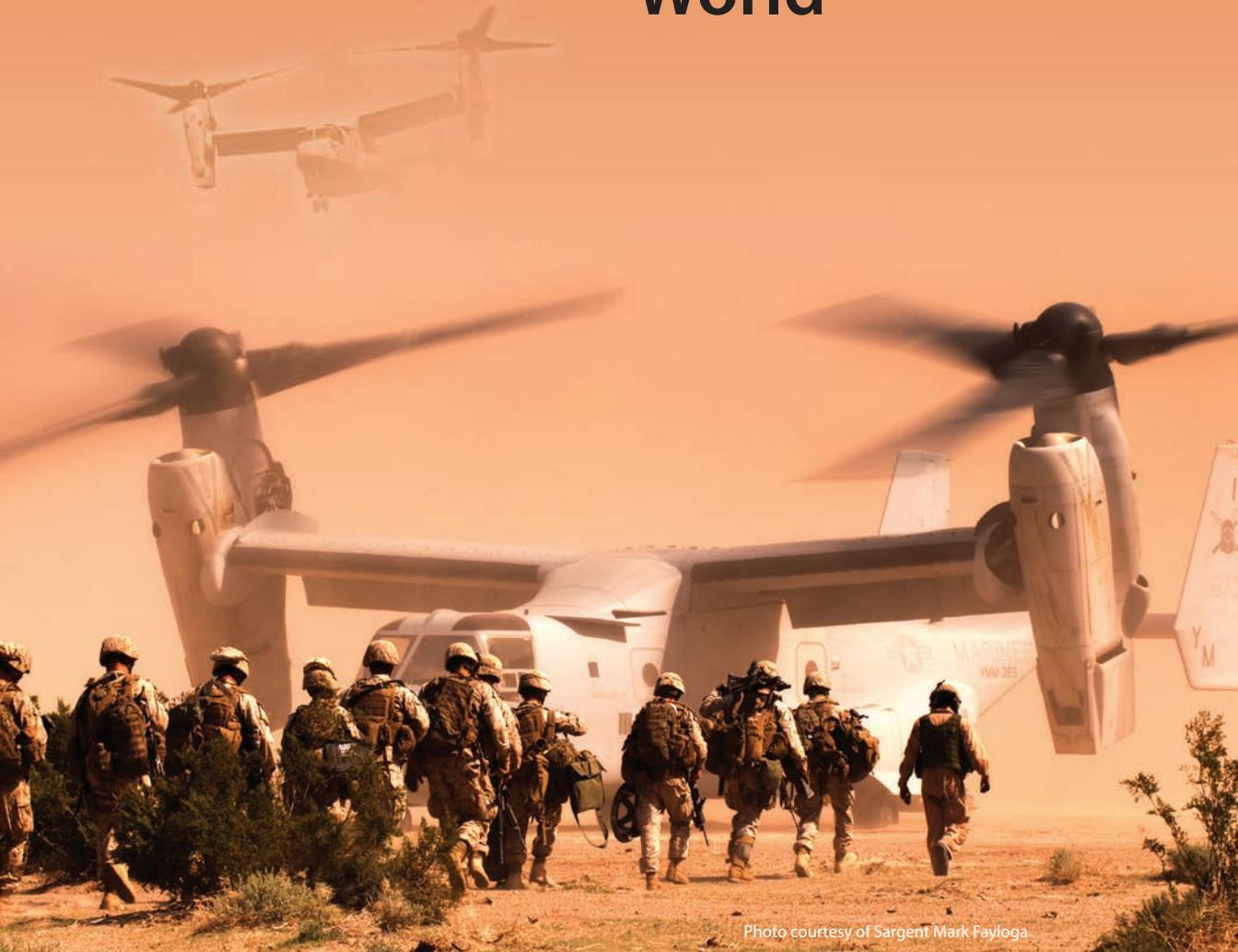


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Editor's Note

These days, it's hard not to notice that the Obama administration's foreign policy is on the skids. More and more, the critiques leveled at the Administration from both the left and the right of the political spectrum share a common condemnation: that U.S. foreign policy has become characterized by strategic drift, with serious consequences for American interests abroad.

It's high time, then, to take stock of just where U.S. foreign policy is currently, and where it is heading. The American Enterprise Institute's David Adesnik starts us off with a devastating critique of "realist" foreign policy thinking—and an impassioned appeal for continued American exceptionalism. Boston University's Angelo Codevilla then gives us a glimpse into the systemic dysfunctions that plague America's vast—and growing—intelligence community. From there, two seasoned counterterrorism experts, National Defense University's Sebastian Gorka and the London Center's Jed Babbin, provide answers to two pressing questions: why al-Qaeda has proven to be so resilient, and why America is adrift in the War on Terror. Robert Zarate of the Foreign Policy Initiative explains why the U.S. must match ends and means in defense budgeting. Harvard University's Will Tobey explores why the Obama administration's record on nuclear nonproliferation is decidedly mixed. And Rachel Ehrenfeld of the American Center for Democracy maps out some salient priorities for defending cyberspace.

That's not all, however. This issue of *The Journal* also takes a look at the changing nature of war, and the new battlefields now confronting the U.S. military. StrategyPage's James Dunnigan starts us off with a survey of past cycles of military evolution, and explains how these developments set the stage for the future shape of the American armed forces. Then the National Defense University's T.X. Hammes weighs in with his thoughts about the changing nature of warfare, and the technological innovations that will help shape how and where we fight in the years ahead. From there, former National War College Dean Ken Allard offers a provocative argument that the relationship between citizen and soldier is fundamentally broken, so much so that it requires a wholesale rethink of the all-volunteer force. After that, Thomas Chen of City University London gives us a glimpse of where the U.S. military stands in the cyber domain. Last, but most definitely not least, the American Foreign Policy Council's Avi Jorisch maps out why we are falling short in the critical mission to "drain the financial swamp" that fuels contemporary terrorism.

Our Perspective interviewee for this issue is the Honorable Jon Kyl, who last served as the Senate's Minority Whip—and who, during his quarter century in public service, became a truly "indispensable man" in the national security arena. Our Dispatches for this edition come from Jordan, France and Russia. And we wrap up our coverage, as always, with reviews of several important books. The selections this time deal with the changing global military environment, Chinese-Indian strategic competition, and the emergence of economic warfare as an intrinsic part of America's strategic arsenal.

Our goal at *The Journal* is to shed new light on the dangers and opportunities confronting the United States in an increasingly complex global environment. We believe that this issue, like previous ones, does just that. We hope that you agree.



Ilan Berman
Editor

THE JOURNAL OF INTERNATIONAL SECURITY AFFAIRS

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THE LOGIC OF AMERICAN EXCEPTIONALISM

David Adesnik

If perception were reality, American power would be in the midst of a steep decline. In 2013, for the first time in four decades of polling, a majority of respondents said the U.S. is now less influential than it was ten years ago. Forty-eight percent said that China is the world's leading economic power, with only 31 percent naming the United States as such—a trend that has persisted since the financial crisis of 2008.¹ This prolonged bout of pessimism has lent credibility to widespread calls for a fundamental reorientation of U.S. foreign policy toward less ambitious objectives.

Rarely used in foreign policy circles until just a few years ago, the word “retrenchment” has come to stand for an array of strategies that encourage or enforce American restraint. The current debate is unusual because the most vocal advocates of retrenchment are self-described realists with a reputation for thinking unsentimentally in terms of power and security. However, few have noticed the dramatic divide between the recommendations of academic realists with university chairs and Washington realists with experience at the highest levels of government or media. Radicalized by the George W. Bush presidency, the academic realists have fallen prey to a misguided view of America as the greatest threat to itself and others. Their version of retrenchment amounts to binding America's hands with a policy of “offshore balancing” that entails our withdrawal from alliances, dismantling foreign bases, and slashing the defense budget. Leading academic realists have even begun to move in the direction of isolationism.

In contrast, the Washington realists also take a dim view of the Bush presidency, yet call for adjusting the American mindset rather than seeking to bind the United States to a position of weakness. However, even this moderate version of



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retrenchment rests on a worldview that has little faith in Americans or their political system, resists acknowledging the persistence of unipolarity, and remains allergic to promoting democracy and human rights.

There are critics of retrenchment, of course. Yet the most prominent ones tend to argue for little more than maintaining the status quo. Missing from the current debate is a strong case for the practicality of restoring America's decisive edge in hard power while redoubling our efforts to promote democracy and human rights through peaceful means—in short, why the United States must remain an exceptional superpower.

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Rise and fall of the realists

Although realists are fond of saying that they simply see the world as it is, what they have always offered is an ideology that defines the national interest in terms of balance of power, while marginalizing ethical concerns. In his brief summation of realism, Richard Haass, a veteran of both Bush administrations, explains that realists focus on the external behavior of states, while “what goes on inside states is not irrelevant, but secondary.”² An important exception to this rule is the realists' constant worrying about deficiencies within the politics and culture of the United States. They tend to see the American people as uniquely impulsive, ignorant, and self-centered. The diplomat George Kennan famously

compared the United States to “one of those prehistoric monsters with a body as long as this room and a brain the size of a pin” which is “slow to wrath” yet, once aroused, lashes out with such “blind determination that he not only destroys his adversary but largely wrecks his native habitat.”³ Hans Morgenthau, who taught at the University of Chicago after World War II, denounced the moralists who portrayed the struggle between democracy and dictatorship as one between “good and evil, which can only end with the complete triumph of good, and with evil wiped off the face of the earth.”⁴ Former National Security Advisor Zbigniew Brzezinski laments, “The citizens of the world's only superpower, which ultimately makes its decisions on the basis of the popular will, are abysmally ignorant about the world.”⁵

One of the few things that concerns realists more than a foreign policy based on the popular will is a foreign policy driven by special interests. Morgenthau blasted “the disproportionate influence exerted upon members of Congress by the spokesmen of special interest groups, of which in foreign affairs the China lobby and certain ethnic and religious minorities have been the most potent.”⁶ Taken to extremes, such concerns have led to the conspiracy theories of the University of Chicago's John Mearsheimer and Harvard University's Stephen Walt, who insist the invasion of Iraq “was due in large part to the [Israel] Lobby's influence, especially the neoconservatives within it.”⁷

The resort to such conspiracy theories indicates the degree to which academic realists find it difficult to stay in touch with reality. Haass, who was privy to high level deliberations before the invasion of Iraq, notes his “bemusement” with Walt and Mearsheimer, since reality “was just the opposite” of what they portray. Then as now, the Israelis remained preoccupied with Iran.⁸

As recently as the 1990s, academic realists found the Republican Party to be a very comfortable home. George H.W. Bush's decision to oust Iraqi forces from Kuwait confirmed that the GOP understood power politics, whereas Democrats overwhelmingly failed to recognize why the war was necessary. The discomfort of the Clinton administration with military affairs and its humanitarian approach to conflicts in Haiti and the Balkans confirmed for many realists that the Democrats could not be taken seriously. The election of another Bush thus held out the prospect of a return to responsibility. The young Texan governor called for a foreign policy grounded in humility and surrounded himself with advisors from his father's administration. His national security advisor, Condoleezza Rice, worked in the first Bush White House and mocked Clinton for having "the 82nd Airborne escorting kids to kindergarten."⁹

The realists' great hope made their betrayal all the more bitter. George W. Bush's decision to invade Iraq seemed incomprehensible to Walt and Mearsheimer, "even if Saddam [had] nuclear weapons" or was likely to develop them.¹⁰ Far worse, after overthrowing Saddam, Bush began to emphasize the moral imperative of bringing democracy to Iraq. In his second inaugural address, Bush escalated his idealism with a commitment to "the ultimate goal of ending tyranny in our world."

Realists were appalled. For sixty years, they had warned of the terrible costs of democratic crusades and messianic interventionism. Bush's rhetoric dismayed the Washington realists, although some of them, like Fareed Zakaria and Henry Kissinger, supported the invasion. But whereas the Washington realists saw themselves as parties to a profound disagreement, their academic counterparts demonized their domestic opponents in precisely the manner realists have long condemned with regard to foreign

ones. This difference paved the way for the sharp divergence of the two camps' approach to retrenchment.

From isolationism to "offshore balancing"

While concerned with the power of the Israel Lobby and the "one-party state," academic realists located the deeper wellsprings of American dysfunction in a warped self-perception that perpetuated the myth of the United States being a uniquely ethical and altruistic state.¹¹ Mearsheimer expresses alarm at how the "national-security elites who execute and support [U.S. foreign policy] fervently believe in 'American exceptionalism.' They are convinced that the United States is morally superior to every other country on earth... These elites obviously do not look in the mirror. But, if they did, they would understand why people all around the world think hypocrites of the first order run American foreign policy."¹² In an essay entitled "The Myth of American Exceptionalism," Walt concludes, "a dispassionate look at the historical record belies most claims about America's moral superiority." He warns, "When a nation starts to think it enjoys the mandate of heaven and becomes convinced that it cannot fail or be led astray by scoundrels or incompetents, then reality is likely to deliver a swift rebuke."¹³

By contrast, the Washington realists have never been comfortable with American exceptionalism, yet have increasingly reconciled themselves to letting America be America. Zakaria writes, "We are the only country in the world to issue annual report cards on every other country's behavior. Washington, D.C., has become a bubble, smug and out of touch with the world outside."¹⁴ Kissinger condemns those who act "as if America has the appropriate democratic solution for every other society regardless of cultural and historical differences." Yet on

the very next page, he advises that policymakers must always balance realism and idealism, since “no serious American maker of foreign policy can be oblivious to the traditions of exceptionalism by which American democracy has defined itself.”¹⁵ And according to Brzezinski, there must be a “deeper moral definition of America’s world role. Without this, America’s global leadership would lack legitimacy... It has to elevate human rights into a global priority.”¹⁶

For realists, the pursuit of disengagement represents a dramatic reversal from a position to which they have held firmly for decades.

The divergence between academic and Washington realists on the subject of American exceptionalism provides an essential part of the explanation for why the former are calling for a form of retrenchment far more drastic than the latter. For academic realists, retrenchment is designed more to protect the United States from itself than to address external threats to U.S. security. If Americans’ distorted self-image condemns the United States to act irresponsibly, then the country must be held back. Or even isolated.

For realists, the pursuit of disengagement represents a dramatic reversal from a position to which they have held firmly for decades. In 1952, Hans Morgenthau denounced isolationism as a utopian delusion and “the unwitting helpmate of Fascism.”¹⁷ Kenneth Waltz explained that “optimistic noninterventionism” was nothing more than the flip side of Americans’ crusading impulse.¹⁸ This anti-isolationist consensus lasted for decades. This year, however, John Mearsheimer wrote, “I am not an isolationist, but the logic underpinning this grand strategy is not easy to dismiss... If the case for isolationism was powerful before Pearl Harbor, it is even more

compelling today.”¹⁹ To explain this stunning reversal, one must understand the academic realists’ gradual embrace of the strategy known as “offshore balancing,” first elaborated by Christopher Layne of Texas A&M in 1997.²⁰

Layne’s seminal article asserted that even his fellow realists were instinctively committed to unjustifiable activism abroad. He advocated the alternative of offshore balancing, whereby the United States would capitalize on its “insular position” since it is “virtually impregnable against direct attack.” Thus, “the United States would disengage from its military commitments in Europe, Japan, and South Korea.” With regard to WMD, Layne writes, “As an offshore balancer, the United States would accept that some (preferably managed) nuclear proliferation is inevitable.” Unsurprisingly, Layne anticipates his potential critics’ assertion that offshore balancing amounts to isolationism. Yet his defense against the charge only confirms its validity. He writes, “U.S. strategy toward Europe in 1939-41 was not isolationist, but rather a shrewd example of offshore balancing.” His only criticism of Roosevelt is that FDR antagonized the Japanese by offering limited resistance to their aggression against China, thus provoking Pearl Harbor. Sounding like a modern-day Charles Lindbergh, Layne concludes with the declaration, “America’s mission lies at home, not abroad... America First is an imperative, not a pejorative.”

Several years passed before top realist scholars embraced offshore balancing as their strategy of choice. In *The Tragedy of Great Power Politics*, John Mearsheimer argued that offshore balancing was the traditional American grand strategy for much of the 20th century.²¹ Since then, he has become a vocal advocate. Stephen Walt endorsed offshore balancing in his 2005 book, *Taming American Power*. In contrast to Layne’s specifics, Walt and Mearsheimer

hedge on just how offshore their balancing would be. While calling for a withdrawal of forces from the Persian Gulf, Mearsheimer hesitates to spell out the implications of the strategy in Asia, especially regarding potential withdrawals from Japan and Korea. Nor does he consider the implications for NATO or Russia if the U.S. were to remove its forces from Europe entirely.²² In terms of complacency regarding terrorism, both conventional and nuclear, Mearsheimer outdoes Layne. He insists without reservation that terrorism is a problem the United States has provoked with its interventionist policies. "Nuclear terrorism, in short, is not a serious threat," he adds, dismissing out of hand the worry that a nuclear state may lose control of its weapons.²³

Walt's position is harder to discern. He endorses the core principles that "the United States would intervene with its own forces only when regional powers were unable to uphold the balance of power on their own," and "would no longer keep large numbers of U.S. troops overseas solely for the purpose of maintaining stability. However, Walt explicitly endorses participation in NATO and remains silent on troop reductions in Asia. Contrary to Layne, Walt favors intervention against mass murder and genocide when the U.S. "could prevent these horrors at an acceptable cost."²⁴

Even scholars who don't employ the language of offshore balancing make very similar recommendations. Barry Posen, director of the security studies program at MIT, prefers the term "restraint" to "offshore balancing." He says U.S. forces should gradually withdraw from "all military commands and headquarters in Europe," turning NATO into a purely political alliance. The U.S. should also "abandon permanent and semi-permanent land bases in Arab countries." Next, Posen says the U.S. alliance with Japan "needs to be renegotiated but not

abandoned," which would entail a withdrawal of all Marines from the country and a reduction of air and naval forces. If silence is consent, then Posen accepts the need for U.S. troops in Korea. "The United States should preserve an ability to help out if necessary, but it should be stingy in this regard," he writes.²⁵

The exceptional superpower

While accepting American idealism as a reality that must be dealt with rather than denied, Washington realists still resist the incorporation of democracy and human rights as focal points of U.S. foreign policy. They tolerate such impulses, but fear that elevating them will unleash the crusading mindset they loathe. Such fears are exaggerated, however, and prevent the United States from combining its material power with the power of its principles to achieve greater security for itself as well as greater security and freedom for others.

The first step toward justifying such a strategy is to recognize the inclusive nature of American exceptionalism, rather than employing the lazy and ahistorical assumption that exceptionalism is a simplistic assertion of moral superiority. On July 4, 1821, when John Quincy Adams delivered his memorable Independence Day oration, he defined American exceptionalism in a manner offensive for his times, but not ours. After reading the full text of the Declaration, Adams declared it "the first solemn declaration by a nation of the *only* legitimate foundation of civil government." (Emphasis added.) Rather than praise other nations with a similar appreciation for liberty, Adams spent much of his oration attacking the British, whose liberties were a privilege granted by a king, rather than an expression of universal rights. Not surprisingly, both the British and Russian ambassadors deliv-

ered forceful protests, accusing Adams of inciting revolution.

Today, the prevailing norm is for democratic government to rest on the theory that the people are sovereign and possess intrinsic rights. While the United States remains extremely unusual because its people are a nation defined by their principles, rather than their language, faith, or ethnicity, this does not represent a barrier to the conception of all democratic nations as part of an exceptional community. Furthermore, every state has the potential to join this community, something that Adams foresaw with his prediction that the American system “was the corner stone of a new fabric, destined to cover the surface of the globe.” Given the United States’ relative weakness at the time, Adams famously warned, “[America] goes not abroad in search of monsters to destroy. She is the well-wisher to the freedom and independence of all. She is the champion and vindicator only of her own.” Adams, however, was determined to rapidly enhance American power.

For academic realists, retrenchment is designed more to protect the United States from itself than to address external threats to U.S. security. If Americans’ distorted self-image condemns the United States to act irresponsibly, then the country must be held back. Or even isolated.

While American exceptionalism is now inclusive, it remains deeply subversive, for the same reasons that led the British and Russian ambassadors to protest Adams’ oration. The legitimacy of authoritarian regimes is intrinsically compromised. Even the most stable ones have a habit of disintegrating without significant advance notice. Given that America’s adversaries are all authoritar-

ian regimes with visibly frayed legitimacy, it is clearly in our interest and consistent with our values to advance their decline.

Although one might expect this sort of enlightened *realpolitik* to appeal to Washington realists, it doesn’t. For Haass, an essential axiom of realism is, “What goes on inside states is not irrelevant, but secondary.”²⁶ Yet internal transformations initiated the peaceful end of the Cold War and, much earlier, the realignment of Japan and Germany. Internal transformations also ensured enduring hostility to the United States in Nicaragua and Iran in 1979. Earlier, Mao Zedong’s overthrow of Chiang Kai-Shek had equally historic implications.

The most rhetorically powerful and emotionally resonant argument against spreading liberty is that the United States mostly failed in Iraq and Afghanistan even though it committed tremendous resources. Yet promoting democracy in the midst of a lethal insurgency is not a representative case, in spite of misleading assertions that these wars were the offspring of an aggressive democracy promotion agenda. During the Cold War and after, diplomacy has represented the most effective means of tipping a country’s internal politics in a pro-American or pro-democracy direction.²⁷ In the 1980s, American diplomacy facilitated the ouster of anti-Communist dictatorships in the Philippines, South Korea, and Chile, markedly enhancing the prospects for friendly relations with all three countries in the post-Cold War era. Of course, the United States has also tipped the scale in the autocratic direction—in Iran in 1953, Guatemala in 1954 and Chile in 1973. Debate persists about whether such instances represented foolish hypocrisy or a prudent compromise designed to strengthen our position vis-à-vis the Soviets. Beyond debate, however, is the conclusion that inter-

nal change reversed the course of all three countries' foreign policies, realist axioms notwithstanding.

Unquestionably, even diplomatic initiatives to promote democracy entail definite risks. Successful support of the Ukrainian democracy movement this winter resulted in an ongoing showdown with Russia. Transitions are also difficult to steer, let alone control, once they are underway. The 2011 uprisings in Egypt and other Arab states illustrate this point. But the trend over time is clearly in democracy's favor. The number of free countries has grown from forty to eighty-eight in the years since Freedom House began tracking the trend in 1973. Robert Kagan of the Brookings Institution points out that the values of a dominant power tend to diffuse across the globe. Both before and after World War I, there was tremendous confidence that democracy had become such an attractive ideal that further democratization was inevitable. Yet only after the United States rose to become a superpower did such a trend actually materialize.²⁸

Clearly, this diffusion of values is not always a direct or linear process. As noted above, the United States itself worked against it on notable occasions. Further research is definitely necessary to explore the issue of causation. Yet the correlation is strong. The demise of Soviet power almost eradicated communism's revolutionary potential in the developing world. Even in the West, Marxism-without-Leninism suffered devastating intellectual setbacks.

Enduring unipolarity and hard power

Kagan's observation about the relationship between power and values points to the necessity of anchoring

any effective campaign to spread liberty in a valid assessment of American power. By the late 1990s, academic realists were puzzled by the failure of unipolarity to generate a balancing coalition. Some began to popularize the notion of "soft balancing," which entails only mild opposition, while others still cling to the prediction that a return to multipolar balancing is imminent.

However, Dartmouth scholar William Wohlforth made two key interventions that changed the course of the debate. First, he demonstrated that the United States' material advantage is far greater than that of any leading power of the past four centuries.²⁹ Second, Wohlforth illustrated that according to a purely realist understanding of power, unipolarity should endure when the dominant state in any system achieves such unprecedented advantage. Leaving aside the fact that only authoritarian states feel threatened by the U.S., it is simply imprudent for any state or group of states to challenge such a dominant leader.³⁰

Rather than contest this point, a number of proponents of offshore balancing have sought to turn it to their advantage by arguing that the United States is so secure that forward engagement has become unnecessary. Yet this conflates the question of threats to American primacy with other challenges, such as mass-casualty terrorism, which may necessitate preventive measures even if they cannot alter the balance of power.

Interestingly, Washington realists are more hesitant to accept that unipolarity is here to stay. As implied by the title of his 2008 book, Fareed Zakaria is confident in the emergence of a *Post-American World*. In the book's first pages, Zakaria explains, "Power is shifting away from nation-states, up, down, and sideways."³¹ In the same

year, Haass declared the onset of “the age of non-polarity” which “will follow U.S. dominance.” He asserted, “The principal characteristic of twenty-first century international relations is turning out to be non-polarity: a world dominated not by one or two or even several states, but rather by dozens of actors possessing and exercising various kinds of power. This represents a tectonic shift from the past.”³²

Given that America’s adversaries are all authoritarian regimes with visibly frayed legitimacy, it is clearly in our interest and consistent with our values to advance their decline.

Yet six years on, there are few signs we are moving into an era where international organizations, multinational corporations, or NGOs have become actors with anything like the significance of states. Conventional wisdom even held, at least until al-Qaeda’s remarkable resurgence in Syria and Iraq, that terrorist organizations, along with their criminal and insurgent partners, no longer represented a serious threat either.

Besides terrorism, the greatest threats to peace and security today are states like China, Russia, Iran, and North Korea. Diplomacy is the preferred means of dealing with states, yet realists would be the first to say that effective diplomacy depends on the leverage provided by the potential use of force. Measured in terms of spending or technological sophistication, the U.S. military far outpaces the combined strength of its rivals. This fact is a popular but misleading tool employed to argue for the safety of defense cuts. Whereas the United States has global responsibilities, its adversaries have much nar-

rower objectives. Also, because of the United States’ high per capita income, emphasis on technology, and relatively greater concern for its uniformed personnel, it is much more expensive for the U.S. to generate hard power.

Theoretically speaking, there is no right amount to spend on defense. No matter the level of spending, one has to ask what the marginal dollar would buy, whether spent on defense, healthcare, or debt reduction.³³ What can be said with certainty is that the United States now spends a much lower percentage of its resources on defense than it did throughout the Cold War. Two of the most vocal advocates of retrenchment candidly marvel, “That such a small slice of American wealth accounts for nearly half the world’s military spending shows how cheap military hegemony has become for Americans.”³⁴

In the current political environment, capping and further cutting defense seem to be the only saleable options. Yet strategic thinking demands that one step outside the political context of the moment. A forward leaning strategy that seeks to spread liberty while preventing terrorism and aggression may require substantially more resources, although simply reversing the cuts of the past five years would have a significant impact. Furthermore, the budgets for diplomacy and intelligence should also reflect the needs of our strategy. While the United States is all but certain to inhabit a unipolar world for the indefinite future, only a rejection of today’s pessimism and calls for retrenchment can ensure it remains an exceptional superpower.



1. Pew Research Center, *America's Place in the World 2013*, December 2013, 90, 108.
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SNOWDEN AND THE STATE OF AMERICAN INTELLIGENCE

— Angelo M. Codevilla —

The U.S. intelligence agencies, even more so than the rest of the American government, run on a set of self-constructed rails. External events add or subtract velocity or heft to their train. Technology changes its amenities. But the engineers and direction remain.

With his revelations, now-notorious National Security Agency (NSA) whistleblower Edward Snowden revealed some interesting details about how far into new terrain some of the existing tracks had gone, and about the train's new technologies. The ensuing hue and cry, however, is destined to be cosmetic, because all involved are invested in the intelligence community's operations and no one in the U.S. political system has enough interest and knowledge to change the tracks, the train, or the engineers. Herewith, then, is a glance at the tracks on which these agencies have run in recent years, and at the problems that massively increased resources have only exacerbated.

Bigger... but not necessarily better

Since 9/11, the U.S. intelligence community—including contractors—has doubled in size into a complex that spends upward of \$80 billion per year and the boundaries of which are impossible for anyone to define. Yet no one contends that U.S. intelligence serves America twice as well, or indeed any better at all, than when it was half its present size.

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In July 2010, the *Washington Post* published a lengthy three-part series entitled “Top Secret America,” in which a dozen reporters tried to identify the boundaries and functions of a massive, bewildering network of classified activities.¹ They ended up with more questions than answers. The report’s inconclusiveness about the balance between cost and benefit, good and harm, was fact-based and honest.

Having supervised the entire intelligence community’s budget on behalf of the U.S. Senate for eight years, I found this report superior to any account ever produced by Congressional oversight committees. Why? Because the fourteen volumes with classified annexes published by the original committees, led by Representative Otis Pike (D-NY) and especially Senator Frank Church (D-ID), were partisan documents, aimed not at measuring the intelligence agencies’ activities against what intelligence should do for America, but rather at indicting the people and activities that leftists inside and outside these agencies meant to sideline and replace with their own ilk. This they did.

The intelligence agencies are no different from the rest of the federal bureaucracy, except for the secrecy that necessarily surrounds them. Since this largely frees them from having to explain what they do to outsiders, they end up often not explaining it adequately to themselves either. The senators and congressmen on the oversight committees have time mostly for the agencies’ dog-and-pony shows, as well as for the agencies’ contractors, who reinforce those narratives with campaign contributions. The agencies, thus unchallenged, routinely confuse their most parochial interests with all that is right and needful. The results are that bureaucracy’s typical ills—programs with their own momentum, post-retirement relationships with contrac-

tors, empire-building, reflexive defensiveness, jealousy, and so on—are present in spades in the intelligence community.

After 9/11, Congress poured additional billions of dollars into a system that had failed to “connect” the plentiful “dots” about the hijackers it had had in its possession, in the forlorn hope that making it bigger would also make it better. For example, it funded a National Intelligence University, postulating that such an institution would produce a deeper, truer, more useful understanding of the craft. Alas, it simply trains people to staff the present system’s ever-inflating apparatus by perpetuating its customs and verities.

Foremost among these is the assumption that more and better access to secrets is the key to America’s success. But that is even more unfounded with regard to the present-day struggle against terrorists than it was during the Cold War. In those years, the U.S. never lacked basic information about who our enemies were, or about their intentions or capabilities. Hence, much of the collection—strictly military intelligence aside—dedicated as it was to monitoring arms control treaties and to subtle (often imaginary) variations in foreign leaders’ attitudes, disproportionately fed struggles among intelligence analysts over whether U.S. policy should be “harder” or “softer” toward the communist world. In turn, these struggles were little more than reflections of divisions in U.S. domestic politics. Knowledge of the Soviet Union, secret or not, was irrelevant to these struggles or to the Cold War’s outcome.

The essence of the matter is quite simply that the key to success in international affairs is intelligence in the ordinary sense of the word, rather than intelligence in the sense of access to secrets. Without the former, the latter only adds to confusion.

Seeds of corruption

Here, we must interject a distinction between what the budgeteers call the “National Foreign Intelligence Plan” (NFIP)—which includes the CIA, most of the NSA, the Defense Intelligence Agency, the Foreign Counterintelligence division of the FBI, as well as the intelligence arms of the Treasury and State Departments, etc.—and the Defense Department’s “Intelligence Related Activities” (or IRAs).

These activities, which take up about half of the total intelligence budget, focus on multi-spectral reconnaissance of potential targets, as well as on coordinating target information with the fire control systems of various weapons. They also involve all manner of intelligence and counterintelligence that are integral parts of combat units. The drone program—whose craft were initially unarmed—was part of IRA. Such programs, because of their proximity to combat, are often extraneous to the practices that vex those in the NFIP, which we will consider below.

The reason NFIP programs are so vexed is the distance between what they do and the uses that other agencies make of them. The Central Intelligence Agency and the system of which it is the lynchpin embody the notion that intelligence should be separate from operations. It is a novel, uniquely latter-day American notion. That is why keeping in mind the distinction between the two sets of programs—one tied to operations and responsible for their success, and the other separate from them—is essential to understanding U.S. intelligence.

The problems, past present and future, with what we usually call U.S. intelligence—the CIA et al.—as well as their imperviousness to correction, stem from their lack of connection to action. The consumers can specify the results they want. But they cannot interfere in how the producers proceed. In the end,

the consumers must take what is given to them. In short, these programs have the characteristics found in all producer-dominated systems: they do the things they do because that is how they want to do them.

No less important is that they are not subject to independent quality control. The 1947 National Security Act gave the CIA a legal monopoly on the collection of intelligence from human sources. (The exception, battlefield intelligence, has become more important in recent years.) Some 97 percent of its corps of “clandestine” human collectors, or case officers, merely pretends to be employees of other U.S. government agencies. This is what is called “official cover.” During the Cold War, this “cover” gave them little chance to try recruiting spies among communists. In our time, it gives them no chance whatsoever to recruit spies among terrorists. So, as they did during the Cold War, CIA case officers are limited almost exclusively to dealing with people who offer themselves as potential spies, as well as with people whom foreign intelligence services pass on to them as spies. They also interrogate persons whom such sources have fingered as terrorists, from which interrogations they may direct the capture of others, whom they then also interrogate. And so forth. They call this human intelligence.

The insoluble problem with this is that the CIA has no control over the number and quality of the would-be spies who offer themselves or are proffered by others, and is limited to whatever they provide as it tries to meet the requirements levied by policymakers and the military. Perpetual hunger for information, met in only this way, sets up an inherently unhealthy conflict between the need to make sure that the take is neither trash nor outright disinformation, and the necessity of sending reports up the line. That is why, conflict of interest notwithstanding, the CIA assigns quality

control of human intelligence to the very people who collect it—and why it has never formed a bureaucratically independent quality control element.

The technical side of intelligence collection is beset by a remarkably similar problem: namely, that the means of collection are well known to the targets of collection. In short, NSA's *modus operandi* for communications intelligence has always, overtly, focused on capturing and recording as many electronic transmissions as possible, and then on sorting the take to isolate and analyze communications that are of intelligence interest. Hence, any sentient being who knows that his or her communications might be of interest to U.S. intelligence has always known not to put them onto the electronic spectrum in a way that lets the NSA use them. As we will see below, the means available for hiding electronic communications from the “big ear” have improved dramatically over the years.

This, in turn, means that any electronic communications that the NSA's “big ear” intercepted from America's enemies has been subject to the question: is this interception the result of the subject's ignorance, inadvertence, error—as happened when Osama bin Laden's courier used his own cellphone to discuss his contacts with his master—or is it part of an effort to mislead the United States? Alas, U.S. intelligence is as allergic to quality control in electronic communications intelligence as it is with regard to human intelligence.

This question became lively prior to July 4, 2013, when the interception of a self-advertised electronic “board meeting” of al-Qaeda told the NSA that a massive wave of attacks on U.S. embassies around the world would be staged on that holiday, leading the U.S. government to shut down 21 of them. Embarrassment abounded when the portended day of doom passed as uneventfully as Y2K. By contrast, no interception occurred to

warn America of the massive wave of attacks on embassies that did happen on September 11, 2013.

What happened on a CIA base near Khost, Afghanistan, on December 30, 2009, offers an insight into how U.S. intelligence is serving America in our time. For the previous eighteen months, the CIA had been relying on an agent, passed on from Jordanian intelligence, for information on the basis of which the U.S. Air Force targeted drone strikes in Pakistan and Afghanistan. So important had this source become that the CIA invited him into a conference with seven of its officers. Upon arrival, the source blew up the seven, along with himself. Had the agent continued to play along, the CIA ignorantly would have continued targeting innocents and making more enemies for America.

Missing the story

The NSA programs that Edward Snowden publicized are seamless, inertial continuations of long-standing ones. The harm that they may do to innocent Americans is no more intentional—and done no less irresponsibly—than what CIA intelligence has caused to innocent Afghans. What good they do for America's security is no less incidental.

Already by the 1970s, the NSA's main programs for communications intelligence against America's enemies were yielding rapidly diminishing returns. Although its computing capacity was keeping up with the explosion in the amount of innocent traffic, enemy traffic was increasingly encased in unbreakable codes. By the decade's end, when the last of our secret geosynchronous COMINT satellites, *Chalet*, was revealed by a combination of espionage and *New York Times* reporting, enemy traffic in the clear had well-nigh disappeared. So, by the 1980s, the several “big ear” programs were yielding just half of COMINT reports. As long-term technical

trends continued, the proportion continued to drop.

These same trends were radically increasing the effectiveness of targeted COMINT—various kinds of “bugging.” But the NSA transferred resources out of “big ear” programs only slowly and reluctantly, because designating targets for surveillance explicitly is almost the same as designating enemies, and the government prefers to do this implicitly. Bureaucratic inertia also contributed, as contractors and managers of current programs fought for their rice bowls. These are programs in which countless officials have built careers within the agency, programs that offer these officials the post-retirement jobs by which they cash in on their service; programs whose contractors are major contributors to members of the House and Senate Intelligence committees.

The bureaucratic factor was so strong that it delayed and eventually killed even software programs for pre-screening the “big ear” programs’ gargantuan and nearly entirely useless take. The purpose of these programs, the best known of which was called “Thin Thread,” was to reject and not record the vast bulk of data vacuumed up that no one envisaged ever analyzing. No matter; bureaucratic interest has zero tolerance for threats.

The government’s reaction to 9/11 doubled down on bad habits. Instead of designating enemies and targets of surveillance, our government officially supposed that it really did not know from where terrorism came, that it could come from anywhere, *and that therefore intelligence ought to expand rather than to refine its focus*. That expansion came at the expense of ordinary Americans.

Twenty-first century technology was all too ready to serve this purpose. The various means of mass collection from satellites, microwave towers and fiber optic networks were now scooping

up not just a high percentage of phone calls to, from, and through the U.S., but uncountable amounts of Internet traffic as well. New data storage technology was enabling the NSA to compress it and keep it. No software existed to screen out the communications of ordinary Americans and corporations. If it had, the same logic that gets grandma palpated at the airport would have dictated that everyone’s communications be treated as those of potential terrorists. The NSA is no different than the TSA. And so it has been.

One factor, however, protected at least some of the communications of innocent Americans, as it does those of America’s enemies: encryption. Nowadays, all electronic financial transactions move over encrypted circuits, as do all communications that anyone deems worthy of protection. If the encryption is state-of-the-art, it is unbreakable. By the 1970s, the art of computer code-making had surpassed that of code breaking. When private cryptographers were ready to release the Data Encryption Standard, a mathematical formula that is still practically unbreakable, the NSA asked Congress to pass a law to force its developers to embed in it a feature called a “clipper chip” that would provide a “back door” (accessible by court order) for the government into that formula. Congress refused adamantly. Because of solid confidence in the reliability of American encryption products, they became the world standard for communications security.

But this confidence turned out to have been misplaced because after 9/11 the NSA, acting covertly (though not illegally) through business relationships with the encryption industry, managed to insert precisely such a “back door” into its main products, circumventing its lack of legal authority to do so. It was able to do it by persuading RSA, the leading U.S. developer of advanced codes, to adopt an algorithm that had been developed by

the NSA itself as the basis for developing the Deterministic Random Bit Generator (Dual EC DRBG) that generates “random numbers” for RSA’s industry-standard security products. With the NSA’s blessing, these products sold widely within the U.S. government and throughout the civilian world. The top Internet companies bought them as well.

According to computer security expert Bruce Schneier, the RSA/NSA approach to generating random numbers features “a bunch of constants—fixed numbers—[that] have a relationship with a second, secret set of numbers that can act as a kind of skeleton key. If you know the secret numbers, you can predict the output of the random-number generator after collecting just 32 bytes of its output.”²

This is a very big deal. Of course, as soon as Snowden’s revelations had confirmed the suspicions of computer professionals, users of encryption products scrambled to rid themselves of RSA/NSA tainted products. In time, they will. But will the U.S. government stop trying—lack of law notwithstanding—to find “back doors” into encryption products? The 2013 Presidential Panel on NSA surveillance chose to emphasize in a *New York Times* op-ed that “we should make it clear that the United States will not in any way subvert, undermine, weaken or make vulnerable generally available commercial encryption.”³ Failure to protect encryption would destroy more than confidence in the U.S. security products industry. It would confirm that the relationship between Americans and their government is adversarial.

And yet, no less than the *Wall Street Journal* clamors for ever-wider intrusion, claiming that “more” collection and capacity to look into more nooks and crannies is a viable substitute for good judgment about where you should be looking—to put it bluntly, for explicit profiling.⁴

That claim is the reverse of the truth. In fact, mere expansion of collection leads naturally to focusing on the data that is available most easily and plentifully—in other words, for picking low-hanging fruit. The lowest-hanging fruit happens to be data on ordinary Americans. That is why federal agencies scramble for access to the NSA’s trove in order to better enforce their burgeoning regulations. Security bureaucrats, being as lazy as any other kind, will find “suspects” where the finding is easy—by profiling of the implicit kind.

As our ruling class applies the term “terrorist” ever more promiscuously and conveniently to its own domestic competitors, it would be surprising if data gathered by mere inertia resulting from garden-variety corruption is not used for the most nefarious of purposes.

Edward Snowden gave the public a chance to consider what intelligence is for, and how well our intelligence establishment is meeting the nation’s needs. The problem is, such consideration can take place only to the extent that the people’s elected representatives and the media take the trouble to understand the issues. So far, they have not.



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WHY AL-QAEDA JUST WON'T DIE

Sebastian Gorka

These days, zombies are all the rage. Viewing figures for the season finale of the hit show *The Walking Dead* are to be envied. Blockbuster movies featuring Brad Pitt proclaim the genre, as do popular books reconceiving Jane Austen among the living dead.

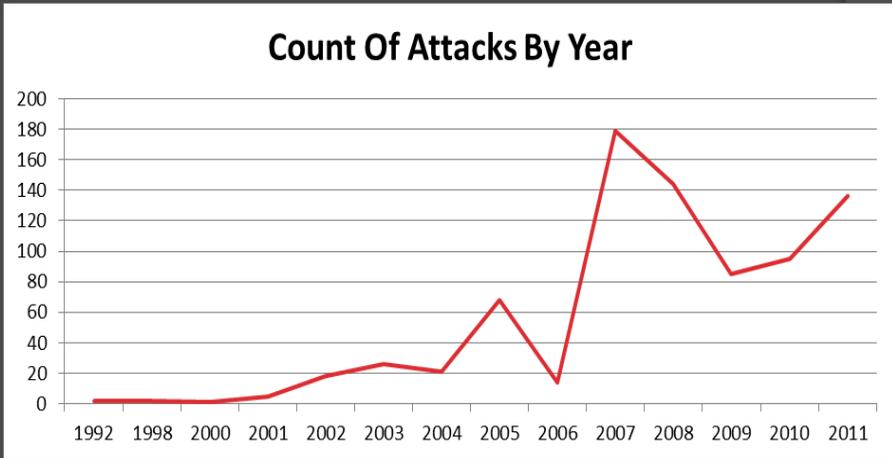
Perhaps this is no coincidence. The fascination with zombies may be fed subconsciously by a real-world global foe which bears more than a passing resemblance to George Romero's iconic monsters. Al-Qaeda, even if not actually peopled by animated corpses, is a cult of death. Ayman al-Zawahiri said exactly that when he declared that he and his cohorts love death more than we love life. On top of that, it seems that—despite declarations to the contrary from the White House and more than thirteen years of U.S. counterterrorism operations—al-Qaeda is far from deceased.

In fact, in at least one respect, al-Qaeda may be even worse than the menace of the walking dead. In the latter's case, they at least have the decency to die when you strike them hard enough in the head. Not so with al-Qaeda. We killed Osama bin Laden, its founder and head, more than two years ago, yet the body of *jihadi* terrorism fights on. So much so that in his recent open testimony before Congress, Director of National Intelligence James Clapper stated that al-Qaeda now has operational centers in twelve nations around the world, from Mali to Syria.¹ By way of comparison, in 2001, when we started the war against al-Qaeda, it had operations centers in just one country: Afghanistan. Indeed, as the graph below, based upon open-source unclassified databases illustrates, al-Qaeda is on the rise.



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The Truth About AQ



Source: THREAT KNOWLEDGE GROUP
utilizing multiple unclassified databases

So why is it proving so hard to kill al-Qaeda? Because as a nation we have broken the fundamental rules of strategy: we have failed to execute an objective analysis of why the threat exists and what it wants. Worse, in the last four years we have distorted reality even further by allowing preconceived notions and politically driven strictures to influence and limit our understanding of the enemy.

Know thine enemy

I spend my days teaching strategy to the military, federal law enforcement and their intelligence community colleagues. Whoever the audience, we always start in the same place: if you have an enemy that you want to defeat, you have to know who they are, where they came from and what their strategy is. The military calls this an *Estimate of the Situation*, or more operationally, *Intelligence Preparation of the Battlefield*. In the decade-plus war with al-Qaeda, we have been erratic and counterfactual in our EoS and IPB.

After 9/11, the President declared a global war on “terror.” The term was an odd one, for terror is the tool of several types of actor, especially dictators who use it systematically against their own people and dissidents abroad. Yet our GWOT was not targeted against recognized practitioners of terror, such as the Kim dynasty in North Korea or the mullahs in Iran. Nor did our global campaign target all terrorist groups. We did not deploy Delta Force against Basque separatists in Spain, or the eco-terrorist ELF (Earth Liberation Front), but against a very specific foe: those that were responsible for the attacks of 9/11. Those “practitioners of terror” justified their murder of unarmed civilians with a religious narrative that saw the West—*Dar al Harb*, or the House of War—as having declared war on Islam, and had as their strategic objective the re-establishment of the theocratic empire of Islam known as the Caliphate.

Yet from the very start, the President and his team assiduously disassociated al-Qaeda from Islam, representing

bin Laden and his followers as renegade extremists whose actions were un-Islamic. This, despite the fact that their *fatwas* leveraged the words of Allah and Mohammed, those Koranic passages and sections of the Haddith (sayings and tales of Mohammed) that explicitly call for the death of the infidel.²

To be clear, as a nation America was never at war with Islam. Nor is it now. We are, however, at war with people who have a fundamental understanding of Islam, and whose broader legitimacy is very difficult to theologically undermine due to their reliance on the ancient tenets of an often-violent religion. But what exactly is al-Qaeda, and where did it come from?

Root causes

The story starts with the Caliphate, which—contrary to popular conception—is not some abstract idea invented by a small group of extremists. The theocratic empire of Islam, the polity that integrated faith and politics and which was founded by Mohammed, existed for over a thousand years. True, its center moved over time, from Mecca to Damascus, then to Baghdad and finally to Istanbul, but it was a real living thing which still existed at the beginning of the 20th century. By then, it was under Turkish control and most people called it the Ottoman Empire. Yet this was the Caliphate, and there was even a Caliph, or emperor of Islam.

Unfortunately for the Ottomans, after World War I broke out they decided to side with the Austro-Hungarian Empire and Germany. As a result, by 1918 they were on the losing side of the world's first global war. In an attempt to salvage the Muslim empire after this defeat, and prevent total dismemberment and disarmament along the lines of what occurred to Germany and Austria-Hungary at Versailles, the Ottomans reinvented themselves under the

leadership of a very charismatic and intelligent army officer named Mustafa Kemal. Kemal, who would later change his name to Atatürk—meaning Father of All Turks—would reinvent the nation that would eventually become the Republic of Turkey.

Atatürk's strategy was to convince the West that his people no longer were a threat and that his nation should be recognized as a member of their community. This required a wholesale reinvention of his country, the key pillars of which were the separation of Islam and politics and the broader secularization of Turkey. To that end, he not only banned traditional Turkic-Islamic dress for officials of the state but replaced the Arabic alphabet with a modified version of our Roman one.³ Most significantly, in 1924 Atatürk formally decreed the dissolution of the Caliphate.⁴ It is no accident, therefore, that less than five years later in the Suez region of Egypt, one Hasan al-Banna established the *Ikwan Muslimin*, or Muslim Brotherhood, the avowed mission of which was—and still is—to reestablish the Caliphate which had been “unjustly” dissolved.

After World War I, certain Middle Eastern territories that had been part of the Ottoman Empire were put under the mandate of the British government. These lands include what we today call Israel, as well as the Palestinian territories (the West Bank and Gaza Strip). After WWII, as violence escalated between Arabs and Jews and between these groups and British mandate forces, London decided that after six years of fighting the Nazis, the British had no future as the governors of the Middle East and pulled out of Palestine. It was under these circumstances that the new Jewish state of Israel was declared.

From the Muslim perspective, and the view of the Arab states that invaded Israel the day after it declared its state-

hood, this was the second seismic blow to the psyche of the *ummah*, the global community of Islam. From the perspective of the true believer, this territory is sacred Muslim soil. So much so, that before the Qibla—the Islamic direction of prayer—became Mecca, all Muslims had to face Jerusalem five times a day as they prayed to their creator, Jerusalem being the third holiest site in Islam and the place from which Mohammed was said to have risen into heaven.

However, the most important year of all for anyone who wishes to understand why 9/11 happened and what al-Qaeda stands for, is 1979. In the Muslim world, which follows a shorter lunar calendar initiated when Mohammed journeyed from Mecca to Medina (Yathrib), 1979 represented a turn of the century, the shift from 1399 into the year 1400. And just as with other cultures, there were many in the Muslim world who had great expectations for the new century, that significant events would occur. And so they did.

First came the Iranian Revolution. Although a Shi'a event, it had great ramifications for all Muslims. With the removal of the Shah and the complete rejection of the Western model of the secular nation-state, the revolution had at its core the religious imperative that Islam and politics cannot be separated. That is why the real center of power in the Islamic Republic since 1979 has been a man of the cloth and not a politician. This message of the reintegration of faith and politics and the continued success of Iran in rejecting the Western way of politics is an example to all Muslims.

Second was the attack against the holiest site in Islam: the Siege of the Grand Mosque of Mecca. As the Muslim world was collectively entering the year 1400, more than a thousand *jihadi* terrorists stormed the Grand Mosque and declared a Holy War against “false Muslims.” The terrorists managed to control

the most important site in Islam, the epicenter of the annual *hajj* pilgrimage, for almost two weeks. More importantly, it turned out that the radicals had been encouraged and in fact blessed by members of the Saudi *ulema*, or clerical class, who agreed that Islam had lost its way and had to be cleansed by force.

The siege was eventually broken by French commandos who had been smuggled into Mecca after being hastily converted to Islam. But the true geostrategic significance of the attack came afterwards, as the King of Saudi Arabia, in an effort to secure the House of Saud, made a pact with the *ulema* who had endorsed the *jihad*.⁵ The deal was straightforward: in exchange for the support and patronage of the monarchy, the clerics would not propagate the ideology of *jihad* on the soil of the Kingdom. However, the export and dissemination of *jihadi* ideology outside of Saudi Arabia into non-Muslim lands was not only permissible but would be supported by the government.

Lastly, that December, came the Soviet invasion of Afghanistan. With the unprovoked assault against a Muslim country by godless communists, the seeds were sown for the redefinition of *jihad* as a global brand, a brand that would exploit the Western desire to hurt the Kremlin for its military expansion into Southwest Asia.

One of the non-Afghan *mujahedeen* that took up the fight was a Palestinian Jordanian named Abdullah Azzam. With a PhD in *fiqh*—Islamic jurisprudence—from the most important Sunni institution in the world, al-Azhar University in Cairo, this charismatic teacher established the Services Bureau (MAK) to recruit Muslims from around the world to come to Pakistan, learn the rudiments of guerrilla warfare and then be deployed into Afghanistan against the Soviet forces. The same year he would release a *fatwa* entitled *Defense of Muslim Lands*, in which he would call all Muslims to

Holy War, declaring *jihad* to be *fard ayn*, an individual and universal obligation of all believers.⁶

Azzam's logic was clear, and compelling. Since Atatürk had dissolved the empire in 1924, there was no longer a Caliph or commander-in-chief who could declare a holy war. As a result, it was up to each and every believer to deploy himself. Eventually, according to authoritative estimates, the MAK would churn out between 50,000 and 100,000 fighters, including the man who became Azzam's deputy, Osama bin Laden.⁷ A decade later, after the Soviets had been vanquished in Afghanistan, Azzam would be assassinated in Pakistan and bin Laden would take over control of his organization and rename it *The Base for the Propagation of Holy War against Jews and Crusaders*, or al-Qaeda, as we call it in the West.

Tenets of faith

The above events are seminal to any understanding of the threat posed today by al-Qaeda and the events now occurring across North Africa and the Middle East. The dissolution of the Caliphate, the loss of Palestine, the Afghan *jihad* and the Siege of Mecca are building blocks in the narrative of Holy War against the infidel West. This narrative was systematically developed by a handful of key ideologues, such as Azzam, who would become the strategists of *jihad*. In order to know this enemy, one has to be intimately familiar with the two other Clausewitzes of Salafism.

The first is Sayyid Qutb. A minor government official in the Egyptian Ministry of Education, he would become the most iconic person in the Muslim Brotherhood, second only to its founder Hassan al-Banna. After World War II, Qutb was sent to America for two years to study our nation. Having done so, he came back to Egypt and wrote prolifically on how Islam had lost its way and had to be cleansed by holy war.

His most influential work, *Milestones*, has become a core text for *jihadists* the world over, and has been found in the possession of al-Qaeda leaders in all theaters of war.⁸ The book is a fascinating fusion of Communist and Fascist totalitarianisms with the additional wrapping of religion. According to Qutb, there is no such thing as a true Muslim state any longer. The world is in a state of *jahalliyyah*—pagan ignorance of Allah—just as it was in the 7th century, when Mohammed began to spread the word of God. Accordingly, only war can bring the Caliphate back.

Qutb goes on to write that democracy is in fact dictatorship, since under a democracy men make laws over other men, when the only true legislator should be Allah. As a result, he concludes, all democracies must be destroyed. Most interestingly of all, on more than twenty occasions in the book he states that Islam is not a religion but instead a political movement with a revolutionary vanguard of true believers that must take the war to the infidel. Qutb was eventually arrested by Egyptian authorities and executed, thereby becoming a martyr to the cause of re-creating the empire of Islam.

The second jihadi author is less well known, but no less important. At the same time that Azzam was writing his seminal *fatwa* on the obligation of all believers to partake in *jihad*, Brigadier General S.K. Malik of the Pakistani Army published the *Quranic Concept of War*.⁹ Like Qutb's, this work has been found in the possession of *jihadist* leaders and fighters around the world. It is unlike any modern text published in the West, combining as it does military theory, eschatology and ideological and religious justification of violence.

There are three messages in the *Quranic Concept of War*. The first is an utter repudiation of the core argument of Carl von Clausewitz's *On War*,

a text taught in war colleges around the world. Clausewitz famously said that war is the continuation of politics by other means—in other words, that war is a tool a state uses to realize its interests when all other tools of statecraft have failed. Malik explicitly rejects this notion, instead saying that war should only serve the realization of Allah's sovereignty on Earth. Malik's second argument is that there is only one target in war: the soul of the enemy. You must convert or kill the infidel. Lastly, Malik concludes that, since the soul is the only target in war that matters, the most effective mode of warfare is terror. The best way to fight for the sovereignty of Allah on this earth is to execute terrorist attacks against the *kufir*.

Together, Azzam, Qutb and Malik laid the foundation for the ideology behind all *jihadi* violence around the globe today, from Fort Hood to Mali, from the World Trade Center to Syria.¹⁰

Misdiagnosing the adversary

Bin Laden is no more. Thanks to the bravery of U.S. Special Operations forces, al-Qaeda has been decapitated. Yet the threat continues to grow. Today, the Sinai is full of foreign fighters attacking civilians and members of the Egyptian government in an attempt to sow chaos and punish those that removed from power the Muslim Brotherhood government of Mohamed Morsi in Cairo. Syria is aflame as foreign fighters flood in to reinforce the al-Qaeda affiliates hell-bent on overthrowing the Assad regime. And, as of this writing, America marks the first anniversary of the Boston marathon attacks, attacks that could have been prevented if the warnings of liaison intelligence services regarding the religious zealotry of the perpetrators and their potential ties to Islamic extremism in Chechnya had been heeded.

The American reaction to this trendline has been muddled at best. To begin with, there is the reality of an administration that is typified by its post-modernity and rampant secularism. Whilst this may simply be a reflection of the age and a result of the characteristics of the voting base that brought President Obama two election victories, it does have a tangible effect on U.S. national security. If your national elite sees religion as *passé*, then it will likely have zero ability to comprehend how an adversary who views suicide attacks as metrics of victory actually thinks. Simply put, if you don't believe in God you cannot understand an enemy that believes he will go to heaven if he dies trying to kill you.

This disconnect has been exacerbated by a sophisticated information and influence operation by those who do not want us to honestly and openly discuss the religious nature of the ideology that fuels al-Qaeda. In what amounts to an unprecedented capitulation by the White House, a group of organizations that present themselves as representative Muslim interest groups have managed to force the Obama administration to review all counterterrorism training materials used by the Department of Defense and the Department of Justice. The yardstick for censorship: any mention of Islam, to include even the use of the word *jihad*.¹¹ This is all the more egregious because several of the groups that have successfully compelled this behavior are among the unindicted co-conspirators in the largest federal terrorism financing trial in U.S. history—groups listed by the Muslim Brotherhood as its own front organizations, or those of its allies.¹²

At the same time, strategic analysis at the highest levels of government has been distorted to fit preconceived theories about radicalization. Notably prevalent is the argument that three distinct types of Islamists exist: 1) purists who believe in using solely *da'wa*, or

preaching and education, to achieve their theocratic goal; 2) those who assert the true believer must additionally engage in politics and exploit democracy for their own ends (the Brotherhood falls in this camp); and 3) those—such as al-Qaeda—that say education and politics is insufficient, and one must take up arms to fight the infidel. The logical corollary is that the U.S. can only be saved from another 9/11 if we negotiate with the likes of the Muslim Brotherhood, because only they can protect us from al-Qaeda and its ilk. (This worldview goes a long way toward explaining why the Obama administration’s Egypt policy has been consistently pro-Muslim Brotherhood.)

Of course, the truth is that these Islamist communities are not separated from one another, and both interact and cooperate. Indeed, every al-Qaeda leader of significance began life as simply a believer, then moved into the Brotherhood before finally joining al-Qaeda.

As experts have noted, the Brotherhood serves as a “gateway” of sorts into the al-Qaeda network.¹³

The Muslim Brotherhood and al-Qaeda feed from the same wellspring of theocratic totalitarianism, and share the strategic objective of reestablishing the Caliphate. Bin Laden himself admitted this in an internal al-Qaeda document, one of only a handful declassified from the thousands that were captured during the May 2011 Abbottabad raid. He wrote:

[C]urrent conditions have brought on unprecedented opportunities and the coming of Islamic governments that follow the Salafi doctrine is a benefit to Islam.

[T]here is a sizable direction within the Ikwan (Muslim Brotherhood) that holds the Salafi (fundamentalist) doctrine, so the return of the Ikwan and those like them to the true Islam is a matter of time.¹⁴

The Current Dangerous and Fallacious Threat Analysis

Quintan Wiktorowicz’s Argument:

“Pure”
Islamists

(Dawa)

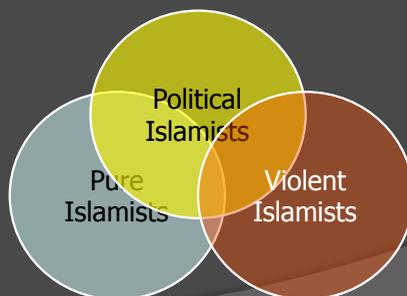
Political
Islamists

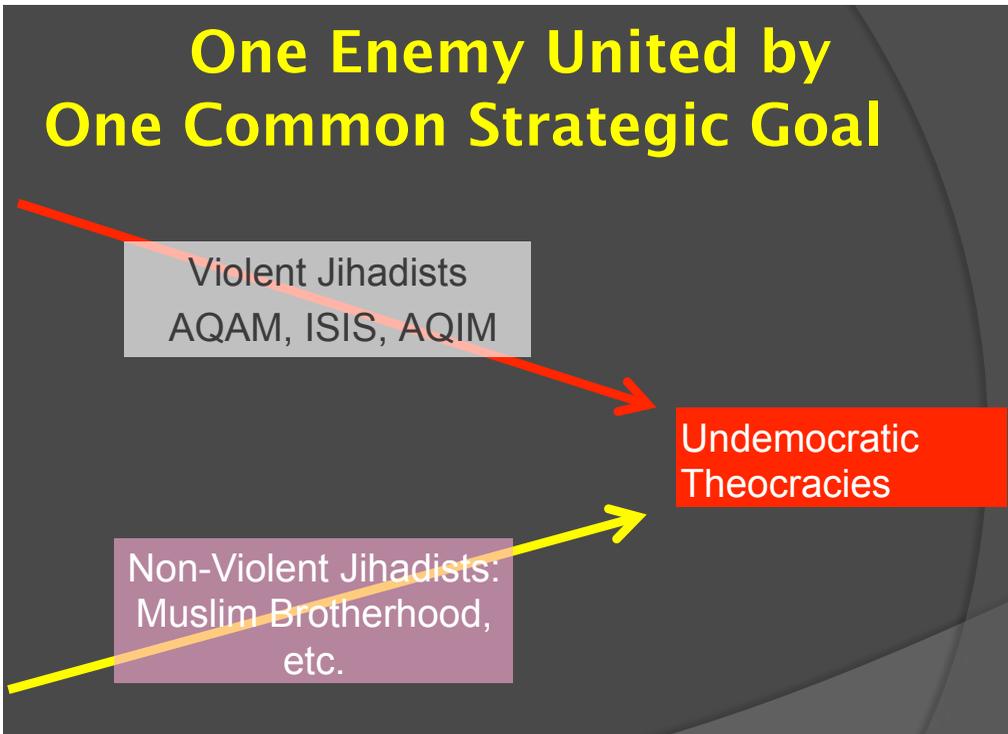
MB

Violent
Islamists

AQ

The REALITY:





Clearly, for bin Laden the so-called Arab Spring did not ring the death knell for the theocratic ideology of religious extremism. To the contrary, regional events in North Africa and the Middle East over the past several years have ushered in Brotherhood governments that share the same fundamental (Salafist) understanding of Islam that the members of al-Qaeda do. It is only a matter of time until the two converge. The Brotherhood and al-Qaeda are bound not only in the key authors and leaders to whom they pledge fealty, from al-Banna, to Qutb and Malik, they also are united in the strategic goal they share: the re-establishment of a theocratic empire of Islam.

Back to basics

Al-Qaeda, then, is alive and well. Worse than a zombie, it appears to be more like a hydra, reborn and reinvigorated when one of its heads is removed. Syria is now the new front in the global *jihad*, followed closely by the Sinai and then parts of Africa.

We are still engaged in the longest war in America's history. Perhaps it is time to return to first principles. During the Cold War, George Kennan penned a seminal "Long Telegram" explaining why the Soviet Union behaved the way it did and what it truly wanted. Today, we must write a similar strategic guidance for al-Qaeda—an analysis of where the ideology and strategy of global *jihad* comes from, which does not shy away from the religious context of the enemy's threat doctrine.¹⁵ Only when this is done, and done without political distortion, can we prepare an effective plan to defeat our enemy, akin to the superlative NSC-68 strategy written by Paul Nitze on the basis of the "Long Telegram," which informed our response to the threat of the Soviet Union for more than thirty years, and which eventually led to our victory over communist totalitarianism.¹⁶



1. "Transcript: Senate Intelligence Hearing on National Security Threats," *Washington Post*, January 29, 2014, http://www.washingtonpost.com/world/national-security/transcript-senate-intelligence-hearing-on-national-security-threats/2014/01/29/b5913184-8912-11e3-833c-33098f9e5267_story.html.
2. For example, sura 9 verse 4 of the Koran: *And when the sacred months have passed, then kill those that combine gods with God wherever you find them and capture them and besiege them and sit in wait for them at every place of ambush. But if they should repent, establish prayer, and give zakat [tithe], let them [go] on their way. Indeed, Allah is Forgiving and Merciful.*
3. The importance of this step should not be underestimated. Note that according to Islam the Koran is only a true Koran if it is written in Arabic. Why? Because Islam is clear that Arabic is the first language, for it is the language of Allah. Therefore the replacement of Arabic script with the alphabet of the *kafir*, or infidel, was an historic, and for fundamentalists, a most provocative step.
4. It is hard to exaggerate the enormity of Atatürk's decision. This is analogous, for Catholics, to the President of Italy dissolving the Vatican, or perhaps this is not enough of a parallel since the Vatican has long ceased being a politico-military theocracy.
5. For a detailed account, see Yaroslav Trofimov, *The Siege of Mecca—The Forgotten Uprising* (Doubleday, 2007).
6. Note that with his PhD in Islamic jurisprudence, Azzam had the credentials to issue a real fatwa, or religious decree, unlike bin Laden or al-Qaeda's current head, Ayman al-Zawahiri. The text of the fatwa is available online at http://www.religioscope.com/info/doc/jihad/azzam_defence_1_table.htm.
7. See, for example, Ahmed Rashid, *Taliban: Militant Islam, Oil, and Fundamentalism in Central Asia* (Yale University Press, 2000).
8. Qutb's seminal work has been reproduced many times in various formats, including—most recently—as Sayyid Qutb, *Milestones* (Islamic Book Service, 2006).
9. Like that of Qutb, Malik's work has been reproduced repeatedly, including as S.K. Malik, *The Quranic Concept of War* (Adam Publishers & Distributors, 1992).
10. For a more detailed analysis of the key strategists of global *jihad*, see the author's "Inside al-Qaeda," *Armchair General*, May 2012.
11. For details on the purge of U.S. government counterterrorism training and the effect on national security see Katharine Gorka, "White House Review Threatens Counter-Terrorism Operations," Westminster Institute, n.d., [http://www.westminster-institute.org/articles/white-house-review-threatens-counter-terrorism-](http://www.westminster-institute.org/articles/white-house-review-threatens-counter-terrorism-operations/)operations/, and Patrick Poole, "A Detailed Look at 'the Purge' of U.S. Counter-Terrorism Training by the Obama Administration," *The Blaze TV*, March 26, 2014, <http://www.theblaze.com/blog/2014/03/26/a-detailed-look-at-the-purge-of-u-s-counter-terrorism-training-by-the-obama-administration/>. For an excellent broader analysis of the reason for the purge and the domestic threat of subversion, see the documentary *The Project* at <https://www.youtube.com/watch?v=hcPlaEVrS8U>.
12. *United States of America v. Holy Land Foundation for Relief and Development et al. North American Islamic Trust*, U.S. 5 Circuit, No. 09-10875, October 20, 2010, <http://caselaw.findlaw.com/us-5th-circuit/1541982.html>.
13. See, for example, Bill Roggio, "Jordanian Al-Qaeda Operative Killed in US Airstrike in Pakistan," *Long War Journal*, January 12, 2010, http://www.longwarjournal.org/archives/2010/01/jordanian_al_qaeda_o.php.
14. SOCOM-2012-0000010-HT, 26 APR 2011, Combating Terrorism Center, U.S. Army Military Academy, West Point, New York.
15. The text of Kennan's "long telegram" can be found at <http://www2.gwu.edu/~nsarchiv/coldwar/documents/episode-1/kennan.htm>. For a collective discussion of the Enemy Threat Doctrine of al-Qaeda and how to respond, see Katharine Gorka and Patrick Sookhdeo, eds. *Fighting the Ideological War—Winning Strategies from Communism to Islamism* (Isaac Publishing, 2012).
16. *NSC-68: United States Objectives and Programs for National Security*, April 14, 1950, <https://www.mtholyoke.edu/acad/intrel/nsc-68/nsc68-1.htm>.

THE SORRY SHAPE OF THE WAR ON TERROR

Jed Babbin

In the aftermath of the 9/11 attacks, President George W. Bush said we would take every action necessary to defeat what he called the “global terror network.” This phrase instantly gave birth to the idea that we were embarked on a “global war on terror” to stamp out its menace permanently. Yet, in his most recent State of the Union speech, President Obama seemed to declare that President Bush’s “global war on terror” is over.

In the intervening thirteen years, we’ve gone to war in Afghanistan and Iraq, sent special forces into nations including Pakistan, Somalia and Uganda and flown drone strikes that have killed many terrorists, including American citizens such as Anwar al-Awlaki. President Obama, however, has indicated that we are no longer going to be on what he called a “permanent war footing”—a statement that seems to indicate that he believes the conflict should no longer be a national security concern. Yet, as we see by their attacks in many nations almost every day, the terrorists don’t agree. The war is a long way from being over.

We are now within a few months of the thirteenth anniversary of the 9/11 attacks. An honest assessment of how the war is going, what mistakes we have made since it started and how, if at all, we can win is long overdue.

A history of anti-American aggression

The first question is whether we really believe this conflict is a war. That question is as old as our nation.

When President Bush spoke about the global terror network, he wasn’t talking about the Irish Republican Army or the FARC narco-terrorists of Colombia. He was



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speaking about the global network of Muslim terrorists and nations that have been conducting acts of war against us since we became the United States.

In his June 2009 Cairo speech, President Obama said that Islam had always been a part of America's story, citing the Treaty of Tripoli of 1796. That treaty, of course, was born of the first *jihad* that America encountered: the piracy of Barbary nations. The Pasha of Tripoli violated the 1796 treaty when he—renewing previously abandoned demands—required ransom for American captives and tribute payments to protect future shipping. Thomas Jefferson thus began the First Barbary War, in which he sent our Navy and Marines to chastise the Islamic Barbary pirates.

President Obama was correct in saying that Islam has always been a part of America's history. What he left out was that Islamic nations were always adversaries—that is, until the post-World War II era when we became reliant on the Arab nations for oil.

Ever since the Barbary Wars, America has responded to terrorist violence with indecision and confusion. There were few violent encounters between American interests and Islamic nations in the years between 1815 and 1979, when Iranians took sixty Americans hostage in our embassy in Tehran and held them for 444 days. When Jimmy Carter's April 1980 rescue mission failed, that debacle again blunted our willingness to retaliate.

Even the best of presidents was inconsistent. Ronald Reagan took no military action in response to terrorist attacks including the 1983 bombing of the Marine barracks in Beirut that killed 241 Marines, soldiers and sailors or the killing of American Leon Klinghoffer by PLO terrorists during a cruise ship hijacking in 1985. Yet he ordered a 1986 air strike on Libya in response to the bombing of a Berlin disco that killed three people.

The general failure to respond continued through the March 3, 1993, al-Qaeda attack on the World Trade Center. Six people were killed then by a truck bomb driven into the garage under the structure by a terrorist named Ramzi Yousef. (Yousef's uncle, Khalid Sheik Mohammed, who would go on to become the mastermind of 9/11, had funded the attack.) We also took no military action in response to the 1998 bombings of our embassies in Tanzania and Kenya that killed over 200 or the October 2000 attack on the *USS Cole* that killed 17 sailors. Both attacks were perpetrated by al-Qaeda.

Terrorists became used to the fact that American lives could be taken without the risk of reprisal.

Why, time and again, did we fail to retaliate for attacks that took American lives? It cannot be that terrorists were too hard to find, because in the pre-9/11 world many operated from places that were well known to our intelligence community. It wasn't a matter of restraint, either, as Reagan proved with the Libya raid. Rather, the answer lies in America's historical confusion on how to deal with terrorism. We never treated those attacks as the acts of war they were. The resulting muddled policy on terrorism must be reformed if we are to have any chance of surviving with our constitution and way of life intact.

False start

In President George W. Bush's September 20, 2001, speech we heard, for the first time, all of our contradictory policies stated together. Bush attempted to weave a path around that muddle, but couldn't. His actions after the speech only institutionalized the problems.

Bush said that "on September the 11th, enemies of freedom committed an act of war against our country." Bush's speech split his attention between two audiences: the American people, who

had just been attacked by Muslim terrorists, and the world's Muslim community. To them, he said that America respects Islam and that Islam's teachings are "good and peaceful" but that some "who commit evil in the name of Allah blaspheme the name of Allah." He likewise said that the terrorists are "traitors to their own faith, trying, in effect, to hijack Islam itself. The enemy of America is not our many Muslim friends. It is not our many Arab friends. Our enemy is a radical network of terrorists and every government that supports them."

His most resolute statement was, "And we will pursue nations that provide aid or safe haven to terrorism. Every nation in every region now has a decision to make: Either you are with us or you are with the terrorists." He gave the Taliban government of Afghanistan a choice, to either surrender the terrorists or share their fate.

Yet, after eight years of Bush and four years of Obama, we are left to wonder whether the "global war on terror" is really a war, who the enemy is, and whether we can ever win it.

If the "GWOT" were a war, we would have prosecuted it just as Bush said we would that night. We would have attacked Islamist terror networks wherever they could be found, we would have forced nations to choose whether they were with us or with the terrorists and punished those who made the wrong choice economically, militarily or, in some cases, both ways. And we would have studied the enemy closely enough to understand that we should not be at war with Islam, but with much of the Islamist ideology and those who adhere most closely to it. Neither Bush nor Obama has prosecuted such a war.

Of the many nations that haven't been forced to choose between us and the terrorists, Saudi Arabia stands out. The worst-kept secret in America is that Saudi Arabia has been, from the time

that al-Qaeda was just a gleam in Osama bin Laden's eye, a principal sponsor of the terror network.

In a December 2009 secret U.S. State Department cable to all embassies, divulged by Wikileaks, the State Department wrote:

(S/NF) While the Kingdom of Saudi Arabia (KSA) takes seriously the threat of terrorism within Saudi Arabia, it has been an ongoing challenge to persuade Saudi officials to treat terrorist financing emanating from Saudi Arabia as a strategic priority. Due in part to intense focus by the USG over the last several years, Saudi Arabia has begun to make important progress on this front and has responded to terrorist financing concerns raised by the United States through proactively investigating and detaining financial facilitators of concern. Still, donors in Saudi Arabia constitute the most significant source of funding to Sunni terrorist groups worldwide...

(S/NF) The USG engages regularly with the Saudi Government on terrorist financing. The establishment in 2008 of a Treasury attaché office presence in Riyadh contributes to robust interaction and information sharing on the issue. *Despite this presence, however, more needs to be done since Saudi Arabia remains a critical financial support base for al-Qa'ida, the Taliban, LeT, and other terrorist groups, including Hamas, which probably raise millions of dollars annually from Saudi sources, often during Hajj and Ramadan. In contrast to its increasingly aggressive efforts to disrupt al-Qa'ida's access to funding from Saudi sources, Riyadh has taken only limited action to disrupt fundraising for the UN 1267-listed Taliban and LeT groups that are also aligned with al-Qa'ida and focused on undermining stability in Afghanistan and Pakistan.*¹ [Emphasis added]

That was 2009, eight years after the United States had been attacked and gone to war against al-Qaeda and the Taliban. It was nearly eight years after America undertook to disrupt terrorist funding. And it was a year after the 2008 attacks in Mumbai that were perpetrated by Lashkar e-Taiba (LeT) which took 164 lives, including those of four Americans.

Saudi Arabia has never been forced to choose between us and the terrorists: it has chosen to sell us oil and use some of the proceeds to fund al-Qaeda. Consider that in the context of the “Authorization for the Use of Military Force” requested by Bush and passed by Congress on September 14, 2001. The AUMF said, “the President is authorized to use all necessary and appropriate force against those nations, organizations, or persons he determines planned, authorized, committed, or aided the terrorist attacks that occurred on September 11, 2001, or harbored such organizations or persons, in order to prevent any future acts of international terrorism against the United States by such nations, organizations or persons.”²

The AUMF thus encompasses al-Qaeda and those who aided it before 9/11, but not after. That includes, for example, Saudi Arabia more clearly than Iraq. It probably excludes Iran entirely, and though the al-Qaeda connection to Syria is murky, it is certainly clearer than that of Somalia or Sudan, where our military has made limited strikes.

What that means is that there never was intended to be a “global” war on terror, despite President Bush’s rhetoric. That is more and more evident as the Obama administration withdraws from the “war” and our military takes a more lawyerly view of the AUMF.

Two February reports in the *Washington Post* indicate clearly that the older the AUMF gets, the more need there is for it to be amended. One said, “According to recently declassified testimony of

Gen. Martin Dempsey, chairman of the Joint Chiefs of Staff, before the House Armed Services Committee in October, the U.S. military regards itself as legally barred from going after the perpetrators of the Benghazi attacks (and, presumably, others who attack Americans) unless they are affiliated with al-Qaida. The Obama administration’s parsing of words to deny al-Qaida’s direct involvement effectively precludes a military response in these situations.”³ Did this bar a military response to the 9-11-2012 attacks in Benghazi?

Another report indicated that because the Syrian al-Qaeda group, ISIS, had been expelled from al-Qaeda, Obama administration officials were now arguing over whether it was now outside the AUMF—and if our military had authority to attack them at all.⁴

In a saner time, Congress would simply amend the AUMF to convert it to a declaration of war against all the terrorist groups who have, according to their own dogmas, the objective of harming America and overthrowing our constitutional government. The nations that support those terrorist groups—providing fighters, safe harbor, funding or arms—would be given the choice of either forsaking their support for terrorism or being included in that declaration.

The use of kinetic weapons, however, is only half the war. Every war America has fought since we became a nation has really been two wars: a kinetic battle fought with bullets and bombs and a war of ideologies, a fight to the death over ideas and ideals. The kinetic war on terrorism is the only one we have fought so far. We’ve surrendered the ideological battle to the enemy by refusing to fight it. As a result, we are faring little better in the kinetic war.

It’s the ideology, stupid

In 1786, John Adams and Thomas Jefferson, in London to negotiate peace

with Tripoli, inquired why Tripoli warred against the United States, which had done it no harm. Historians record the Tripolitan ambassador's reply as saying that under the Koran all nations that had not embraced Islam were sinners, and that it was the right and duty of the faithful to plunder and enslave them.⁵

This is the same Islamist/piratical/terrorist ideology that Osama bin Laden gave voice to in his 1996 and 1998 *fatwas* calling on all Muslims to wage war against the United States. It is the same ideology that Iran's Supreme Leader, the Ayatollah Ali Khamenei, uses to insist that the "Death to America" chant demanded of Iranians is as important a religious obligation as their daily prayers. It is the same ideology that propels the attacks by the terrorist networks. It is not, in the minds of the terrorists and others who follow that ideology, the "blasphemy" that George Bush labeled it in 2001.

We have not fought the ideological war because political correctness, propelled by a national weakness and a media tidal wave, have combined to make even the idea of speaking out against Islamist ideology akin to an Orwellian thought crime. The political left is entirely comfortable in using their worst accusations—of bigotry, racism and such—to prevent honest debate on the subject. In the process, they have become the modern version of what Vladimir Lenin and Josef Stalin called "useful idiots." And they have almost succeeded in making any such discussion a hate crime.

To be fair, there are people who understood that an ideological war had to be fought, and tried to fight it. A source close to former Defense Secretary Donald Rumsfeld told me that early in the war, Rumsfeld held a dinner at his St. Michaels, Maryland, home for several relevant agency heads to try to convince them that they should join him in engag-

ing in the needed ideological war. Unfortunately, he had no takers.

When he became Chairman of the Joint Chiefs, Marine General Peter Pace wrote his "chairman's guidance" to the Joint Staff of the Armed Forces in which he outlined that what we said and wrote was as important as how well we shoot. But Pace, too, failed to gain support. The reason was a lack of support at the top.

To fight the ideological war, then, is an essential predicate to winning the kinetic one. To do so, we should not condemn all of Islam and its adherents. We should not proclaim that we are at war with Islam, because we are not. But it is necessary to answer all of those who say there is "only one Islam" with President Bush's admonition: either you are allied with the terrorists or you are allied with us. As the Sunni-Shiite split proves, there is no "one Islam." We need to be saying so often, and exerting relentless pressure on moderate Muslims to choose between the barbarity of terrorism and the civilization of freedom on which our nation stands.

That is a constant message that every American politician, military member and journalist needs to repeat to all who will listen. Ronald Reagan, who once condemned the Soviet Union as an "evil empire," understood how to conduct an ideological war. We need to remember the lessons he taught.

But this will not happen under the current administration, which has banned the use of terms such as "Islamic extremism" and "jihad" from our national security strategy documents. And because of that mindset, there will not be an ideological contest between terrorists and America's constitutional freedoms during this president's term of office

What we're left with

The necessary effect of our failure to fight the ideological war is that, though our military has fought with skill

and bravery for more than a decade, we haven't won the kinetic war and we are not about to. The state of the terrorist threat should hammer home this point.

The Obama administration continues to talk about al-Qaeda in terms of a "core" group and its affiliates. It is unclear now what the "core" group is. Some al-Qaeda affiliates, such as the "Islamic State of Iraq and al-Sham" (Syria), are on the outs with al-Qaeda leader Ayman al-Zawahiri for disobeying his order to withdraw from Syria. Al-Qaeda in the Arabian Peninsula (AQAP) is operating, probably with Saudi support and Yemeni complicity, in the Peninsula. Both may be capable of attacking the U.S. homeland.

Though al-Qaeda lost its most charismatic leader when bin Laden was killed by U.S. Navy SEALs in May 2011, its funding has been constant, as is its ideological fight against Western civilization. Back in February, National Intelligence Director James Clapper admitted as much when he stated that the group can neither be considered on the run nor on a path to defeat.⁶ In fact, the DNI's threat assessment of January 29, 2014, indicates that at least one al-Qaeda affiliate, al-Qaeda in the Arabian Peninsula (AQAP), has tried to mount several attacks against America.⁷

Other large and powerful terrorist networks, such as the Iranian-sponsored Hezbollah militia in Lebanon (and beyond) has benefited greatly in the past ten years from American inattention and our lack of interference with Iranian proxies. Its missiles now threaten all of Israel.

There are too many other terrorist groups to chart the progress of each here. Suffice it to say that, in general, many are larger and stronger than they were on 9/11. One of the principal reasons for this is that their ideology has been unchallenged since that day.

America's military efforts, meanwhile, have proven costly in blood and treasure. For a decade, we listened to a

series of American generals tell us that our gains in Iraq and Afghanistan were "fragile and reversible." Our nation-building strategy made that a self-fulfilling prophecy. In Iraq, what was fragile and reversible has been broken and reversed. In Afghanistan, it is about to be.

Iraq is now a *de facto* satellite of Iran. Its ruler, Nouri al-Maliki, is a Shi'ite closely tied to Iran (as is his government) who has reignited the Sunni-Shi'a split in Iraq that Gen. David Petraeus tried to mend without success. The government of Hamid Karzai in Afghanistan, meanwhile, has turned out to be corrupt to the core—and is actively seeking a *modus vivendi* with the Taliban that will inevitably return the country to its pre/9-11 status as a safe haven for terrorists.

In sum, the outlook for the war is very bleak—and getting bleaker. Conflicts fester in Syria and Yemen while the ideological sources behind them—be they Sunni Saudi Arabia or Shi'ite Iran—remain unaddressed by an America that is actively seeking to lower its profile in the region.

Without a serious reexamination of the purposes and direction of the GWOT, neither the Obama administration nor any likely successor can be expected to succeed against the existential threat to America that is 21st-century Islamist terrorism.

To be sure, there may yet be a future American leader who will direct the fights in the ideological and kinetic wars. But time is working against the United States, and in favor of its enemies. The longer it takes for such a leader to arise, the less chance he will have to succeed.



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THE DRIVERS OF SOUND DEFENSE

Robert Zarate

When future historians look back on this decade, they likely will ask why, at a time when dangers to the security and interests of the United States were numerous and growing, the President and Congress chose to cut defense spending so deeply and for so long.

Current U.S. law is imposing “sequestration”-level cuts to the Pentagon that are cumulatively slashing over \$450 billion from projected spending on national defense over a ten-year period—and that’s in addition to another \$500 billion reduction.¹ Yet, as America’s servicemen and servicewomen today prepare for yet another year of cuts to military spending, they are being tasked to safeguard our nation amid a world that is becoming not less but *more* unpredictable and dangerous, as illustrated by recent events:

- In March 2014, Russian President Vladimir Putin upended America’s and NATO’s planning assumptions in Central and Eastern Europe when Russia militarily occupied and illegally annexed Ukraine’s Crimean Peninsula.²
- In November 2013, the People’s Republic of China stunned the Indo-Pacific when it imposed, unilaterally and with no prior consultation, an expansive air defense identification zone (ADIZ) in the East China Sea that extends over contested islands controlled and administered by Japan, a treaty ally of the United States.³



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- In August 2013, Syrian dictator Bashar al-Assad blatantly defied President Obama's "red line" when his regime's military forces used chemical weapons in large-scale attacks against civilians and anti-Assad rebels in the suburbs of Damascus.⁴

In short, a worrisome gap has emerged between the resources that the U.S. military needs to carry out its global responsibilities and the resources it is getting. Unless policymakers and lawmakers in Washington cooperate to narrow this divide, it will only grow in the years to come—and, with it, the risks to the security and interests of the United States. However, doing so will require the President and Congress to make hard choices, and advance a new agenda for renewing America's defenses—one that moves away from the current approach to national security that's driven by budgetary politics, and toward a more prudent approach driven by strategy.

Dollars, not sense

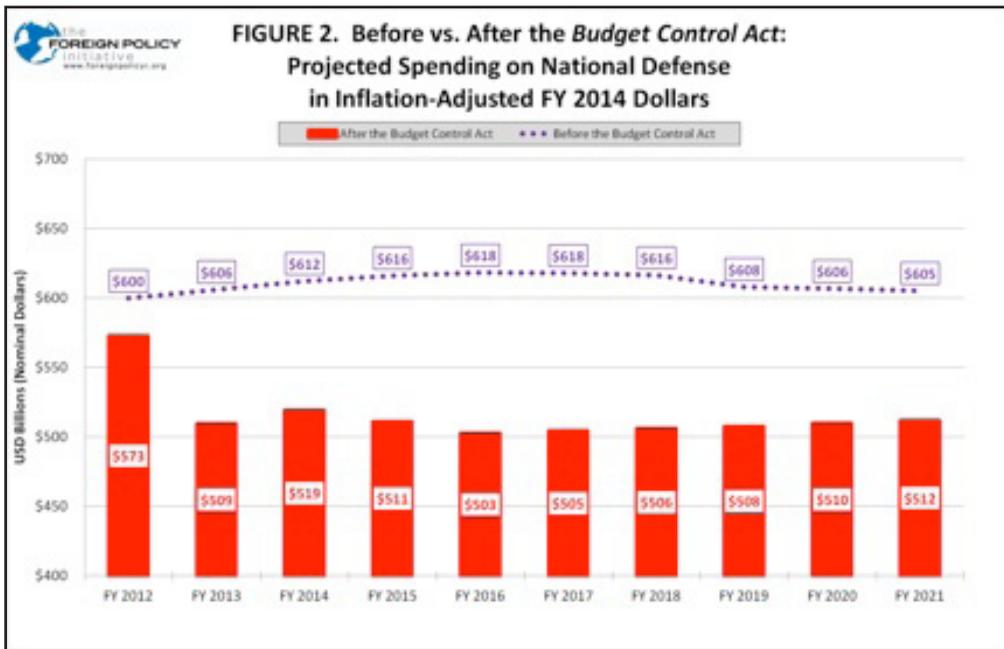
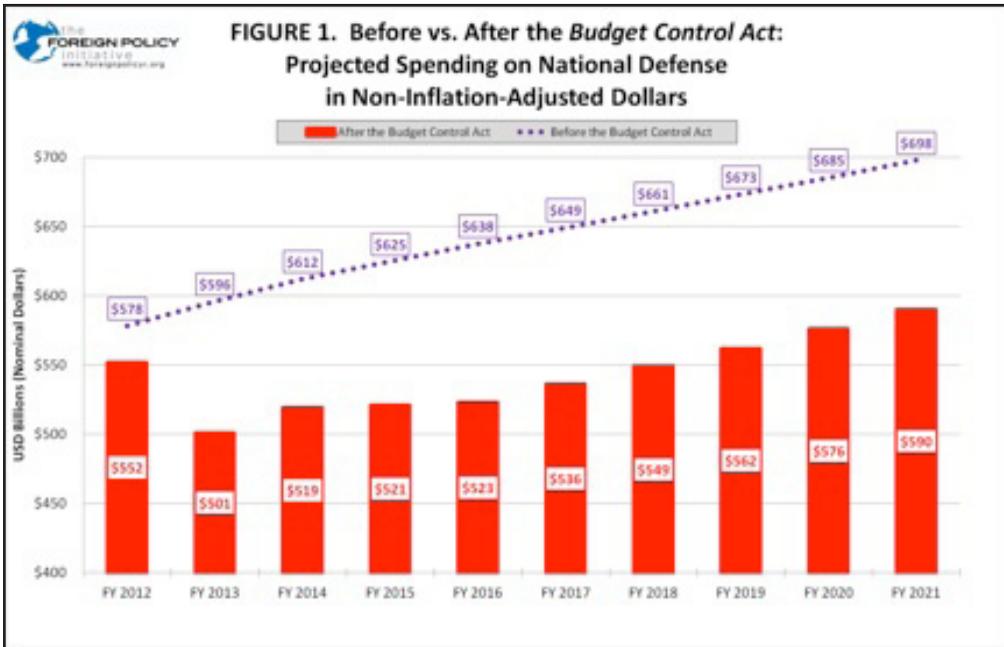
The story of the shortfall between the U.S. military's available resources and global responsibilities begins in Washington. Since January 2009, the Defense Department has endured four distinct rounds of multiyear cuts to its regular annual budget. While controversy has surrounded these successive spending reductions, strategic foresight largely motivated the first two rounds of cuts. However, the same cannot be said of the second two rounds of reductions, which were driven by near-sighted budgetary politics.

The first round of cuts took place in 2009, when then-Secretary of Defense Robert Gates capped or cancelled over 30 programs intended to replace or modernize weapon systems, saving over \$300 billion in projected Pentagon spending over five years.⁵ The next round took place in 2010, when Gates initiated a

drive to cut waste and improve efficiency, with the aim of saving another \$78 billion over a five-year period.⁶ As Gates later explained in his memoir, he had negotiated a deal with the White House for much of these savings to be reinvested in the Pentagon to fund more important strategic priorities.⁷

The next two rounds of cuts, however, overturned Gates's deal with the White House, and were driven neither by strategy nor by thoughtful analysis, but rather by bare-knuckle politics. In August 2011, the White House and Capitol Hill agreed to the *Budget Control Act*, a political deal to raise the U.S. debt limit that ended up cutting nearly \$500 billion from a decade's worth of spending on national defense as projected by the President's Budget for FY 2012.⁸ In March 2013, after President Obama and Congress failed to meet a legally-mandated deadline for enacting deep reductions to the federal deficit, the *Budget Control Act* imposed lowered caps on discretionary spending—in effect forcing nearly \$450 billion in cuts to projected spending on national defense between FY 2013 and FY 2021.⁹ What's more, any failure to meet these new ceilings on defense spending would automatically trigger a legally-mandated "sequestration" that would indiscriminately cleave the Pentagon's annual budget and other national defense programs to meet these caps.

While the President and Congress have agreed to minor adjustments to the multiyear cuts contained in the *Budget Control Act*, these forced reductions have set in motion a process that is cumulatively slashing nearly \$1 trillion in nominal dollars from a decade's worth of spending on national defense. (See figure 1.) The financial impact of these cuts becomes even more apparent when projections of long-term defense spending account for inflation. (See figure 2.) In real-dollar terms, sequestration-level cuts significantly reduced defense spending



in FY 2013 and are keeping it arbitrarily flat into the next decade.

In any given year, the Pentagon consumes roughly 95 percent of U.S. spending on national defense. Under the revised \$521 billion budget cap for national defense in FY 2015 (which

begins in October 2014), the Pentagon now plans to spend \$496 billion on its regular annual budget—roughly \$45 billion below what the Obama administration had planned for FY 2015 in April 2013, and a whopping \$95 billion below what had been planned for FY 2015 in

February 2011. In macroeconomic terms, the Pentagon’s regular annual budget is set to fall from nearly 3.7 percent of gross domestic product (GDP) when President Obama entered office in 2009 to just 2.8 percent today. That’s roughly the same percentage of GDP that America spent prior to al-Qaeda’s 9/11 attacks.

In turn, successive rounds of cuts are forcing the Pentagon to base its plans for current and future military forces not on strategic prudence, but on the imprudence of budgetary politics. To understand why this is not just inadequate but also potentially dangerous, it’s helpful to look at where the military ought to be and then compare it both to where it actually is today—and to where, under continued sequestration-level cuts, it is headed.

In 2010, the congressionally-mandated Quadrennial Defense Review Independent Panel, a bipartisan body chaired by former National Security Advisor Stephen J. Hadley and former Defense Secretary William J. Perry, recommended that—in the absence of a strategy-driven force-planning construct—our military should “be sized, at a minimum, at the end strength outlined

in the 1993 Bottom-Up Review (BUR).”¹⁰ Initiated by the Clinton administration’s Secretary of Defense, Les Aspin, amid the U.S. military’s post-Cold War drawdown, the 1993 Bottom-Up Review established a baseline force structure that was intended to allow the United States to fight and win “two nearly-simultaneous major regional contingencies.”¹¹ Table 1 summarizes the size of the armed forces and personnel outlined by the Bottom-Up Review.

Although the 2010 QDR Independent Panel endorsed this baseline as a minimum, the panel’s co-chairman, Stephen Hadley, told Congress that the Pentagon performed the 1993 Bottom-Up Review at a time “when we thought the world was going to be much more benign than it turned out to be.”¹² Since then, it has only become less benign.

Gathering threats

For the foreseeable future, the United States faces three main classes of threats: (1) terrorism and other violent extremism; (2) the proliferation of nuclear weapons and other game-changing technologies; and (3) the return of great-power rivalries.

Table 1. 1993 BOTTOM-UP REVIEW		
	Key Elements of Force Structure	Personnel AC/RC
ARMY	<ul style="list-style-type: none"> • 10 divisions (active) • 5+ divisions (reserve) 	1024K
NAVY	<ul style="list-style-type: none"> • 11 aircraft carriers (active) • 1 aircraft carrier (reserve/training) • 45-to-55 attack submarines • 346 ships 	462K
AIR FORCE	<ul style="list-style-type: none"> • 13 fighter wings (active), 72 aircraft per • 7 fighter wings (reserve), 72 aircraft per • Up to 184 bombers (B-52H, B-1, B-2) 	539K
MARINE CORPS	<ul style="list-style-type: none"> • 3 Marine Expeditionary Forces 	216K
STRATEGIC NUCLEAR FORCES	<ul style="list-style-type: none"> • 20 B-2 bombers and up to 94 B-52H bombers • 18 ballistic missile submarines • 500 Minuteman III ICBMs (single warhead) 	

A worrisome gap has emerged between the resources that the U.S. military needs to carry out its global responsibilities and the resources it is getting.

Terrorism and Violent Extremism

Al-Qaeda's surprise attacks on 9/11 overturned America's state-centric view of the international threat environment. They underscored how a small but fanatical group of violent extremists can exploit and use a democracy's openness and infrastructure against itself to kill civilians and inflict disproportionately large amounts of damage. The post-9/11 threat of al-Qaeda and other terrorist groups prompted the United States not only to play tougher defense to secure the homeland, but also to go on the offensive and combat terror networks on foreign soil. For more than a decade since, a U.S.-led coalition of allies and partners has undertaken a sustained effort to disrupt, dismantle, and defeat al-Qaeda and associated forces in Afghanistan and Pakistan, in the Middle East and North Africa, in Southeast Asia, and elsewhere.

But while U.S.-led counterterrorism efforts have achieved considerable success in hunting down al-Qaeda's core leadership—most notably with the killing of Osama bin Laden in Pakistan in May 2011—the threat of al-Qaeda has evolved into a complex network of geographically-dispersed affiliates and associated movements.¹³ As the American Enterprise Institute's Katie Zimmerman observed in a September 2013 study, "Al Qaeda affiliates have evolved and now threaten the United States as much as (if not more than) the core group; they can no longer be dismissed as mere local al Qaeda franchises."¹⁴ Key parts of the broader al-Qaeda network pose grave dangers to the U.S. homeland and overseas interests.

But while the broader al-Qaeda network poses the most immediate set of threats to the United States and its overseas interests, U.S. officials still worry that al-Qaeda's core someday could try to mount a comeback. As Director of National Intelligence Clapper told Senate lawmakers in January 2014, "Sustained counterterrorism (CT) pressure, key organizational setbacks, and the emergence of other power centers of the global violent extremist movement have put core al-Qa'ida on a downward trajectory since 2008." But he warned that al-Qaeda's core "probably hopes for a resurgence following the drawdown of US troops in Afghanistan in 2014."¹⁵

While the threat of terrorism and violent extremism is growing and evolving, America's resolve to combat these threats overseas may be waning. A month after U.S. Navy SEALs hunted down and killed al-Qaeda leader Osama bin Laden, President Obama went on television to tell the American public that we can "take comfort in knowing that the tide of war is receding." He tellingly added: "America, it is time to focus on nation building here at home."¹⁶ The emergence of a broader network of al-Qaeda affiliates in the Middle East, Southwest Asia, and Africa counsels vigilance, not complacency, in counterterrorism efforts.

Proliferation of Nuclear Weapons and Other Game-Changers

The proliferation of nuclear weapons and other game-changing technologies pose a severe challenge to the United States. While it's not uncommon in Washington to hear the cliché that the spread of destructive military technologies is inevitable, the cliché misses the point. For decades, the United States has used its various instruments of national power—diplomacy, economic pressure, and military force—to help slow how fast and how far nuclear weapons and other

technologies of mass destruction diffuse internationally.

Today, two rogue nations with nuclear ambitions—namely, North Korea and Iran—pose particularly difficult challenges to U.S. national security strategy. While North Korea detonated a nuclear explosive device in October 2006 after repeatedly violating its international nonproliferation obligations, Iran, which appears to be running North Korea's playbook for nuclear proliferation, is refusing to comply fully with its international obligations as it preserves and expands capability to make a nuclear weapon on rapid notice.¹⁷

Although the United States and international partners have used a decade's worth of diplomacy and economic pressure to persuade Iran to halt its drive to nuclear weapons-making capability,¹⁸ Iran only agreed to a six-month interim nuclear deal to slow its sensitive nuclear activities in late November 2013.¹⁹ While the controversial interim deal requires Washington and its partners to begin dismantling the international sanctions on Iran's nuclear program, it does not require Tehran to dismantle a single centrifuge, to ship out of the country a single kilogram of enriched uranium, or to begin dismantling a heavy-water reactor at Arak. Rather, the interim deal only requires Iran to take reversible steps to decrease its stockpile of near-high enriched uranium, while allowing it to continue to produce low-enriched uranium so long as new stocks are converted into an oxide form that creates an additional hurdle for further enrichment.

While the six-month interim nuclear deal is intended to create space for negotiations on a comprehensive Iranian nuclear agreement, it is uncertain whether the United States and other world powers will find sufficient common ground with Iran for such an agreement. Indeed, it appears that Israel, Saudi Arabia, and other U.S. allies and partners in the Middle East are

concerned that the interim nuclear deal has already ceded too much diplomatic ground to Iran. What is clear, however, is that a nuclear-armed Iran would make an already-volatile Middle East potentially unmanageable for the United States, especially if Iran's nuclear breakout were to lead Saudi Arabia or other nations in the region to go nuclear as well.

The Return of Great-Power Rivalries

The third major category of national security threats facing America is the oldest one in the Westphalian international system: great-power rivalries. But while most attention has focused on the rising strategic contest between the United States and the People's Republic of China, recent developments in Eastern Europe signal the potential return of a high-stakes geopolitical competition between Washington and Moscow.

Russia's military occupation and illegal annexation of Ukraine's Crimea in March 2014 followed the popular ousting of Kremlin-friendly Ukrainian president Viktor Yanukovich. Of course, this is not the first time that post-Soviet Russia has invaded the territory of a state in Central and Eastern Europe—the Russian military fought the Georgian military to occupy the country's breakaway provinces of South Ossetia and Abkhazia, prompting a political crisis between the Bush administration and the government of then-Russian President Dmitry Medvedev.²⁰ But while Georgia and Russia, both under pressure from the United States and the European Union, managed to sign an uneasy truce that capped tensions, however tentatively, within days of the crisis's start, relations between Moscow and Kyiv today remain tense more than a month after the start of the Russo-Ukrainian crisis.

At the time of this writing, the Russian military has massed anywhere from 40,000-to-100,000 troops near the

Ukrainian border, and it is uncertain whether President Vladimir Putin will order Russian forces to seize portions of eastern Ukraine—or, as some fear, sprint directly to Ukraine’s capital of Kyiv.²¹ What is clear, however, is that Russia’s aggression against Ukraine has upended more than two decades of America’s and NATO’s planning assumptions about Central and Eastern Europe. Indeed, Michael McFaul, a principal architect of President Obama’s ill-fated “reset” policy who served as the U.S. Ambassador to the Russian Federation until February 2014, conceded in a March 2014 op-ed in *the New York Times* that “the decision by President Vladimir V. Putin of Russia to annex Crimea ended the post-Cold War era in Europe.”²²

The President and Congress will have no chance to reverse our military’s crisis in readiness and modernization unless the United States allows strategy, rather than raw budgetary politics, to drive defense.

Russia is causing problems on other fronts as well. Senior U.S. officials told NATO allies earlier this year about Russia’s suspected violations of the Intermediate Nuclear Forces (INF) Treaty of 1987, a Cold War-era pact that bans Washington and Moscow from testing, producing, and possessing medium-range missiles capable of carrying nuclear warheads.²³ U.S. officials believe that Russia, as early as 2008, repeatedly tested ground-launched cruise missiles that run counter to the INF Treaty. They also believe that the Kremlin has tested intercontinental-range ballistic missiles at medium-range distances in an effort to go around the 1987 agreement’s limitations. The Obama administration, however, has refused so far to refer formally to Russia’s missile tests as “violations” of the INF Treaty, pending the

outcome of an ongoing review process with Moscow.

The People’s Republic of China poses the greatest potential long-term challenge to the security and interests of the United States and its allies. While China still must overcome key internal and structural challenges to complete its rise, it nonetheless has translated several decades of economic growth into military might and geopolitical gains.²⁴

In terms of geopolitics, China has become more assertive, especially in advancing its maritime and geopolitical claims. To cite a recent example, in late November 2011, Beijing declared, unilaterally and with no prior international consultation, an air defense identification zone (ADIZ) over the East China Sea that extends over the Senkaku Islands, territory which Japan administratively controls but which the Chinese also claim.²⁵ Reports in January 2014 that China might also seek to declare an ADIZ in the South China Sea led to a flurry of protests from senior officials in the Obama administration. Senior officials in the Chinese military also reportedly said that establishing a second ADIZ over the South China Sea would be in the country’s interest.²⁶ However, Assistant Secretary of State for East Asian and Pacific Affairs Danny Russel recently told House lawmakers that “[a]ny Chinese claim to maritime rights not based on claimed land features [in the South China Sea] would be inconsistent with international law.”²⁷ It remains to be seen whether or not Beijing will renew efforts to challenge the status quo in its maritime and territorial disputes in the Indo-Pacific.

Toward a strategy-driven defense

The President and Congress will have no chance to reverse our military’s crisis in readiness and modernization unless the United States allows strategy,

rather than raw budgetary politics, to drive defense. With every year of deep cuts to defense, the U.S. military's force structure moves further away from the standard established by the 1993 Bottom-Up Review. To move towards a strategy-driven defense that is able to meet all three classes of threats facing the United States—namely, terrorism and other violent extremism, the proliferation of nuclear weapons and other game-changing technologies, and the return of great-power rivalries—decisionmakers in the Executive and Legislative Branch should concentrate on:

- *Reversing planned cuts to military personnel of the Army and Marine Corps.* In particular, the Army should be sized at no less than the numbers proposed by the 1993 Bottom-Up Review.
- *Growing the Navy's rate of ship-building.* To the extent possible, the Defense Department should move rapidly toward a Navy with 346 ships, as recommended by the bipartisan 2010 QDR Independent Review Panel.
- *Recapitalizing the Air Force.* China, Russia, and other countries continue to develop offensive and defensive air capabilities that require the United States to strengthen investments in both the quantity and quality of the Air Force.
- *Fully modernizing U.S. strategic nuclear forces.* As China grows its inventory of nuclear warheads, ballistic missiles and cruise missiles, it is placing growing strains on America's extended deterrence over Japan, the Republic of Korea, and other U.S. allies in the Asia-Pacific. It is therefore imprudent to cut U.S. strategic nuclear forces below the limits of the New START Treaty, certainly in the absence of any further treaty-based caps on both Russian and Chinese nuclear forces. Rather, the United States should renew efforts to fully modernize both its warheads and delivery vehicles, as the Obama administration had promised to do in return for the Senate's advice and consent on the New START Treaty.
- *Fully modernizing space assets.* As our military relies more and more on space assets for command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR), foreign competitors are developing capabilities to capitalize on the vulnerabilities of our space assets. It is critical that our military modernize our space assets to improve their resiliency against potential adversary attempts to disrupt, degrade or destroy them.
- *Fully funding plans for cyberdefense.* China, Russia, Iran, Syria, and other countries are improving capabilities for cyberwarfare. It is critical that the United States maintain a preeminent position in the cyber domain, with capabilities to prevent and defend against cyber attacks, and to identify and retaliate against cyber attackers.

Back to basics

Rebuilding America's military will require several years of concerted effort with a clear strategic plan. Certainly, this task will largely fall to the next president. However, President Obama and the 114th Congress can dramatically improve the fiscal environment for the military by finding additional reductions in the federal budget to offset the sequester imposed by the *Budget Control Act*

of 2011. Unless and until the threat of sequestration is permanently lifted from the military, America's defenses cannot begin to be rehabilitated.

Unless and until the threat of sequestration is permanently lifted from the military, America's defenses cannot begin to be rehabilitated.

The United States, as leader of the Free World, has vital interests that span the globe—freedom of trade and navigation worldwide, including: keeping open the Strait of Hormuz and Suez Canal; peaceful resolution of maritime and territorial disputes in the Indo-Pacific region; fulfillment of our obligations to allies and partners, including defending the right of Israel to exist and the right of Taiwan to decide its own destiny; deterring nuclear or conventional adventurism by North Korea or China; preventing Iran from getting rapid nuclear weapons-making capability; and vigorously combating and countering al-Qaeda and associated forces, as well as other terrorist groups that seek to harm the United States or its allies. We cannot defend these interests without a foundation of hard power that is sized and shaped to protect America's national security and international interests, rather than to meet arbitrary budget numbers.

As Robert Gates counseled in a high-profile speech in his final days as Secretary of Defense, "The ultimate guarantee against the success of aggressors, dictators, and terrorists in the 21st century, as in the 20th, is hard power—the size, strength, and global reach of the United States military."²⁸ Our leaders forget this hard-fought lesson at the peril of our nation.



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SQUARING THE NONPROLIFERATION CIRCLE

William Tobey

“Today, the Cold War has disappeared but thousands of [nuclear] weapons have not. In a strange turn of history, the threat of global nuclear war has gone down, but the risk of a nuclear attack has gone up. More nations have acquired these weapons. Testing has continued. Black market trade in nuclear secrets and nuclear materials abound. The technology to build a bomb has spread. Terrorists are determined to buy, build or steal one.”¹ So said President Barack Obama in 2009, discussing the greatest threat he sees confronting the United States.

Now, five years after he uttered those words, it is worth evaluating the effectiveness of his policies to stem the threats of nuclear proliferation and terrorism. Are we safer from a nuclear detonation now than we were five years ago?

Defining the threat

The threats of nuclear proliferation and terrorism are distinct, but related.

For over fifty years, American presidents have worried about the spread of atomic weapons. John F. Kennedy warned that by the 1970s, his successor might face more than two dozen states so armed.² His dire prediction proved unfounded; just nine states possess nuclear weapons today. Moreover, the last twenty-five years have seen the number of such states hold steady, with North Korea added to the list, but South Africa renouncing its nuclear weapons. Belarus, Kazakhstan, and Ukraine also gave up the nuclear weapons they inherited upon the dissolution of the Soviet Union. More states have abandoned serious nuclear weapons programs than have brought them to fruition. The Nonproliferation Treaty has proven remarkably durable.



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On the other hand, a small number of states—North Korea, Iran, and Syria—have violated their Safeguards Agreements under the Nonproliferation Treaty, and done so in determined efforts undertaken over many years and at great cost. Thus, the proliferation threat is acute, but limited.

On nuclear testing, uranium enrichment, plutonium production, and long-range missile testing, North Korea has made substantial progress since President Obama took office. There is now no check—legal, political, or otherwise—on North Korea’s nuclear weapons activities.

Some warn that if proliferation continues, it will trigger a cascade of new nuclear states. By this logic, if Iran gets the bomb, so too will Saudi Arabia, Turkey, and Egypt. Certainly it would be in Riyadh’s, Ankara’s, and Cairo’s interests to convince U.S. policymakers that such would be the case, if only to redouble American efforts to halt the Iranian nuclear program. History, however, would argue otherwise. China’s bomb did not force Japan to follow suit, and neither so far, has North Korea’s.

In contrast to the proliferation threat, however, the specter of nuclear terrorism has grown in recent years. Three factors drive today’s nuclear terrorism threat.

First, we face terrorist groups with unlimited objectives. In 1986, a now-declassified U.S. National Intelligence Estimate of “The Likelihood of Nuclear Acts by Terrorist Groups” concluded that, while some terrorist groups possessed the skills necessary to detonate a nuclear explosion if they obtained a weapon or sufficient fissile material, they were unlikely to do so, because it would defeat their political objectives.³

Today, in al-Qaeda and other groups, we face foes with no such compunctions. They seek to inflict as much pain as possible. The wreckage of the World Trade Center in New York and the school at Beslan, Russia testify starkly to this intent. Indeed, al-Qaeda, Aum Shinrikyo, and North Caucasus terrorist groups have all contemplated the use of nuclear weapons and, unfortunately, there is little reason to conclude that this list is closed.⁴ One might counter that Osama bin Laden is dead and al-Qaeda is disrupted, but the key figures within the organization’s nuclear effort remain at large.

Second, nuclear weapons-related know-how is more widespread than ever before. Once at the cutting edge of science, nuclear weapons technology is now 70 years old. Tens of thousands of individuals in more than nine countries have gained access to nuclear weapons design information. There is more computing power in an iPhone than existed on the Los Alamos Mesa in 1945. Computer aided design and manufacturing equipment enables precision machining all over the world. Moreover, terrorists improvising a nuclear device do not need to design to the same standards of safety, security, and reliability that state programs would require.

Third, highly enriched uranium and separated plutonium have proven vulnerable to theft. Over the past two decades, intelligence and law enforcement officials have made some twenty seizures of weapons-grade fissile material outside of authorized control.⁵ These include recent incidents in 2003, 2006, 2010, and 2011. While none of the examples involved sufficient material to construct a weapon, they are of serious concern because in many cases the material was advertised as a sample of a larger quantity for sale, and the seizures constitute physical proof of security failures at nuclear storage facilities.

Thus, sophisticated groups have known means, motive, and opportunity to commit acts of nuclear terrorism. The threat, therefore, is urgent and real.

The scorecard

So, just how well has the Obama administration done in addressing the threats of nuclear proliferation and terrorism? The record is decidedly mixed.

North Korea

When the Obama administration took office, Pyongyang's plutonium production reactor at Yongbyon was shut down and U.S. experts were on site to monitor activities there. Within two months, the North expelled the U.S. experts and in May 2009 conducted a second nuclear test. In March 2010, North Korea sank the South Korean vessel *Cheonan* in an unprovoked attack, and later that year, shelled South Korea's Yeonpyeong Island. In November 2010, North Korea revealed a previously covert uranium enrichment facility at Yongbyon to former Los Alamos National Laboratory Director Siegfried Hecker.⁶ In March of 2012, North Korea scuttled the "Leap Day" agreement to trade food aid from the United States for a moratorium on uranium enrichment and missile tests in the DPRK. In February 2013, North Korea conducted a third nuclear test, and less than a year later, the U.S. Director of National Intelligence confirmed that North Korea had restarted its plutonium production reactor at Yongbyon.⁷ Thus North Korea is producing both plutonium and enriched uranium.

The Obama administration has described its policy toward North Korea as "strategic patience." There have been no serious negotiations since the Leap Day accord failed two years ago. Administration officials claim to see greater willingness on the part of Beijing to pressure Pyongyang, but if such is the case, it has had no discernible

effect on the progress of North Korea's nuclear weapons program.

This state of affairs is not new. North Korea's nuclear program has proven impervious to U.S. policy for decades. Washington has tried bribes and sanctions, diplomacy and threats, soft and hard approaches. Nothing has worked. Invariably, Pyongyang violates its agreements after collecting whatever political and economic benefits it can scavenge from the banquet of multilateral talks. The blame for this situation rests squarely in the North. Yet, it is also true that the policies of the Obama administration have done little to retard Pyongyang's proliferation efforts. On nuclear testing, uranium enrichment, plutonium production, and long-range missile testing, North Korea has made substantial progress since President Obama took office. There is now no check—legal, political, or otherwise—on North Korea's nuclear weapons activities.

Syria

In September 2007, Israeli warplanes bombed a plutonium production reactor that was under construction near the Syrian city of al-Kibar. Over the next several months, Syria leveled the rubble, scraped away soil that contained evidence of the reactor, and built a new edifice on the site. Despite international opprobrium and efforts by the International Atomic Energy Agency (IAEA), Damascus successfully stonewalled attempts to learn more about its nuclear program. The IAEA reached a dead end in May 2011.⁸ By then, the first flames of civil war were flickering under the Assad regime, and no serious attempt at further progress on investigating the Syrian nuclear program has been made since.

In the summer of 2013, small-scale chemical weapons attacks by Syrian government forces escalated. On August 21, 2013, Syrian forces launched a chemical weapons attack near Damas-

cus that killed hundreds and wounded thousands of civilians. The Obama administration vacillated over whether or not to launch air strikes to deter further such attacks. Eventually, Russia stepped in, pouncing on a seemingly off-hand remark by U.S. Secretary of State John Kerry that the use of force could be avoided if the Assad government were to give up its chemical weapons.

Unfortunately, while there has been progress on the tactical goal of removing Syria's chemical weapons arsenal, it has come at the cost of strategic defeat, for the Administration's top goal previously had been the removal of the Assad regime.

In late January 2014, U.S. Ambassador Robert Mikulak lambasted Syria's compliance with the agreement, noting that only four percent of priority one chemicals declared by Syria had been removed. He also complained of a "bargaining mentality" in Damascus, whereby Syria wheedled for international donations of equipment, while complying only grudgingly.⁹ Since then, the pace of chemical weapons removal from Syria has improved, and may now account for almost half of declared stocks, although only about a third of the priority one chemicals appear to have been shipped overseas.¹⁰

Unfortunately, while there has been progress on the tactical goal of removing Syria's chemical weapons arsenal, it has come at the cost of strategic defeat. The Administration's top goal had been the removal of the Assad regime. But the agreement on chemical weapons removal made Assad a partner, required his cooperation, and undermined any appetite in the international community for concerted action to remove him.

Moreover, it strengthened Assad's position within Syria, as he was able to say to friends and foes alike that he had stood up to the United States, taken the worst that Washington had to offer, and remained standing.

The full dimensions and ultimate fate of Syria's nuclear program remain unresolved. The reactor at al-Kibar is gone, but any facilities or plans for fuel handling and reprocessing and weaponization remain undisclosed. On chemical weapons, progress has been made on removal of declared stocks, but it is far from clear that Syria will be fully disarmed of such weapons. Moreover, those weapons helped to assure the Assad regime's continued hold on power.

Iran

When the Obama administration took office, Iran was operating 3,936 centrifuges to enrich uranium to about 3.5 percent U-235. These machines had produced 1,010 kg of low enriched UF₆. This work was done at a declared facility near Natanz.¹¹

Today Iran has 9,166 centrifuges working to enrich uranium and has produced 11,091 kg of 3.5 percent enriched UF₆.¹² Moreover, a previously covert deep underground enrichment facility near Qom was discovered and later revealed by the leaders of France, the United Kingdom, and the United States. Iran also began enriching to nearly 20 percent U-235—accomplishing nine-tenths of the work necessary to make weapons-grade material. Thus, Iran has more than double the operating enrichment capacity and more than ten times the amount of enriched material than was the case when President Obama took office. Indeed, for most of the period between 2009 and 2013, the Iranian nuclear program not only expanded, it accelerated.

In November 2013, Iran and six major powers reached a six-month renewable interim agreement which

freezes and reverses some elements of Iran's nuclear program—in particular requiring downblending or conversion to a form ill-suited to further enrichment of Iran's 20 percent enriched UF₆ and suspending further production of such material. In return, Iran has received limited relief from economic sanctions.

Although, the deal was immediately and simultaneously hailed as historic and denounced as an historic mistake, in reality, it is likely neither. Instead, it is akin to a standstill agreement, while the more difficult negotiations over a broader deal take place.

Whether a lasting comprehensive agreement can be reached remains an open question. Russia's aggression against Ukraine could well complicate the negotiations, as Tehran may now look upon Moscow as a more reliable shield against further sanctions. In that regard, Iran's best alternative to a negotiated agreement probably improved because of the Ukraine crisis.

There is, however, little doubt that the Iranian nuclear program advanced substantially during the first five years of the Obama administration. The White House would counter that Tehran has paid a severe economic price because of banking and oil trade sanctions, but there is no evidence that those sanctions slowed the Iranian program until the interim deal. The combination of large stocks of low-enriched uranium and a much larger centrifuge enrichment capacity means that Iran has shortened substantially the amount of time it would need to produce enough fissile material for a nuclear weapon.

Nuclear security and nuclear terrorism

A major priority of the Obama administration has been to improve the security of nuclear weapons and weapons-usable materials to prevent them from falling into the hands of terrorists.

Putting his substantial personal prestige on the line in 2010, President Obama hosted the Washington Nuclear Security Summit—the largest gathering of world leaders in the United States since the founding of the United Nations. Subsequent meetings were held in Seoul in 2012 and The Hague in 2014. The final Nuclear Security Summit will be held in 2016 in the United States.

The Summits have had several advantages. They have drawn the attention of world leaders to a vital issue—one over which they should take personal responsibility. They served as forcing functions to cut red tape and facilitate actions like converting research reactors from highly enriched uranium fuel to low-enriched material. They promote national commitments to specific tangible actions to improve nuclear security. And they help to build support for institutions like the International Atomic Energy Agency and the World Institute for Nuclear Security.

There is little question that the Summits have broadened the scope and accelerated the pace of actions to improve security over material that could be used by terrorists to commit a nuclear act. Dozens of national commitments have made tangible improvements. There have, however, also been disappointments. There is still no agreed minimum standard for protecting material that could be made into a nuclear weapon. A joint commitment to strengthened nuclear security shepherded by the three Summit hosts, the Netherlands, the ROK, and the United States, found 35 subscribers, but among those refusing to join were Russia, China, India, Pakistan, Belarus, and South Africa—countries possessing roughly half of the nuclear weapons and weapons-grade fissile material that exist in the world.

Apart from the Summits, the United States and Russia renegotiated the agreement that is the legal basis for coop-

erative threat reduction efforts. While a revision was necessary to take into account changed economic and security circumstances in Russia, the new agreement is much narrower in scope, essentially excluding work with Russia's Ministry of Defense. Perhaps reflecting this new working environment, the Obama administration's latest budget proposal would cut the U.S. government's largest nonproliferation program by roughly a quarter—a steep decrease that would seem at considerable variance with President Obama's personal interest in nuclear security.

Declarations against interest

Moreover, although policies to prevent nuclear proliferation have enjoyed considerable attention, albeit with mixed success, some Administration choices have undermined their nonproliferation objectives. Two areas in particular stand out: choosing other foreign policy priorities over nonproliferation objectives, and undermining extended deterrence.

While “leading from behind,” American policy to support rebels in Libya with air strikes almost certainly sent a message to other dictators that it is dangerous to relinquish nuclear and chemical weapons programs, and that if you are foolish enough to do so, you can expect little goodwill and no mercy. Similarly, if nothing more is done to defend the 1994 Budapest memorandum pledging security assurances to and respect for the territorial integrity of Ukraine in exchange for Kiev ceding control of its inherited nuclear weapons, that pernicious lesson will only be reinforced.

In a paradoxical respect, President Obama's 2009 Prague speech undermined his own efforts to stem nuclear weapons proliferation. In that address, he called for a world free of nuclear weapons. By doing so, he caused policymak-

ers among our allies to question the U.S. commitment to extended deterrence. A whispered debate has begun in South Korea, Japan, and the Middle East over whether or not continued reliance on the U.S. nuclear forces to deter aggression is a sensible security policy, and whether an independent nuclear deterrent is necessary to address threats from North Korea and Iran. Extended deterrence has successfully helped to maintain peace and stability for decades, but it is under more stress now than ever before.

President Obama's highest national security priority was to prevent nuclear proliferation and terrorism. His policies have enjoyed only mixed success. Matters are undeniably worse in North Korea. In Syria, a tactical victory may still be possible, with the removal of declared stocks of chemical weapons, but it appears to have come at the cost of strategic defeat, the continuance of the Assad regime. Iran has made enormous progress in expanding its nuclear capabilities, and while an interim agreement has temporarily checked that momentum, it remains to be seen whether or not a comprehensive deal is possible. Nuclear security is better today than it was five, ten, fifteen, or twenty years ago, but the mission is still not complete, and instead of cutting budgets by 25 percent, U.S. efforts should be redoubled. This is not an enviable record for the Administration's highest national security priority.



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NEXT STEPS IN CYBER SECURITY

Rachel Ehrenfeld

Mounting cyber attacks on the economic interests of the United States are a constant reminder that, despite the billions of dollars spent by both the U.S. government and the private sector to date, our cyber defenses are lacking.

This is not to say that the U.S. government is ignoring the problem. President Obama's Executive Order 13636, issued in February of 2013, was intended to "Improve Critical Infrastructure Cybersecurity," and establish "a voluntary set of security standards for critical infrastructure industries..."¹ The order directs the Executive Branch to "increase the volume, timeliness and quality of cyber threat information sharing, which should result in further developing a public-private partnership." Meanwhile, different data breach notification laws have been adopted by 46 states, creating a jigsaw puzzle with different notification triggers, timing and notice content requirements. And while the government has called for the passage of a national law to standardize data breach notifications, the private sector is reluctant to do so.

For many years now, the myriad vulnerabilities affecting the U.S. in cyberspace have been discussed at congressional hearings. But hearings are usually held after something happens, or are intended to address the next budgetary cycle. With its "tyranny of the inbox" mentality, there is a growing concern that the U.S. government is unready to coordinate a response to a major interference event.

Whereas the government's stewardship is in question, the maturity of the threat is not. We are well aware of the vulnerability of the electric grid and experience everyday interference with our communication systems and digital devices that are depen-



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dent upon the electromagnetic spectrum (EMS) in which all modern communications, military weaponry, and technologies operate, as well as the Global Positioning System (GPS) satellites. Even the undersea communication cables are vulnerable, if only because their location, entry and exit points are well known.

The U.S. still leads the world in technological innovation. But for how much longer?

The rapid pace at which cyber-related architectures and wireless technologies are evolving must not be allowed to outpace the understanding of policymakers in Washington, or the preparedness of the nation as a whole. There is an urgent need for bipartisan thought leadership, made up of experts, policymakers and scholars who can accurately assess the necessary measures to prevent attacks that—even if not catastrophic—could inflict severe damage on our economy and even endanger our lives.

Defending our cyberspace is a national priority. Since the threats to it are synergistic, solutions should be developed accordingly, in concert with myriad sectors of the economy.

Critical vulnerabilities

Possible interference with U.S. EMS and cyberspace is fast emerging as a real threat to our national and economic security. Such events, caused by natural elements, adversaries, or simply by mistake, could disrupt a broad range of wireless connections and dependencies.

A survey of the critical vulnerabilities that now exist in cyberspace begins with the interdependency of networks and spectrums. However, the common definition of “cyber,” often ignores such interdependency. A comprehensive view must define the cyber domain to include

the entire electromagnetic spectrum (EMS) and civil GPS services—not just those involving computer networks. Every device containing a microcircuit or chip—from massive computer servers and glass-cockpit airliners to cars and “smart” refrigerators and handheld receivers—is vulnerable to cyber attack.

While rapid technological advancements have increased our efficiency, they also have increased our vulnerabilities. Cyberspace and electromagnetic activities are becoming increasingly vulnerable to activities such as access denial, service disruption, interception and monitoring, infiltration, and data compromise. Such interference could directly and indirectly affect all critical infrastructure, government and military operations and information-related activities.

Cyber systems can be hacked, even if “offline” or in the “cloud” (which is merely another server). One dramatic example of this was the Stuxnet malware that infected hardened Iranian computer networks, disrupting and slowing the regime’s nuclear program. Another was the February 2013 hacking of the supposedly impenetrable Federal Reserve Emergency Communications System.² These instances illustrate dangerous vulnerabilities to existing systems; an attack on the electrical grid, for example, could cause cascading failures throughout the country.

In addition to technical difficulties, we are also vulnerable to the dangers posed by rogue “insiders,” dormant malware, and the simple neglect of the government, as well as the private and public sectors, to adequately foot the bill for protecting physical infrastructure in remote facilities.

Last year, we witnessed a physical attack by unknown but clearly highly skilled snipers on an electric-power substation near San Jose, California—an incident, which “knocked out 17 giant transformers that funnel power to Sili-

con Valley.”³ The attack was made public months after it occurred, and only after details were leaked to the media. Unprotected cell towers are similarly vulnerable to physical interference.

Interference with the U.S. Global Positioning System (GPS) could paralyze or distort navigation and timing signals, and do so in ways that would endanger the lives of many Americans and devastate the country’s economy. Satellites in the GPS constellation are vulnerable to attack. China, for example, has already demonstrated its capability to wage “space war” through its 2007 shoot-down of one of its own defunct weather spacecraft with a ground-launched missile.⁴ If GPS satellites or the constellation’s ground control stations were disabled, military operations, financial transactions, air and ground transportation, cellular communications and numerous other areas of the economy would be disrupted or would grind to a halt altogether.

Financial markets likewise remain vulnerable to attacks and manipulation. Interference with GPS signals would affect the timing and reconciliation of trades, and monitoring systems, where they exist, are without sufficient automation or isolation to withstand future concerted attacks. The financial industry is also vulnerable to other cyber interference, such as malware, manipulation, denial of service attacks and traditional theft of money and identities.

Then there is the Internet of Things (IoT). The latent vulnerabilities inherent in cyberspace are being exacerbated by the inexorable rise of the IoT, which has dramatically expanded the scope and nature of the cyber domain. Medical devices are particularly vulnerable; pacemakers, for example, are routinely implanted with wireless capability for diagnostic purposes. In his memoir, former Vice President Dick Cheney revealed that awareness of this kind of vulnerability was behind the decision to

deny remote access to his pacemaker.

But despite awareness of these vulnerabilities and the spike in attacks on U.S. cyberspace, we remain vulnerable. Both the government and the general public have responded with wargames such as the one recently conducted by the Truman National Security Project in Washington, DC. But these exercises tend to be reactive in nature; the focus of the Truman wargame was on “whether the United States was capable of passing legislation to fix the nation’s cyber vulnerabilities in the aftermath of a national crisis,” rather than on how to protect the country’s critical infrastructure.⁵ It seems that until a major catastrophic event occurs policymakers, the government and the public will continue to regard threats to our cyberspace and electromagnetic spectrum as *force majeure*; threats that fall below the threshold of political and financial liability.

Squaring the circle

Defending our cyberspace is a national priority. Since the threats to it are synergistic, solutions should be developed accordingly, in concert with myriad sectors of the economy.

Greater cybersecurity can only be achieved when the government and the private sector work together to mitigate risks by designing more resilient architectures and more secure end-user systems that are less susceptible to interference. Decentralization should replace centralized services, making them less susceptible to a cascading effect.

Nevertheless, the primary responsibility for cyber defense must ultimately reside with the federal and state governments. The Department of Homeland Security (DHS) should define minimum standards and security procedures, and the Federal Bureau of Investigation (FBI) should lead federal, state, and local law enforcement in identifying culprits and their methods. Private industry, how-

ever, could take the lead on developing new tools to better defend against such threats and deter potential aggressors.

To achieve the last goal we urgently need to aggregate all data from instances of interference throughout the country. The data should be analyzed to identify patterns and the findings should be shared among participating entities. This is a prerequisite for the development of appropriate defenses and countermeasures. Without doing so, it will be impossible to determine in real time whether terrorist organizations, nation-states, and criminals are developing, testing, and intending to deploy these capabilities against us.

Redundancy of critical systems would also prevent catastrophic breakdown in case the national electric grid is attacked or otherwise interfered with. Similarly, high energy density, long-life batteries and other advanced means of electrical power generation and storage would greatly reduce the potential of a nationwide blackout that could last months and even years. Well-planned technological redundancy should be backed by good preparation and training. Moreover, since our GPS system is vulnerable to space- or ground-based attack, there is a pressing need for alternative sources of timing and positioning information. (LORAN, a legacy navigation system used for decades by ships and aircraft, has been abandoned in recent years. If it had not been shut down, LORAN might be capable of serving as a reliable backup today.)

Directly approaching the states should facilitate rapid improvement of cyber-security awareness. Along these lines, Maine and Oklahoma have recently taken action to protect their electrical grid, and active discussions are underway in both North and South Carolina to do the same.

Private industry, for its part, plays a significant role in the day-to-day network-

based operations and functions of the economy (e.g., communications, energy, medical services, accounting and finance services, equipment maintenance, and logistics functions such as shipping companies, transportation grid providers, and suppliers as a part of the global transportation system). The insurance industry in particular can and should and could play a major role in advancing solutions. The better the cyberspace security measures, the less the premium.

At the core of all of these realities is a need for greater clarity. Well-defined standards governing cyber-defense practices, whether mandated or voluntary, would greatly simplify today's confusing muddle and spur greater action in the defense of the U.S. national security, economy and the well-being of its people

The way ahead

Incidents of purposeful interference are not *force majeure*—events that are unforeseeable, unpreventable, and unmanageable. Meaningful improvements in our security, reliability, and resilience require that our government officials, elected representatives, and top business executives come together to develop a clear strategy to identify and tackle current and emerging problems.

Significant progress cannot be attained without considerable thought leadership, and without the anticipation that “unknown unknowns” can and will happen. Policymakers need to actively look for ways to adapt, recover, restore, and move on. The ability to bend rather than break under attack assumes that critical governmental and business functions will be able to rebound, and more desirably withstand such man-made or even natural disasters.

Without a change of attitude, we may win on the tactical level, but not on the strategic one. Our goal should be to drive a major change in attitude from reactive to proactive, so that new policies,

architectures, and technologies are developed to enhance our resiliency and protection through coordination between the government and private sector partners. All too often, we leap vigorously—and at great expense—into tackling that which we can do successfully in the moment, with an unrealistic hope that temporary tactical successes will somehow lead to strategic victory.

To successfully defend our cyberspace, we must not take comfort in temporary tactical gains. Instead, we must better anticipate and restrict the future moves of our adversaries over the long term.



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PREDICTING THE FUTURE OF WARFARE

James F. Dunnigan

How will warfare change in the next 30 years? Military leaders and many of the people they protect are constantly trying to figure this out. More often than not, the answer has proven elusive—so much so that the old axiom of militaries always fighting the last war has become conventional wisdom.

There is, however, an easy way to get some good insight into the future. Simply go back 120 years to 1894 and note the state of warfare and military technology at the time, then advance by 30 years at a time until you reach 2014. By noting the changes during each 30-year period, one can gain a good idea of what will change between 2014 and 2044.

The state of war in 1894

The year 1894 came at the end of a century that featured the Industrial Revolution, a watershed that transformed the economies of Europe and the United States and changed warfare more in one century than at any other time in history. What was happening was not just change, but an unprecedented rate of change. Periods of rapid technological transformation had taken place before, but nothing like those witnessed in the 19th century. This rate of change, more than anything else, was to fundamentally alter warfare in the future.

By 1894, many infantry were still using single-shot black powder rifles. But a radically different new weapon was beginning to enter service. The major innovation here was smokeless powder. This new propellant burned faster, cleaner and more predictably than did black powder. Add this to earlier 19th-century innovations (metallic cartridges,



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rifling and standardized manufacture of metal parts) and you got the modern bolt-action rifle.

The modern machinegun had been invented in 1883, but it took about two decades before armies began adopting them on a large scale. Smokeless powder helped make this happen because, as with the rifle, it was much more difficult to see where the machine gun fire was coming from, and easier for the machinegunner to see his target. Smokeless powder and the bolt-action magazine rifle made possible the modern sniper and accurate machine-gun fire. There had been sharpshooters before, but smokeless powder made it more difficult to see where the sharpshooter was, and these new rifles (because of standardized parts, less fouling of the barrel and consistent performance of the new ammo) enabled a sniper to hit targets at a longer distance on the first shot and quickly get off additional accurate ones. Armies that spent the money to let troops practice shooting a lot (like the British) had much more effective infantry as a result.

In 1894, most artillery was still short range, not very accurate, and could only fire at targets the crews could see. Horses pulled or carried equipment and the infantry marched a lot when not being moved long distances by railroad or steamships. Modern, quick-firing artillery was only then coming into wide usage, and was still unproven in battle. But the new guns used smokeless powder, and it was obvious that this could dramatically change the effectiveness of artillery as well.

Communications in 1894 still relied on the telegraph, a half-century-old invention that revolutionized, in just a few decades, the way commanders could talk to each other over long distances. This had marked a major change in wartime communications, allowing comparatively rapid contact between battlefield commanders. Cavalry was then still important for scouting, although less useful

for charging infantry, a trend that had begun when infantry got muskets with bayonets two centuries earlier.

Military thinking also began to change in the 1890s. Many of the new ideas of the time originated in Germany, and not all of them were recognized. For example, German historian and reserve officer Hans Delbruck applied common sense and modern analytical tools to accounts of ancient warfare and clearly demonstrated what had been real (or at least possible) about warfare in the distant past, and what was not. The Germans perfected many of the tools and techniques all military planners and staff officers came to use and take for granted.

1924 and the promise of much more

By 1924, three decades of largely unexpected changes had had an enormous impact on warfare and the world. This was again because science and commerce were unleashing even more new technology, and doing so in much less time. This was particularly true during World War I, where the sense of urgency common in most wars was multiplied by the potential for technological progress that could be increased rapidly with sufficient funding and focus. The industrial revolution had also produced considerable wealth, so the scientific community did not have to be overly concerned with limited resources during wartime. As a result, between 1914 and 1918 many unexpected weapons appeared. These included combat aircraft (fighters and bombers), mortars, effective ocean-going submarines, aircraft carriers, chemical warfare, tanks, parachute infantry, individual automatic weapons and radically new infantry tactics.

By 1924, smokeless powder rifles, machineguns and artillery were the standard. This made combat more lethal, to the extent that World War I

was the first major war where combat casualties were more numerous than non-combat ones (brought about by disease and accidents). World War I rifles (millions of which are still in use) fired faster, more accurately, did so without a cloud of smoke, and were far more effective than most 1894 models. The modern machinegun had arrived, and every infantry battalion had many of them. There were even light machineguns that individual troops could carry. Artillery also was much more accurate and capable, due to hydraulic recoil systems and better propellants. At the same time, armies were beginning to use trucks to replace horses—a process that would take another three decades to complete.

During World War I, aircraft were a new technology—one less than ten years old and used only for reconnaissance. They proved to be the perfect scouts, able to see what distant enemy troops were up to. Thereafter, fighter aircraft were invented to keep the enemy aerial scouts out of your “air space” (a term unimaginable in 1900). There was also wireless telegraph (radio), which revolutionized warfare to an ever greater extent than did the telegraph. This was especially true for the navy; no longer were ships out of touch with their governments for long periods. On the ground, armies learned how to quickly lay temporary telephone lines in the field. A complex system of signal flares (courtesy of 19th-century breakthroughs in chemistry and manufacturing capabilities) allowed widely dispersed infantry to communicate with each other and headquarters.

The critical problem that accompanied such changes was that the major armies had not figured out exactly what to do with all this new technology. This produced years of stalemate and millions of casualties in World War I (1914-18). That conflict saw the development of so many new weapons in such a short period of time that commanders

were unable to effectively incorporate the latest innovation before yet another entered their arsenal. This problem was not new; perceptive observers noted that the British had encountered these future-shock problems during the 1899-1902 Boer War in South Africa. But it was significant nonetheless, and the early 1920s were defined by such failures of integration, so much so that many debates over World War I technology were not settled until World War II.

1954 and the end of war as we knew it

Between 1924 and 1954, the enormous changes witnessed during World War I had been overtaken by even more dramatic technological advances that were in evidence during World War II (1939-45). Nearly all the major military technologies of the 20th century were present by 1945. This included electronic warfare, smart bombs, ballistic missiles, cruise missiles, wire-guided missiles, antibiotics (which greatly reduced the death rate in combat), modern assault rifles, radar, aircraft carriers, modern sonar, portable radios, practical body armor, a large variety of armored vehicles, jet aircraft, portable anti-tank rocket launchers, commandoes, operations research, heavy bombers, computers, self-guided torpedoes, naval bottom mines, land mines, chemical warfare, nuclear weapons, and much more. Some of the dramatic changes are less well known. Take the widespread (and continued) use of Operations Research (OR), the use of quantitative techniques such as statistics to solve problems and help leaders make decisions. OR has been around for centuries, but in the 1930s it came to be recognized as a distinct discipline and its tools were organized and applied systematically. OR was used extensively during World War II to solve numerous problems—everything from how best to use

radar for submarine hunting to running factories and getting supplies to troops more efficiently. Without OR, World War II and subsequent wars would have been messier, costlier and longer.

By 1954, the transformation of military affairs had become more pronounced than at any other period in history. In less than a century, warfare had become unrecognizable to any pre-20th-century soldiers. (By contrast, the 19th-century warfighter would have been recognizable to someone from the 16th century, when firearms were introduced.) Military, and political, leaders now had to deal with the speed of change, as well as the changes themselves. It was an entirely new situation in human history.

The need for speed in 1984

Compared to 1954 and 1924, 1984 was witness to less dramatic change. This was due to one new technology, nuclear weapons. Nukes were the scariest weapon ever invented, and discouraged wars between the major powers. The resulting lack of a major war, which always accelerated the development of military technologies, meant much slower and more expensive development of new military technology. Instead, what had transpired by 1984 was that many of the new technologies from World War II had been perfected, or at least made cheaper and more reliable. There were some new developments, however; guided missiles, night vision devices, spy satellites, laser range finders, and weapons guidance systems, UAVs, remote sensors, ICBMs, SLBMs, composite armor, stealth aircraft, nuclear submarines, all-weather aircraft navigation systems, miniaturized electronics (transistors), heat sensors, and more. But these new technologies, developed as they were during peacetime, generally took longer to materialize and

were more expensive to develop than those created during wartime.

Nonetheless, regional conflicts prompted at least some change. The war in Vietnam sped up the development of laser-guided bombs, the first American assault rifle (the M-16), night vision devices, the helicopter and fixed wing gunship, and more effective body armor. It also prompted the realization that effectively dealing with the media had become a battlefield necessity. The defining feature of the time, however, was that the new innovations from World War II became smaller, cheaper, deadlier, and more reliable.

But perhaps the biggest change of the period was not noted until the 1973 Yom Kippur War. During that conflict, the speed with which modern weapons and other systems could destroy the enemy and speed up combat shocked generals worldwide. At this point, everyone began to ponder the impact of this transformation. The Russians, for one, concluded that speed in decision-making would become decisive, as would the growing Western edge in precision weapons. Thereafter, in the 1980s, they proposed that computers be used more by commanders to speed up the planning and execution of battles. This concept had been pioneered in the 1960s by John Boyd, a U.S. Air Force officer who demonstrated how the speed of assessing a combat situation, developing a plan and executing it was decisive. By the 1980s, some Russian theorists saw computers as a possible enhancement to this process—but it was the West that had the technological edge.

The unexpected jump to 2014

The impact of high-speed warfare was demonstrated after September 11, 2001, when American forces used computerized data mining and analysis to

speed up their decision-making during counterterrorism operations in Iraq. Al-Qaeda and the Taliban quickly learned that if an American raid was accompanied by intelligence specialists carrying biometric tools and communications links to huge databases of information on known terrorists and their organizations, there would quickly be additional raids. A few new names found on one raid would spawn additional raids, and within 24 hours large terrorist operations could be rolled up. Microsoft contributed by developing a thumb drive that could quickly extract useful data from a laptop while rough (but effective) machine translation of many Arabic documents could quickly provide more leads, locations and targets. (Iraqi Army intelligence specialists understood this, and were bitterly disappointed when their government refused to allow any American troops to remain after 2011. In contemporary Iraq, terrorists have found that without the U.S. present they have a much easier time operating and rebuilding their organizations.)

Most of this high-speed transformation of warfare was not covered by the media, because few journalists understood or appreciated it. But military specialists worldwide, especially in Russia and China, saw what was happening and were impressed at how American technology and eagerness for new solutions had again revolutionized warfare.

Another largely unreported revolution took place in the reduction of friendly and civilian casualties. The death rate (losses per 100,000 troops per year) of troops in Iraq, for example, was only a third of what it was in Vietnam and World War II. How did American troops attain such low losses? The reasons had to do with better equipment, tactics, weapons, leadership and training. With an all-volunteer force, the troops were smarter, more physically fit, and more eager.

The dramatic drop in casualties was the product of another big shift as well. In World War II, one in three battlefield injuries proved fatal. By Iraq and Afghanistan, only 12 percent were—the result of better body armor and much improved medical care.

Even without the impact of Iraq and Afghanistan, by 2014 there were a number of radical new technologies in evidence—GPS, the Internet, bulletproof body armor, UAVs, combat robots, and personal (and extremely portable) computers—that transformed warfare more than anyone expected, especially when it came to friendly and civilian casualties and the speed of operations. World War II technologies continued to mature, especially when combined with later technologies like miniature computers. The improvements in communications and night vision sensors had made it possible to operate around the clock and attack with more accuracy and deadly effect. Speed had always been a powerful weapon, but now speed included the ability to quickly move anywhere on the planet and attack with enormous effect.

What's past is prologue for 2044

This review of military history provides a useful prism for looking at the future. Combat will be faster and deadlier by 2044. Information war will be more than a buzzword by then, because better sensors and data processing technology will make situational awareness more decisive than ever. Hackers are now already major players, and will be even more so in the future.

By 2044, the expected breakthrough in batteries (like fuel cells) will be closer to providing the infantry with enough power to operate a great deal of new gear. In addition to carrying several computers and sensor systems, the future warfighter might wear body armor that also

provides air conditioning, satellite communications and two-way video. Exoskeletons are already in the works and may mature by then. A great deal depends on breakthroughs in battery technology, although engineers are also finding out how to do more with just a little “juice.”

What will remain constant, however, is the accelerating rate of change. Throughout the 20th century, disruptive technologies arrived with increasing frequency. These technologies transformed warfare in ways no one expected, and did so in large part because no one anticipated them. Fortunately, disruptive technologies are only disruptive for a short time, as a younger generation familiar with new innovations incorporates, and creates, yet more new technology.

Past experience suggests that the next disruptive technologies will probably include rapid and unpredictable evolution of robotic equipment and weapons. As in the past, this will not be the appearance of something completely new, but the rapid maturation of an older technology. What has been historically the most difficult to predict is exactly how new technology will be employed, and to what effect. Yet if there are no major wars between 2014 and 2044, it is safe to envision that the evolution will be more about perfecting what is already there than creating new battlefield technology. On the other hand, if major wars do occur, the process will accelerate.

Whatever the case may be, the future will be different—but not totally unfamiliar. The devil, as they say, is in the details.



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THE CHANGING CHARACTER OF WAR

T.X. Hammes

There is a general consensus that the character of war is changing. In fact, the British government funded a decade-long, multi-discipline research project at Oxford University called “The Changing Character of War.” The title was carefully selected because the original director of the program, Sir Hew Strachan, Oxford’s Chichele Professor of the History of War, is adamant that the underlying nature of war will not change. War will continue to be driven by Clausewitz’s primary trinity of violence, chance, and reason. Fog and friction will remain a constant element in conflict, and must never be assumed away.

What *will* change, however, is the character of war—how it is fought. And that, of course, is a key question for strategists today. As the United States considers major force structure reductions and the procurement plan for coming decades, the question of who might be potential enemies and how they will fight is critical.

Future uncertain

As always, conflict will be driven by the political, economic, social, and technical conditions of the particular contestants.¹ It is the interaction between the contestants that defines the “why” and “how” of a fight. Thus, predicting how a potential enemy will fight includes the risky business of considering current trends in these areas, then projecting them into the future, and considering how they might apply to specific conflicts or types of conflicts. Naturally, there are a number of different opinions about what conflicts the United States should be prepared to fight.



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In his book, *Out of the Mountains*, Dr. David Kilcullen presents a convincing argument that the environment in which we will fight will be crowded, littoral, urban, and networked.² This is an excellent analysis of one environment where we have a high probability of fighting. In addition, Kilcullen discusses the types of non-state actors we may well have to fight in that environment.

Other writers are adamant that we are more likely to fight a conventional conflict. They see China³ and Iran as the leading candidates for opponents, with the fight being mostly naval and aerial. Still others see terrorism and the nexus with criminal gangs as a major potential threat to U.S. security, and thus defining the opponents we must prepare to fight.⁴

As usual, the future is less than clear. But one fact is quite clear—the United States is not good at predicting where and when it will fight. The U.S. government actually excluded Korea as an area worth fighting for in early 1950. In the early 1960s, most analysts did not believe we would get involved in Vietnam in more than merely an advisory capacity. In the late 1980s, almost no one was predicting Iraq would invade Kuwait, and in early 2001, no one predicted we would commit major forces to Afghanistan.

But despite our consistent failure to predict the future, the Department of Defense still has to place bets. It does so every day in the choices it makes about force structure and future equipment. It does so in allocating funds either for current readiness or for R&D and procurement to improve future forces.

It is obvious that these decisions should not be based on a singular vision of the future. Rather, the U.S. military needs to examine the trends we think are shaping that future, and then speculate on the range of scenarios that may result.

The past two decades have made clear why it's necessary to do so. During the 1990s, the Pentagon's fascination

with technology, and its success in Operation Desert Storm, led it to focus overwhelmingly on preparing for a short, high tech war. What it got instead in the 2000s were decade-long insurgencies. As a result, the services were badly prepared for the wars they actually had to fight.

As usual, the future is less than clear. But one fact is quite clear—the United States is not good at predicting where and when it will fight.

Shaping forces

Since conflict is shaped by the political, economic, social, and technical trends in society, we need to consider how these trends might mold potential wars. Politically, we are seeing an ever expanding number and type of participants in all aspects of international politics, to include conflict. While nation-states remain the dominant players, many others—from individuals to transnational and international organizations—will shape conflict in the future. Political entities, from individuals to powerful states, are striving to change the status quo.

Economically, the most interesting security development has been the ability of smaller and smaller companies to create great wealth. The industrial age required both huge capital and major intellectual power to create great wealth—think railroads, car companies, and aircraft manufacturers. The information age still required major capital investment, but of a different type, and relied more on intellectual innovation. As we move into the knowledge age, we are seeing small companies and even individuals create great wealth out of knowledge with only minimal capital investment. Obviously, wealth can be converted into various types of destructive power. Thus the range of enemies who can field massively destructive kinetic, information, or biological weapons is increasing steadily.

Socially, we have borne witness to two very interesting trends. First, nationalism is returning. At the turn of the century, many Westerners felt that nationalism was a fading force. In fact, it may still be in the West; for instance, a 2011 Pew Research Center study found that younger Americans are becoming less nationalistic.⁵ But rising nationalism is apparent in Asia, and is increasing the possibility of state-on-state conflict there. At the same time, in many of the states formed by colonial powers, we are seeing people shift their allegiance from the nation to an earlier ethnic or social identity. These trends reinforce the potential for conflict, but do so in a different way. Unfortunately, both nationalistic and social causes can be very difficult to defuse.

State-on-state warfare will remain the most dangerous and deadly form of war, and it will most likely continue to be hybrid.

At the low end of the spectrum of conflict, we are seeing different drivers for insurgencies. Post World War II, insurgencies were driven primarily by anti-colonial sentiment. Once the colonialists had departed, conflicts emerged over which group would rule within the old colonial boundaries. More recently, however, a different driver has emerged: the attempt to redraw old colonial boundaries for nationalistic or ethnic reasons. The Pashtun, Baluch, and Kurds are all examples of such ongoing efforts to change existing borders. Yugoslavia, Sudan, and Somalia are examples of places where partition has already occurred.

Even as the drivers of insurgency are changing, a variety of causes are emerging among super-empowered individuals and small groups. It is very difficult to estimate how or why such groups might turn to violence. While we are pretty sure a single person conducted the 2001

anthrax attacks, we still do not know what motivated him.⁶ The motivation for future attacks may not be any clearer. Insurgencies and super-empowered small groups will become a greater concern as the convergence of a number of relatively new technologies amplifies their potential destructive power.

Technically, we will see more nations with nuclear weapons. This is not a new development; we have over 60 years of experience of dealing with nations with nuclear weapons. One of the most important results of that experience has been an informal understanding that when opposing nations possess these weapons, the definition of “victory” in any conflict between the two must change. One must question whether the very idea of victory applies in these situations. Leaders may need to seek conflict termination rather than victory. Fortunately, the planet has little experience with conflict between nuclear-armed states. In the Kargil Crisis (Pakistan-India) and the Zhenbao Island incident (USSR-China), both sides sought conflict termination rather than escalation to victory. In much the same way, the tense Cuban Missile Crisis saw Soviet and U.S. leaders striving to find a diplomatic solution.

We are also seeing accelerating rates of improvement in the fields of information, materials, robotics, biology, and nanotechnology to include both energy and energetics. (Energetics is the DoD’s kinder, gentler name for explosives.) Everyone is acutely aware of the rapid changes in information technology, but what is most challenging is that the massive increase in cheap computing power has meant very rapid advances in these other fields. The increasing convergence of several technologies will create new weapons systems. This convergence is dramatically reducing the price of precision, long-range and powerful weapons.

Since air is the simplest environment for robots to work in, we can expect

the convergence of artificial intelligence, materials, and nano-energetics to bring us fully autonomous, cheap, long-range, and powerful aerial drones. They will be followed quickly by maritime and ground systems. Unfortunately for the west, autonomous drones will initially favor the less technologically advanced actor. For instance, they do not own armored vehicles, so their autonomous drones only have to find and attack any armored vehicle—they do not have to discriminate. The same logic means that less scrupulous actors will be the first to use fully autonomous but cheap drones.

So what does this range of political, social, economic, and technological changes mean for future conflict? The famed baseball manager Casey Stengel is alleged to have warned, “Never make predictions. Especially about the future.” Wise planners do not predict, but attempt to see how things might evolve across a range of potential conflicts.

A widening spectrum of conflict

The changes in political, economic, social, and technical fields will broaden the range of conflicts the United States may encounter. State-on-state warfare will remain the most dangerous and deadly form of war, and it will most likely continue to be hybrid.⁷ This is not a big stretch, since the major conflicts of the last two centuries have been hybrid wars. They have all involved elements of conventional warfare, insurgency, terrorism, and crime. The mixture has varied from conflict to conflict, but the states involved had to deal with this range of threats simultaneously.

Some may say that such a prognosis is not particularly helpful, since it does not tell a planner exactly what to plan for. But that is actually its strength. The hybrid concept forces the services to consider the range of possible threats they

will face in any conflict. Of course this implies the need to maintain a full range of capabilities during a time of dramatically rising weapons and personnel costs and falling budgets.

As it has periodically through history, the tactical balance may be shifting from offense to defense. It may simply be too expensive for the United States to maintain the military dominance it has enjoyed in the western Pacific since World War II. The Pentagon must aggressively explore how new technology paired with creative, mentally flexible personnel can be combined to defeat anti-access and area-denial regimes. The solutions will not be limited to technology. Thus the United States may have to consider alternative strategic approaches that allow it to capitalize on this new class of weapons to achieve its goals in the Pacific.

State versus non-state war will include conflicts with opponents ranging from insurgents to super-empowered small groups and even individuals. Insurgencies will be even more challenging than in the past. If the driver of insurgency is to change the colonial boundaries, then almost all insurgencies will span current boundaries. Thus the counterinsurgent must deal with multiple governments to address the insurgents’ grievance or even to conduct operations. Further, as Iraq, Afghanistan, and Chechnya have painfully demonstrated, the insurgents are likely to be coalitions of the willing/angry who are unable to agree on a single political platform. Thus, no single package of political changes is likely to appeal to all elements—something that will vastly complicate counterinsurgency efforts. Actions that bring one element of the insurgency to the side of the government may well alienate another. In fact, as Sudan, Yugoslavia, and Somalia have demonstrated, one solution may be to let the insurgents separate and form their own states. While there is obviously a great deal of resistance to this idea, it is a

likely occurrence as former colonies work to change imperial boundaries to align with social and ethnic ones.

Changes in political, economic, social, and technical conditions will change the way people fight. The United States cannot simply continue to improve on existing forces and concepts, but must seriously study how the convergence of changes in all these fields will alter conflict.

Further, it is unlikely that the American public will support another major counterinsurgency effort this decade. The three major overseas counterinsurgency efforts of the last half century have all been expensive, bloody, and arguably failures. Despite America's reluctance to get involved in these complex internal struggles, the Pentagon cannot afford to ignore this aspect of warfare. The ongoing struggles in Africa, the Middle East, Central Asia and South Asia all show that insurgencies will continue to challenge governments. Some of those conflicts will take place in areas of strategic importance to the United States. Thus, the American government and the Pentagon in particular should carefully consider how to assist governments in those cases where it meets U.S. strategic interests.

Here, a major shift must be made from the concept of population-centric counterinsurgency carried out by U.S. forces to counterinsurgency done by assisting the local government. Population-centric counterinsurgency doctrine as expressed in *FM 3-24 Counterinsurgency*⁸ draws heavily on the lessons of Malaya, Northern Ireland, and Algeria. Unfortunately, these were domestic counterinsurgencies, where the colonial powers were still the governing authorities. The United States, by contrast, only does expeditionary counterinsur-

gency—with all of the limitations that that implies. Yet it also has its merits; when small and indirect, U.S. counterinsurgency—such as we carried out in El Salvador and are using in the Philippines—stays below the U.S. public opinion threshold.

The relative success of these smaller commitments provide a starting point for considering how America should respond to requests for support against insurgents. Refocusing on “advise and assist” missions rather than direct counterinsurgency reduces the requirement to maintain large ground forces as well as reducing the costs associated with such campaigns. U.S. forces should not be structured or trained for major counterinsurgency efforts. Rather, a small cadre must remain focused on the mission to provide expertise and training to the limited number of advisers we will commit to such a conflict.

Super-empowered small groups and individuals will present yet another type of challenge. This threat is becoming more dangerous because very small groups using off-the-shelf technology can create major damage and widespread death. They may do so for a wide variety of causes. Yet the tendency to use everyday elements of modern society to create damage to that society is not new. What is new is that the convergence of exponential changes in bio, nano, and information systems now provides added lethality to very small groups. The opportunity to use materials provided in large quantities by society will increase as simple, cheap technology makes deadly materials more widely available.

Implications for U.S. forces

U.S. forces will have to remain capable across a wider range of conflicts. However, the combinations of changes across society and the decreasing defense

budgets means that the DoD cannot continue to operate the way it has in the past.

The United States must be prepared to deal with the unlikely, but highly dangerous, event of a conflict with China. The evolution of anti-access and area-denial technologies, and China's willingness to embrace them, means the United States must think differently about both the protection of its regional allies and methods by which to contain and influence Beijing.

As noted earlier, insurgencies will continue to be fought in many parts of the globe and some of these areas will be of strategic interest to the United States. However, the fact that many insurgencies will focus on changing the boundaries of one or several countries in a region to align with older social and ethnic communities means the United States will have to think very hard about how to advise a counterinsurgency campaign that spans several national governments. Our current COIN doctrine will not work.

Terrorists will also continue to operate around the world, and some will threaten the United States. Therefore, counterterrorism will remain a core DoD mission. However, given the increased potential destructive power available to terrorists, DoD must also consider what aid civil authorities may require in the aftermath of a successful attack. In most areas of response and recovery, the assets of civil society vastly exceed those of DoD. Since these assets will be mobilized if needed—as in the case of dump trucks for New York City on 9/11—DoD needs to study those areas where civil society will not be able to provide a sufficient response quickly enough to make a difference. When these areas are identified, the Department will have to decide what, if any, resources it will devote to the mission. At the same time, the possibility of biological attacks means the United States may have to think of public health as part of the national security effort and shift funds accordingly.

The constant of change

As always, changes in political, economic, social, and technical conditions will change the way people fight. The United States cannot simply continue to improve on existing forces and concepts, but must seriously study how the convergence of changes in all these fields will alter conflict. America may have to fundamentally alter the way it fights. National security will require a thoughtful exploration of possibilities and a willingness to consider drastic changes to the U.S. armed forces—and perhaps even our basic concept of the meaning of security.



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RETHINKING THE SHAPE OF THE MILITARY

Colonel Kenneth Allard, USA (ret.)

Not all controversies in foreign affairs and national affairs are new. Some are old, and have been with the American voter and policymaker for some time. But even these issues sometimes require reexamination—especially when conventional wisdom changes. So it is today when, after weathering four decades and two major wars, two prolonged insurgencies and a host of lesser contingencies, the American All-Volunteer Force (AVF) is finally beginning to draw sustained, critical attention.

At first glance, such revisionism might seem like heresy, because the AVF is arguably one of the most successful defense policies in the nation's history. In her definitive history of the AVF, scholar Beth Bailey concludes,

Short of massive, total war, the United States is not going to reinstate the draft. There is little public desire; there is no political will. The majority of citizens in this democratic nation have chosen to define military service as a choice rather than an obligation.¹

There is considerable evidence confirming her assessment. Like the Vietnam War's last casualty, its draftee Army—constantly challenged by social unrest and political dissent—in 1973 gave way to the all-volunteer force. Though silently opposed by most of the military brass, the AVF was demanded by the American public and gladly supplied by President Richard Nixon. Thereafter, the long post-Vietnam turnaround began, led by commissioned and non-commissioned officers who gradually transformed the new volunteers into professionals. Almost twenty years later, one-sided American victory in the first Iraq War banished any lingering stereotypes and translated into popular esteem that has endured ever since.²



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Sacred cows

So why argue with success? Indeed, why bother to reassess the AVF, one of the few examples of a deliberate policy choice that still functions much as it was intended? One obvious reason is the passage of time, which begs hard questions about ground truths. Are the ideas, perspectives and scholarship which framed the transition from conscript to volunteer force still valid after nearly a half-century? As Beth Bailey also notes, the Gates Commission, formally known as the President's Commission on an All-Volunteer Armed Force, met from March 1969 to February 1970, during which period, "6,106 American servicemen died in Vietnam."³ In his voluminous 2006 study, RAND's Bernard Rostker argues that popular acceptance of the AVF grew because of, *inter alia*, opposition to the war in Vietnam; changing demographics, as Baby Boomers reached draft age; and, the expectation, based on those demographics, that volunteer recruitment would be cost-effective.⁴ Such perceptions inevitably shaped the deliberations of the Gates Commission (which included future Nobel Laureate and free market apostle Milton Friedman) as it reached consensus and rendered its final judgments. Yet those causes read today like the half-forgotten relics from an earlier era in American history.

Long before either war in Iraq, it was possible to wonder if the AVF, despite being a conspicuously successful manpower policy, also carried hidden costs which became visible only over time. As one of those draft-eligible Baby Boomers, I devoutly wished that the Gates Commission had been empanelled far earlier. Following college graduation in 1969, I "enlisted" for Officer Candidate School as a "draft-induced volunteer." Back then, such grim absurdities were shared by every American draft-age male. But by the time I entered graduate school, now a captain en route to the West Point fac-

ulty, things had dramatically changed. During those days of *Argo*, when President Jimmy Carter resumed draft registration, an Israeli Army classmate observed, "In Israel, our army is Us. But in your country, the U.S. Army is Them."

His incisive comment eventually shaped the prologue to my 2006 book *Warheads*, which read as follows: "Despite living in a nation at war, we Americans are as likely to know a resident of North Dakota—by population our 48th-smallest state—as a soldier serving on active duty in the United States Army."⁵ At that point, both populations numbered around 600,000. Today, however, we usually state the same ratio in a slightly different way: Less than one percent of the American population serves in uniform (i.e., Army, Navy, Air Force and Marines) while more than 99 percent do not.⁶ As *Warheads* argued, we have become a nation that habitually fights our wars using Other People's Kids. That pejorative phrase was deliberately chosen to convey the wall of separation that now exists in America between the defender and those they defend, the most significant social segregation to have occurred over my lifetime. It hardly requires emphasis that this separation is the responsibility of both parties, and of presidential and congressional leadership, bi-partisan and bi-cameral.

Former Secretary of Defense Donald Rumsfeld, an early AVF advocate and still a persuasive defender, points out that the one percent who serve also have important if unquantifiable impacts on their families, extended families as well as friends and other acquaintances.⁷ True enough; so too the caveat that America's wars have all been fought by the few, selected to defend the many left at home. But whether the actual ratio of defender to defended is slightly greater or slightly less than one percent, what happens when the soldier goes to war while his country does not? Even more troubling,

does the failure to share high stakes and a common public purpose after 9/11 effectively compromise the social contract between the soldier and the citizen? Or has the American citizen-soldier become just another contradiction joined principally by a hyphen?

Those are important questions for any generation, but are now especially timely. As the wars in Iraq and Afghanistan wind down, what lessons should be drawn from our collective experience with the AVF during the Wars of 9/11? What might they suggest about future changes or possible alternatives? Is conventional wisdom finally changing?

The long gray line looks back

Some of the most probing insights into the AVF originate from within the U.S. military, proffered by those whose distinguished military careers have been shaped by events most Americans saw only at a distance. Take just three.

General Stanley McChrystal, former commander of the International Security Assistance Force in Afghanistan, began his 2013 memoir with a reference to Horatius at the bridge. In addition to his own leadership consulting group, General McChrystal today chairs the leadership council of the Aspen Institute's Franklin Project. Its lofty goal: to "create one million civilian national service opportunities every year for Americans between the ages of 18 and 28... A one-million-strong civilian service corps would be on a par with one million Americans on active duty in our Armed Forces." Although the Franklin Project is a private sector initiative, General McChrystal also believes that

...it's time to strongly consider a return to conscription. In my view, it's less to fill the force with talent, than it is to ensure the opportunity (to distribute) military service is

more evenly...across our population. As important as military service is during the years of service, graduating military service alumni into every part of American society is critical. And we don't do that very well right now... I had a Congressman actually recommend to me in 2009 that we put illegal aliens into Battalions and if they survive Afghanistan—they'd win their freedom. I reminded him of the Janissaries—but don't think he got the point.¹⁰

General McChrystal crisply underlines the steadily increasing separation of the veteran from American elites, logical enough for a one-percent minority. His work on the Franklin Project may suggest that some of those elites have begun to pay attention. But Congressional isolation from the military forces it oversees is a persistent trend. *Warheads* cited statistics showing that only 25 percent of the 109th Congress had previous military affiliations. In today's 113th Congress, the Congressional Research Service reports that only 19 percent had those affiliations, continuing the 40-year decline which began the same year the AVF was inaugurated.¹¹

Another expert worth noting is Ambassador Karl W. Eikenberry. The former commander of the U.S. contingent in Afghanistan before being named as the American ambassador, retired Lieutenant General Eikenberry is the author of a widely noted 2013 *Washington Quarterly* article in which he argued persuasively that the most sacred assumptions of the Gates Commission have become dead letter issues. For example, conscription played an unappreciated but crucial role connecting the American people to their military. Unraveling one side of that equation necessarily led to a "political decoupling of the military from the American people..." Among its worst effects: an annual deployment ratio for the AVF "five times higher than that of

the draft force.” With a professional force now brandished over every thorny international issue, overcommitment became an easy alternative. Or, as the ambassador aptly noted, “with well-resourced and capable volunteers, supplemented by generally willing reservists, America’s politicians have not faced significant grassroots opposition (since 9/11)... quite unlike the Vietnam experience.”¹²

The same decoupling has led to a general lack of political ownership over the military, with congressional oversight becoming more symbolic than real:

With the attendant loss of expertise, family ties and perhaps even interest, Congress appears less inclined to rigorously challenge senior military officers’ advice or question their management practices. Indeed, nearly abject congressional deference to the military has become all too common.¹³

An especially perverse logic seems to be at work. With congressional disinterest, the AVF enjoys unprecedented degrees of “corporate autonomy and entitlement.” Left largely to its own devices, military accountability suffers too. But perhaps Ambassador Ikenberry’s most damning argument is his final one: ending conscription has also compromised American civic virtue. “We collectively claim the need for robust armed forces given the multi-faceted threats our country faces; and yet as individuals we do not wish to be troubled with any personal responsibility for manning the frontier.”¹⁴

Finally, there is Andrew J. Bacevich, a Vietnam veteran, retired career Army officer and, as a professor at Boston University, one of the nation’s leading military scholars. With the publication of his 2013 book, *Breach of Trust: How Americans Failed Their Soldiers and Their Country*, it can be argued that the post-AVF revisionism is in full swing. Professor Bacevich is merciless in showing the

current breach of trust that characterizes the relationship between the American people and the U.S. armed forces. Even after the catastrophic attacks on 9/11, he notes,

the nation did not mobilize. Congress did not raise taxes, curtail consumption or otherwise adjust... That a state undertaking what it explicitly called global war might consider reinstating conscription was too far-fetched even to contemplate.¹⁵

When America attacked Afghanistan shortly afterwards, we deployed elite Special Forces and precision-technology, bunker-busting, super-bombs—all of which quickly shocked the locals into submission. The 2003 invasion of Iraq was planned in similar fashion, using the Army’s high-tech armored formations as the main striking force. But while victory in both Afghanistan and Iraq was easy, winning the peace proved more difficult. As both conflicts morphed into gritty insurgencies, the high-quality force proved chronically short of numbers:

Given the reliance on volunteers—(since) military service had become a matter of choice rather than obligation—there existed no easy way to convert a too-small force into a sufficiently large one... For career regulars, all this translated into recurring combat tours... This became the new normal... They kept going back again and again to wars they could not win.¹⁶

And while AVF was too small, it was also too expensive. While the Gates Commission might have nodded sagely at the modest monthly wage of the volunteer Army private first class (\$1,757), even Milton Friedman would surely have recoiled at the costs of deploying that soldier to war zones half a world away. As Bacevich notes, “to maintain each and every soldier that the United States

deployed to... Iraq and Afghanistan, the army was spending a million dollars per year.”¹⁷ Even for a rich nation such as ours, paying such sums eventually adds up to real money.

Lessons we should learn

In wartime, it is often difficult to assess the underlying damage until after hostilities have ended. Even as American soldiers were still fighting in Afghanistan, a little-noticed 2013 RAND report documented another grim milestone. Updating a 2008 study, RAND measured existing strains on the hard-pressed American soldier. It found that “roughly 73 percent of (Army) soldiers had deployed to Iraq and/or Afghanistan... Most of these soldiers were (now) working on their second, third or fourth year of cumulative deployed duty.”¹⁸ Maybe it was just coincidence, but the year before, 325 US Army soldiers had committed suicide, more than were killed in combat by their Taliban opponents—a record total.¹⁹ Out of sight and out of mind, American troops were still saying goodbye to their families time after time, repeatedly risking hazards ranging from death and divorce to the signature wounds of the wars of 9/11: traumatic amputation, traumatic brain injury and PTSD. The logic was both seductive and enduring. AVF manpower was expensive and scarce while manpower demands were unrelenting; the only possible answer was that the soldier was deployed and redeployed.

The troops could only hope that the Law of Averages had somehow been repealed; yet the evidence suggested otherwise. Although virtually unnoticed, James Johnson’s 2010 book *Combat Trauma* provided a dramatic new look at the long-term effects of post-traumatic stress disorder (PTSD). Describing PTSD as a “combat wound to the soul,” Johnson gathered first-person accounts from 16 other decorated combat vet-

erans to back up his argument that, “The greater the exposure to traumatic events, the greater the likelihood that psychological injury will occur.”²⁰ In other words, PTSD is like radiation: its effects depend directly on the soldier’s degree of exposure. Even more sobering: Johnson’s first-hand testimony reflected the combat trauma he and his friends had sustained not in Iraq or Afghanistan but in Vietnam 30 years earlier. These wounded veterans had battled PTSD for a generation after Vietnam; yet their combat tours averaged only one year, not three or four. Given that grim precedent, there is simply no way to imagine how long the agonies of our Iraq and Afghanistan veterans might endure.

So what lessons should we have learned about the use of the AVF during the Wars of 9/11?

9/11 and the missing mobilization

When terrorists struck on 9/11, I was an on-air military analyst for NBC News, glibly assuring the national TV audience that America would surely declare war on its enemies and mobilize its citizenry for the first time since December 7th, 1941. The evidence of just how wrong I was is extensively documented by the voluminous memoirs of George W. Bush, Dick Cheney, Donald Rumsfeld and Condoleezza Rice.²¹ Their books are filled with insider accounts of how laws were changed, strategies planned and frameworks endlessly developed. Yet what appears nowhere in those pages is the definitive defense of why the American people were not called to the colors on 9/11. Instead, we were urged to return to life as usual—from shopping malls to college campuses—because America’s vaunted AVF would handle any bleeding or dying that might be required. Far and away the best history, Donald Rumsfeld’s exhaustively documented memoir (and accompanying website) will be treasured

by current and future scholars. He even included a fascinating account of his famous October, 2003, “Long, hard slog memo,” warning of what might be ahead after the recent “victory” in Iraq.²²

Yet none of those decision-makers appear to have taken a leaf from the books of our wisest historians—like Barbara Tuchman, Ernest May or Eliot Cohen—to ask inconvenient, possibly infuriating but absolutely essential questions that re-examined first causes.²³ For example:

- Why are we doing things the way we are doing them?
- If Iraq and Afghanistan prove to be longer conflicts than we first thought, then what adjustments should we make?
- Since we are relying more heavily on both the active-duty force and the Reserves, should we expand our manpower base—and if so, how?

Those failings are not solely the fault of Messrs. Bush, Cheney, et al., because Congress shares an equal and possibly greater responsibility “to raise armies and maintain navies.” So where were they, when a rethink was necessary? And if Congress fell short in its responsibilities for Constitutional oversight, then what about “We the People?” What culpability is borne by the ordinary citizen when we send our soldiers to war while the country remains at peace—untouched, uncaring and blissfully uninvolved?

Smaller wars, closer to home?

Since World War II, the U.S. Army’s principal missions have been “expeditionary” rather than its traditional 19th-century constabulary functions of territorial and hemispheric defense. Especially in defending the homeland,

there is good reason for believing that our hard-pressed Reserve components may shortly find themselves responsible for new applications of much older missions. Thomas Ricks, for example, is only the most prominent defense analyst to warn that

We are now living in an era of strategic uncertainty, just as Marshall was in his first years as chief of staff... Old adversaries have disappeared... and new ones may be emerging. In addition, non-state foes, such as terrorists, loom much larger in American calculations than ever before.²⁴

In addition to the now familiar responsibility of combating terrorism, the laundry-list of nightmarish 21st-century challenges includes: cyber warfare, electromagnetic pulse, natural disasters, human trafficking and the myriad complexities spawned by failed or failing states. In the border states of Texas, New Mexico, Arizona, and California, illegal immigration is barely distinguishable from the continuing low-intensity conflict with the Mexican drug cartels. These formidable non-state actors are prototypes for the formless, highly networked pattern of 21st-century conflict, in which drug smugglers differ from terrorists only by their objectives, not their tactics. The Texas Department of Public Safety reports that they annually apprehend thousands of a new and growing demographic: OTM, or Other Than Mexicans. Making matters even more interesting is the presence of the Eagle Ford Shale Formation, bisecting the Tex-Mex border and bringing the new wealth of an oil boom to a chronically underdeveloped and often violent region.

As these challenges of defending the American homeland are re-discovered in the 21st century, what role should be played by the AVF, particularly its Reserve components? If territorial defense of the American homeland

becomes an urgent strategic issue, then how will our Reserve forces help meet that challenge? In particular, will their recent exposure to counterinsurgency warfare in Iraq and Afghanistan make them an especially useful military asset much closer to home?²⁵

Onward from the AVF

There may be no better reason to revise our thinking about the AVF than to update our thinking on both its possibilities and challenges. Beth Bailey is surely correct when she concludes that, absent “massive, total war,” there is virtually no prospect for the draft to be reinstated.²⁶ Yet so is Andrew Bacevich when he passionately calls for the return of the American citizen-soldier:

The problem for the rest of us... grasping the implications, moral and political, of sending the few to engage in an endless war while the many stand by—passive, mute and, yet, whether they like it or not, deeply complicit.²⁷

Although America may not need a draft, it does need to engineer a more flexible military manpower system. How else to repair the profound social cleavages now separating the defender from the defended? The answer may be a tiered system of national service.

In the 21st century, such a graduated system would leave the active-duty military precisely as it is today: an all-volunteer force sustained by voluntary enlistments that offer a variety of monetary and educational incentives. Its major mission: projecting American military power abroad.

To help re-create the incentive for national service, create in law an objective for young people to complete a year of national service sometime between the ages of 18 and 25. Each young adult would be required to complete a year of service in return for enjoying the life-

time privileges of American citizenship. Completing that minimum requirement would also be a prerequisite for education benefits, currently linked only to need. Or, as renowned military sociologist Charles Moskos famously put it, “American educational policy is like having the GI Bill but without the GI.” So why not begin there?

The greatest beneficiaries from a system of tiered military service would be the reserve component, re-purposed and expanded to become the bulwark of homeland defense. That refinement would effectively end the present use of the reserves as a manpower slush fund for foreign deployments, particularly if retained at state level as part of the National Guard. The reserves might still be volunteers, a tradition dating back to the Minutemen. But their terms of enlistment could vary from the one-year national service minimum to longer periods—and proportionally greater educational benefits.

Public-private initiatives like the Franklin Project would be another way of satisfying the one-year obligation. Many different forms of public service could be included, especially appealing for young people lacking the aptitude or inclination for military service.

However commendable, ambitious initiatives like the Franklin Project are only baby steps in creating a vastly different set of individual and institutional expectations. The only scholarship which seriously examined national or voluntary service as potential alternatives is almost as dated as the AVF. While that earlier generation was naturally shaped by the end of conscription, contemporary American society is profoundly different, especially in matters of individual responsibility and accountability. How could the notion of national service even be considered when the zeitgeist of social disengagement has been memorably characterized as *Bowling Alone*?²⁸

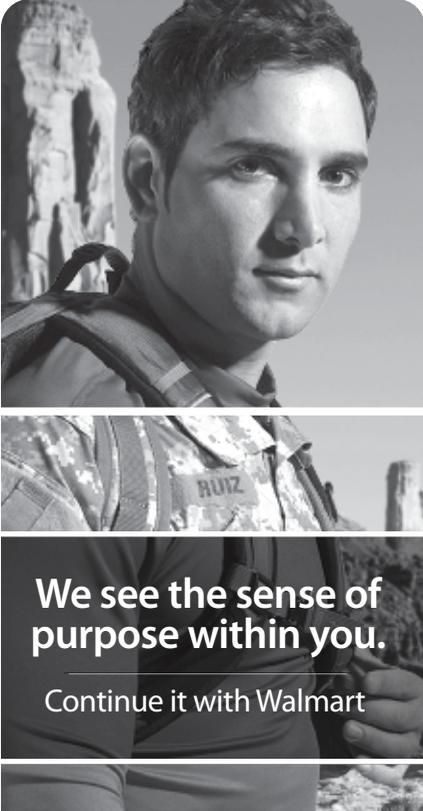
If that sounds visionary, then a timely counterpoint arises from a nearly forgotten chapter in American history. In his 2010 article in *Armed Forces & Society*, retired colonel Charles Heller reminds us that the Civilian Conservation Corps began as a Depression-era program reluctantly shepherded by an understrength and under-equipped United States Army. The Army brass felt that a mere jobs program was not their responsibility while President Roosevelt worried that “the program might be construed as similar to the German Hitler Youth.” But with strong Congressional backing and FDR’s active involvement, CCC camps were quickly established across the country, most commanded by regular Army officers. One of those commanders was a promising young colonel named George Marshall. While Marshall may have had reservations about this non-martial duty, he instructed his junior officers that their futures depended on “the efficiencies of their companies, their administration of the camp, the excellence of the mess, morale of the men and the work done in the woods.” But if they failed to perform well then he would be “compelled to protect the interest of 200 boys rather than one reserve officer” who needed work.²⁹

Neither George Marshall nor any of his officers had any way of knowing that the leadership lessons honed in those rough CCC camps would be tested a decade later during World War II; much less that many of the disheveled, unemployed and generally hopeless youth who graduated from those camps would become the non-commissioned officers on whom victory in a thousand battles would depend. The lesson then and now is that giving young people a mission, high expectations and a reason to excel is an investment that will always pay high dividends.



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THE STATE OF U.S. CYBERSTRATEGY

Thomas M. Chen

In 2011, the U.S. Department of Defense unveiled a new *Strategy for Operating in Cyberspace*. That document, which since has become the touchstone for American military thinking on the subject, represents a seminal evolution of military doctrine, recognizing cyberspace as the fifth operational domain, one equal to air, land, sea, and space in strategic importance.¹ It does so for good reason. In modern warfare, all battlefield domains are interconnected via cyberspace operations, and cyber attacks are expected to become a common part of future conflicts.

At least for the moment, the U.S. is judged to be one of the most technologically advanced countries in the cyber domain. But its dependence on computer networks is a potential vulnerability—one that creates opportunities for foreign nations, terrorists, “hactivists,” and criminals. According to former Defense Secretary Bob Gates, DoD operates “more than 15,000 local, regional, and wide-area networks, and approximately 7 million IT devices.”² It is well known that government networks are being constantly probed for vulnerabilities and have occasionally been compromised, as they were by campaigns such as Moonlight Maze³ (1998), Titan Rain⁴ (2003), and a 2011 theft of more than 24,000 computer files from an unnamed defense contractor.⁵

The U.S. government has begun to mobilize in response, publishing a number of documents on national cybersecurity strategy. Several common themes are prevalent throughout, among them a need for public-private sector cooperation, reduction of vulnerabilities, more cybersecurity training, and international cooperation. But existing American cyberstrategy also contains significant omissions, and confronts a number of practical hurdles.



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How the Pentagon thinks about cyberspace

The current approach of the U.S. to securing the cyber domain is represented by the 13-page unclassified 2011 DoD *Strategy for Operating in Cyberspace*⁶ (the contents of a longer classified version have not been disclosed). Whereas the Obama administration's broader May 2011 *International Strategy for Cyberspace* focuses on diplomacy, the Pentagon's version can be considered a complementary approach—and one focused mainly on actions designed to ensure military superiority and the protection of American assets. To do so, the DoD strategy outlines five strategic initiatives:

DoD will treat cyberspace as an operational domain to organize, train, and equip. This initiative is tantamount to an official declaration that cyberspace is seen as a battlespace domain equal to air, land, sea, and space, and one where the Pentagon should build up its capabilities. This priority has led to the establishment of the U.S. Cyber Command (USCYBERCOM) as a sub-unified command of U.S. Strategic Command (USSTRATCOM) under the Secretary of Defense. USCYBERCOM is responsible for coordinating the relevant military branches, including U.S. Army Cyber Command, U.S. Fleet Cyber Command/U.S. 10th Fleet, the 24th Air Force, U.S. Marine Corps Forces Cyber Command, and U.S. Coast Guard Cyber Command. It is deliberately co-located with the National Security Agency (NSA) under the same director. This organization is intended to maximize resources and efficiency, and directly link cyber operations with intelligence.

DoD will employ new defense operating concepts to protect DoD networks and systems. That initiative includes four specific actions: implementing cyber hygiene best practices; address-

ing insider threats by strengthening workforce communications, workforce accountability, and internal monitoring; implementing active cyber defenses against external threats; and developing new defense operating concepts and computing architectures.

DoD will partner with other U.S. government departments and agencies and the private sector. The Pentagon depends on the private sector, including Internet service providers (ISPs) and global supply chains, over which it has no direct authority. Therefore, a broad level of cooperation with other government departments (particularly the Department of Homeland Security) and private companies is clearly necessary.

DoD will build robust relationships with U.S. allies and international partners to strengthen collective cybersecurity. Cooperation with other nations can support “collective self-defense and collective deterrence” through timely information sharing about cyber threats. Other shared activities include capacity building, training, sharing best practices, and the pursuit of “international cyberspace norms and principles that promote openness, interoperability, security, and reliability.”

DoD will leverage the nation's ingenuity through an exceptional cyber workforce and rapid technological innovation. The initiative aims to maintain U.S. superiority in cyberspace by investing in people as well as research and development to create new technologies. The first part of the initiative consists of improvements to personnel recruiting and training; the second revises processes for acquisition of information technology.

Omissions...

Nevertheless, current Pentagon strategy downplays or omits several important topics.

One is jurisdictional. The strategy posits that cyberspace will be an integral part of future warfare. However, this “militarization of cyberspace” raises a question about the exact boundaries of cyberspace considered to be within military jurisdiction. Most critical network infrastructure is owned and operated by the private sector, making it unclear exactly how far the Pentagon’s reach will extend—and what will be deemed a *casus belli* by defense planners.

Another unanswered question is how cyber attacks warranting a military response will be differentiated from other malicious acts, such as cyber crime. For instance, spear phishing (social engineering) to install malware may be a tactic that is used in both cyber crime and military cyber espionage. Will the U.S. military deem such an event an act of war, and respond accordingly?

DoD strategy likewise does not distinguish between different types of adversaries (e.g., nation-states, foreign intelligence, hacktivists, criminals, hackers, and terrorists). As a result, responses that might be appropriate to specific types of adversaries are not discussed. Yet threat actors are likely to have vastly different objectives and capabilities, depending on who and what they are.

Clear rules for proper response to cyber attacks are needed as well. A widely-accepted security principle holds that a response should be proportional to the threat. However, if a cyber attack causes death or physical damage, could the response undertaken as a result by the United States escalate into physical warfare?

Counterintelligence was mentioned in previous strategy documents, but downplayed in the current one, which only hints at the subject in describing the establishment of U.S. Cyber Command co-located with the National Security Agency under the same director.

The notion of deterrence is also downplayed. Deterrence is implied in the description of collective security created by international cooperation. Presumably, strength in numbers will help to deter future attacks.

The DoD strategy clearly emphasizes defense and protection of the information infrastructure. However, it is obvious that the U.S., like all modern nations, would be foolish not to build up offensive as well as defensive capabilities. The 2004 *National Military Strategy of the United States of America* recognizes this fact, stating plainly that cyber capabilities, “both offensive and defensive, are key to ensuring U.S. freedom of action across the battlespace.”⁷ Also, the Air Force has said that “cyberspace operations seek to ensure freedom of action across all domains for U.S. forces and allies, and deny that same freedom to adversaries,” implying the capability for offense.⁸

It has been reported that the U.S. and Israel were jointly responsible for developing the Stuxnet malware that was used to sabotage the Natanz uranium enrichment plant in Iran.⁹ If this is true, Stuxnet would serve as evidence of U.S. capabilities to damage another state’s physical infrastructure. Yet an approach to building such offensive capability is not mentioned in the current DoD strategy, most likely to avoid provocation of a global cyber arms race.

And, although the importance of research and development is recognized, no clear strategy is articulated for how research will be stimulated. For example, nothing is mentioned about investment in universities or scientific labs for basic research. Likewise, no strategy is articulated for quantifying the security of a computer system. It is difficult to have confidence or trust in a protected system without meaningful security metrics (beyond the number of vulnerabilities).

...and practical challenges

At the same time, the current cybersecurity strategy faces a number of practical challenges.

In terms of organization, establishment of the U.S. Cyber Command and supporting organizations in 2009 was undoubtedly an improvement. But cybersecurity responsibilities are still spread across various offices in DoD. Broadly speaking, the DoD is responsible for defending the military networks (nominally against cyber warfare) while DHS is responsible for defending civilian government networks (against cybercrime). DHS also helps critical infrastructure owners with cybersecurity. At the same time, arguably the best defense capabilities reside in the DoD. It is not clear which government agency has the lead for cybersecurity; which would respond to a given cyber attack; and how DoD could help in the defense of civilian networks.

Strategic initiative 1 calls for building advanced technologies for network resilience and robustness into DoD's computer networks. Research in resilient networks has delved into advanced technologies such as self-healing and intrusion tolerance for many years. The technologies are fairly well understood, but implementing them in DoD's 15,000 networks would be enormously challenging and costly.

Strategic initiative 2 presumes that good hygiene (e.g., updating and patching software, running antivirus software, avoiding untrusted email attachments and untrusted web sites) can prevent most malicious acts. While certainly helpful, safe practices will not protect users against advanced attacks that often make use of sophisticated social engineering and zero-day exploits.

The DoD Strategy makes a point to contrast "active" defense with traditional "passive" defense. By active defense,

the DoD Strategy means that the network will be monitored in real time to "discover, detect, analyze, and mitigate threats and vulnerabilities"—or in other words, real-time intrusion detection and prevention. Research in intrusion detection has been conducted for decades, and real-time detection is still an open question due to the continual inventiveness of resourceful adversaries. Existing intrusion detection systems can monitor computer networks in real time, but the accuracy of detection (and hence prevention) remains uncertain.

Public-private cooperation has been a recurring theme in national cybersecurity strategies. An obvious example is information sharing about vulnerabilities and threats. However, it is not clear how to facilitate and properly incentivize cooperation on these and other issues, due to conflicting interests.

The advantages of international cooperation for collective defense are obvious. Interestingly, the Article 5 "mutual defense" clause of NATO has already been tested by the April 2007 cyber attacks against the websites of the Estonian parliament, banks, ministries, newspapers and media. The Estonian Foreign Minister accused the Kremlin of being responsible, raising the question of whether NATO member countries would respond collectively. The event highlighted the need for clear legal definitions on cyber attacks that would qualify for Article 5 mutual defense.

Strategic initiative 4 implies that international cooperation can deter cyber attacks through strength in numbers. However, it is questionable whether deterrence is possible in cyber warfare in the same way that nuclear deterrence worked by fear of "mutually assured destruction." It is challenging to forge and enforce effective treaties for international cooperation due to competing interests, different attitudes towards cyber warfare, and different definitions

of malicious cyber acts (e.g., starting with “cyber warfare”).

One of the biggest challenges is attack attribution—being able to identify the real source of a cyber attack. Remote cyber attacks can be anonymized in many ways, for example by using proxies or stolen computer accounts. The Internet was not designed to trace back packets of data. In addition, the lack of international laws hinders such forensics when packets cross national boundaries. Plausible deniability afforded by anonymity is a great contributing factor to cyber attacks. The 2003 *National Strategy to Secure Cyberspace* proposed to improve capabilities for attack attribution and response, but this seems to be omitted from the 2011 DoD Strategy.

Looking forward

As mentioned earlier, the U.S. is arguably the most advanced nation in the world, which is also a potential weakness that could be exploited by its adversaries. Therefore, it makes a great deal of sense that the U.S. strategy focuses almost entirely (at least publicly) on defense and protection of its military networks and critical infrastructure. By eliminating vulnerabilities, increasing resilience, and strengthening collective defense through collaboration, the U.S. can minimize its vulnerability and thereby maintain its lead in the cyber domain.

However, the strategy depends on some factors beyond the U.S. government’s immediate control. For instance, new technologies to maintain U.S. superiority are assumed to come from the private sector. Yet, with globalization, many companies today are multinational. And many are building up their cyber capabilities, meaning that innovation will not be unique to the U.S.

Another factor beyond control may be competing interests among nations preventing international cooperation. Even if treaties could be established for

“normal rules of behavior” in cyberspace, they would be difficult to monitor and enforce due to the anonymous nature of cyberspace. Nations may cooperate when their interests coincide, but they are largely free to pursue their own political agendas with plausible deniability. It makes more sense for nations to stealthily compete with one another than to voluntarily limit their freedom to act through binding treaties. Even smaller nations which might normally benefit from alliances with larger ones have less reason to enter alliances in the cyber domain.

The cyber domain, then, represents a great equalizer. The weapons that are used by small and large nations are the same.

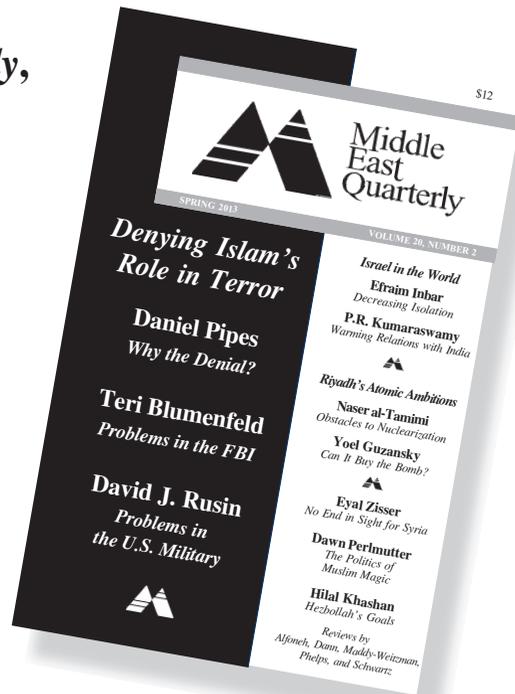


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A STALLED WAR ON TERROR FINANCE

Avi Jorisch

Only two weeks after the attacks of September 11th, President George W. Bush addressed the media in the White House Rose Garden and declared “war” on terrorism financing. “Money is the lifeblood of terrorist operations,” he told reporters.¹ “Today, we are asking the world to stop payment.” A few weeks later, the Treasury Department—the agency that would become the weapon of choice of the White House in this new economic conflict—boasted in a press release, “The same talent pool and expertise that brought down Al Capone will now be dedicated to investigating Usama bin Laden and his terrorist network.”²

Unfortunately, more than a decade after these pronouncements, it is obvious that the war on terror financing and money laundering has stalled. This is clear even through the lens of the government’s own bottom-line metrics: assets seized and forfeited, successful investigations and prosecutions, and effective sanctions. In fact, the situation has gotten considerably worse of late, as political considerations have progressively displaced or rolled back serious work that has been done to date on draining the financial “swamp” in which terrorists and terror-supporting regimes operate.

Borderless banking and blood money

Money laundering and terrorism financing are global scourges. Those who engage in them constantly adapt their techniques, while law enforcement and intelligence agencies try to catch up. Combating these two species of crime is a complex challenge, due largely to the diversity of methods used.



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Both techniques exploit vulnerabilities in the financial system to disguise the movement of funds. Money launderers make their money illegally and try to “clean” it to conceal its origins. Terror financiers make their money legally or illegally and attempt to conceal both its origin and its intended use. In essence, money launderers convert dirty money into clean money, while terror financiers take clean money and make it dirty by funding violent acts.

It is an axiom within the U.S. law enforcement and intelligence communities that the key to disrupting and dismantling criminal organizations is to “follow the money.” The same is true with terrorism.

Only in recent years has the international community begun to realize the enormity of the problem, and to call for establishment of comprehensive AML/CFT regimes (anti-money-laundering/combating the financing of terrorism). At the center of these efforts lie three goals: (1) protecting the integrity of the international financial system; (2) identifying, disrupting and dismantling the financial networks that underpin international criminal and terrorist organizations; and, (3) making it more difficult for criminals and terrorists to profit from their crimes.

It is an axiom within the U.S. law enforcement and intelligence communities that the key to disrupting and dismantling criminal organizations is to “follow the money.” The same is true with terrorism. After the September 11th attacks, officials in the United States and elsewhere came to realize that effectively fighting terrorism financing and money laundering might be one of the best ways to prevent future catastrophic incidents. Unfortunately, many governments have

had a difficult time converting this understanding into action.

This is not to say that no progress has been made. Over the past 15 years, a few nations have banded together to create a blueprint for fighting the phenomenon, but many jurisdictions—particularly in the Middle East—refuse to implement it. As a result, they lack the basic controls to ensure that the international financial sector is not exploited by criminals, terrorists and their support networks.

Just as the financial system has become global, so too has the threat posed by tainted money. In confronting this threat, the system is only as strong as its weakest link—or as U.S. Treasury official Daniel Glaser has put it, “Laxity in just a few jurisdictions undermines the efforts made by the rest.”³ Yet most Middle Eastern countries have still not taken even the most basic steps: criminalizing money laundering and terrorism financing, instituting controls in their formal and informal financial sectors, curbing the smuggling of cash, preventing abuse in the trade sector and safeguarding the charitable sector.

The time-tested ways of moving money and disguising its origin are still effective, though each method has vulnerabilities. Criminals and terrorists conduct billions of dollars in transactions each year through four principal means: the formal financial sector (e.g., banks), the informal financial sector (e.g., *hawala*, a simple broker system based on trust), the trade system (e.g., commodities) and cash smuggling. In recent years, terrorists and their supporters have also perfected the abuse of charities using all of these methods.

The International Monetary Fund has estimated that money laundering accounts for 3–5 percent of the world’s gross domestic product (GDP). According to the World Bank, global GDP was approximately \$72.3 trillion in 2007,

which would place international money laundering somewhere between \$2.17 and \$3.61 trillion per year—in other words, potentially larger than the U.S. budget!⁴ Similarly, the amount of money available to terrorists, while impossible to calculate precisely, is clearly in the billions, if not trillions.

As a new generation of public servants develops the skills necessary to contribute to the war on terrorism financing, the proven tactic of following the money will become more central than ever. At the same time, this task is also becoming increasingly complex due to the skill and ability of adversaries to avoid traditional financial countermeasures. Law enforcement and intelligence officials must learn to understand the sometimes-obscure methodologies employed by terrorist organizations to raise, transfer, and store money—whether these activities stem from al-Qaeda, rogue regimes such as Iran and North Korea, or members of Hezbollah, Hamas or a host of other like-minded organizations.

Building a response

The governments that are most serious about cracking down on illicit actors who hide the movement of their money have taken the lead, creating international organizations whose sole mandate is to combat money laundering and terrorism financing. The most important of these organizations is the Financial Action Task Force (FATF), established by members of the G-7 in 1989. Over the years, FATF has issued a set of standards on effective AML/CFT efforts and created a framework to assess the compliance of individual countries. Although the organization has limited membership and no enforcement capabilities, it has been surprisingly effective on certain fronts.

FATF's principal contribution has been its often-updated "International Standards on Combating Money Laundering and the Financing of Terrorism

& Proliferation," also known as the "40 Recommendations." Typically called "the international standard" for AML/CFT efforts, these recommendations were issued to serve as a comprehensive framework for preventing the movement of illicit money. The standard rests on three principles. First, countries must improve their national infrastructure to combat money laundering and terrorism financing. Next, each country's banking and other institutions must set up procedures to identify clients, detect suspicious transactions and develop secure and modern transaction protocols. Finally, countries must strive to improve international cooperation by collecting, analyzing and sharing AML/CFT information at the administrative and judicial levels. This includes sharing information on international currency flows and developing mutual judicial-assistance programs in order to investigate, freeze and confiscate illicit funds.

FATF's official policy is to blacklist countries that fail to comply with the international standard or refuse to have their financial system evaluated. This blacklist is published on the organization's website, and FATF urges member states to send the list to their financial institutions and law enforcement agencies so they can take appropriate action. Although there is no enforcement mechanism for the blacklist, it has been remarkably effective in changing the behavior of designated countries. For example, many financial institutions and other good corporate citizens are reluctant to do business with or in countries that are shunned by FATF. Moreover, blacklisted countries that refuse to take remedial action have at times lost significant international investment as a result. In fact, the International Monetary Fund and World Bank have sometimes chosen to downgrade a blacklisted country's credit rating—a significant punishment in today's interconnected financial world.

For its part, the United States has done a relatively good job on the AML/CFT front—but not perfect by any means. The U.S. was one of the first countries to criminalize money laundering and terrorism financing, and it has lodged a high number of prosecutions and successful convictions. In addition, it has taken steps to inform the private sector about designated terrorist organizations and rogue regimes. Persons found to be doing business with such entities face heavy fines and jail time.

All too often, politics has the effect of driving policy. The war on terror finance is no exception, and over time political priorities have diluted the effectiveness of America's effort to drain the financial "swamp" in which terrorists operated.

The United States does lead the pack when it comes to its sanctions regime. It has the most robust targeted economic sanctions programs in the world. Since shortly after the September 11 attacks, the Treasury Department has maintained a blacklist of suspected terrorism financiers. As of January 2009, the U.S. government had used Executive Order 13224 to designate 518 individuals and entities for activities related to terrorism and terror financing. The designees include members of al-Qaeda, the Taliban, Hezbollah, and other terrorist organizations.

Still, inaction by some on remedial steps—from criminalizing money laundering to instituting controls in their formal and informal financial sectors—continues to threaten the security of all nations. Perhaps even more pernicious, however, is the fact that, all too often, politics has the effect of driving policy. The war on terror finance is no exception, and over time political priorities have diluted the effectiveness of America's effort to

drain the financial "swamp" in which terrorists operated. Here, changing Western policy toward Iran is perhaps the clearest case in point.

Ceding the advantage on Iran

Iran has consistently failed to declare sensitive uranium enrichment and reprocessing activities to the International Atomic Energy Agency (IAEA). Until Iran and the United States began direct diplomatic negotiations in November 2013, policymakers on both sides of the Atlantic viewed sanctions as the last peaceful means by which to bring the Iranian government's nuclear effort into conformance with international demands.

According to the White House briefing on the agreement reached that month, Iran will be offered about \$7 billion in sanctions relief, including access to \$4.2 billion in frozen oil revenue.⁵ But while most policymakers have focused on the relatively small amount of money this supposedly represents, it is actually the renewed banking and business infrastructure that requires attention. It took years to implement an effective sanctions regime against the Islamic Republic—and that effort is now eroding quickly, despite U.S. claims to the contrary.⁶ Should Iran decide to drag out the negotiations or leave them altogether, reinstating sanctions would be extremely challenging.

That Iran came to the nuclear negotiating table at all is a testament to the success of multilateral sanctions. Over the course of the last decade, an increasingly robust international sanctions regime has targeted the Islamic Republic's oil exports and banking operations. All told, over 80 financial institutions around the world, including major international banks, cut off ties or significantly reduced their relationship with it,

which greatly curtailed Iran's ability to transact global business. This ultimately led to a devalued rial, major disruptions in foreign trade and deepening inflation within the Islamic Republic. Just as significantly, sanctions applied by the U.S. and its allies forced Iran into deepening international isolation, both economically and diplomatically. Many attribute the ascendancy of current Iranian President Hassan Rouhani, who campaigned on a platform that promised improved economic conditions, to these efforts.

This effectiveness was the result, in large measure, of extensive targeting of Iran's banking system by Western nations—chief among them the United States. On September 8, 2006, the U.S. Department of the Treasury designated Bank Saderat, one of the largest Iranian-owned banks, for “facilitating Iran's transfer of hundreds of millions of dollars to Hizballah and other terrorist organizations each year.”⁷ The Treasury alleged that from 2001 to 2006, Saderat transferred \$50 million to Hezbollah alone, which was then funneled to other terrorist organizations throughout the region.⁸

Beginning on December 23, 2006, with the adoption of United Nations Security Council Resolution 1737, which imposed sanctions on Iran, the UN ordered member states to cease all business dealings with a major state-owned Iranian institution, Bank Sepah, and its affiliates. It also urged governments to “exercise vigilance” in relation to two other Iranian financial institutions, Bank Melli and Bank Saderat. All three financial institutions have now been formally designated by the U.S. government, which prohibits U.S. banks from doing business with them.

Bank Sepah was designated by the U.S. Treasury on January 9, 2007, for providing financial services to companies involved in Iranian nuclear and ballistic missile activities. The UN and the U.S. government claim that the compa-

nies in question—the Shahid Hemmat Industries Group (SHIG) and the Shahid Bakeri Industries Group (SBIG)—are key players in Iran's ballistic missile program. Sepah also provided services to the Aerospace Industries Organization (AIO), the parent company of these two entities. All three companies were designated by the U.S. government on June 29, 2005, for their support for Iran's missile program. According to the Treasury, Bank Sepah processed and arranged financing for dozens of multimillion-dollar deals and used a range of deceptive practices to avoid detection, such as asking other institutions to remove its name from transactions.

In October 2007, the U.S. Treasury Department also designated Bank Melli, Iran's largest bank, for providing services to other banks and firms involved in the country's nuclear and ballistic missile programs, including UN-designated entities such as Bank Sepah and its missile clients. According to Treasury, after Sepah's designation under UN Security Council Resolution 1747 (which was adopted on March 24, 2007, and extended existing sanctions on Iran), Melli took special measures to avoid being identified in transactions. Treasury has also disclosed that Melli facilitated the purchase of sensitive materials for Iran's nuclear and missile programs by “opening letters of credit and maintaining accounts.”⁹

In addition, according to the Treasury, from 2002 to 2006 the Iranian government used Bank Melli to send at least \$100 million to Iran's Islamic Revolutionary Guard Corps—Qods Force (IRGC-QF), a special unit of Iran's IRGC whose mission is to organize, train, equip and finance Islamist movements around the globe. “When handling transactions on behalf of the IRGC, Melli employed deceptive banking practices to obscure its involvement from the international banking system,” the Treasury noted,

including requesting that its name be removed from financial transactions.¹⁰

In total, the U.S. government has designated twenty of Iran's thirty banks for their role in proliferating weapons of mass destruction or facilitating terrorism, according to the Specially Designated Nationals List of the Treasury Department's Office of Foreign Assets Control.¹¹ Treasury's Financial Crime Enforcement Network has blacklisted all thirty Iranian banks for engaging in money laundering and abusing the international financial sector.

The sanctions regime instituted against Iran by the international community over the course of the last decade, while not perfect, was comprehensive and punishing. Since 2005, the United States in particular instituted over a dozen pieces of legislation meant to hamper Iran's ability to march towards nuclearization.¹² Measures included: shutting the Islamic Republic out of the global financial sector—including banks and international financial organizations such as SWIFT; constraining their ability to tap the international energy sector; circumscribing movement of human rights violators and members of the Iranian Revolutionary Guard Corp (IRGC); and, sectioning entities that provide goods and services to Iran's energy, shipbuilding, shipping, metal and port sectors.

But the sanctions regime against Iran is now in danger of unraveling. By rolling back sanctions as a result of the November 2013 interim deal (formally known as the Joint Plan of Action), Tehran has been given an opportunity to reinvigorate its economic and diplomatic ties with the rest of the world, and Western countries have eagerly exploited the opening to do business with Iran. Re-legitimizing business as usual before Iran makes any significant concessions on its nuclear program not only sends the wrong message, but impairs the West's ability to negotiate effectively.

The politicization of AML/CFT

To be sure, eradicating illicit finance and associated criminal activity completely is impossible. What is not, however, is improving the ability of the law enforcement and intelligence communities to follow the money. This effort, more than perhaps any other, is instrumental to victory in the struggle against contemporary terrorism, for a very simple reason: cutting off illicit finance deprives terrorist organizations of their lifeblood.

America's experiences since September 11th should hammer home the point that there are no easy fixes to terror financing. Quite simply, terrorists and criminals use a variety of methodologies, often commingling their illicit money with legitimate funds. The efforts expended by the United States and its partners have not been as smart or efficient as they need to be to keep up with the shifting patterns of illicit finance.

Today, however, the United States gives little indication that it understands this reality. To the contrary, over the past year, the Obama administration has unwittingly rolled back almost a decade's worth of financial measures intended to curb state sponsors of terrorism such as Iran. In return for the Islamic Republic's agreement to limit certain aspects of its nuclear activities to gain "modest" relief from crippling international sanctions, the United States is enabling Tehran to reestablish broken diplomatic ties and reinvigorate a stagnant economy. Iran, for its part, has been making a full-court press in the banking and energy sectors, conducting business in Europe, Asia and its seven direct neighbors (Afghanistan, Armenia, Azerbaijan, Iraq, Pakistan, Turkey and Turkmenistan).

Worse still, Iran's rehabilitation has bred no small measure of contagion. Today, "frenemy" countries have become increasingly emboldened to test the appe-

tite of the United States and its allies to fight rogue finance.

One such state is Turkey. Although itself no stranger to terrorist attacks, the government of Prime Minister Recep Tayyip Erdogan has become a notable supporter of terrorism financiers. One prominent example is Saudi businessman Yasin al-Qadi, who has been designated an al-Qaeda financier on the UN's 1267 list, the U.S. Treasury Department's Specially Designated Global Terrorist list and the European Union's "Consolidated list of persons, groups, and entities subject to EU financial sanctions." Mr. Erdogan has publicly defended Qadi¹³—demonstrating a disturbing *laissez-faire* attitude toward support for radical causes that has continued to this day. (More recently, Ankara has a similarly problematic attitude toward radical elements taking part in the fighting against the Assad government in neighboring Syria as well; according to an October 2013 Human Rights Watch report, "Many foreign fighters operating in northern Syria gain access to Syria via Turkey, from which they also smuggle their weapons, obtain money and other supplies, and sometimes retreat to for medical treatment."¹⁴) Largely as a result of these deformities, the FATF has placed Turkey on its list of jurisdictions of concern—a designation that speaks volumes about how Turkey, which has worked diligently to be seen as both a global power and a model of emulation in the Middle East, is anything but when it comes to terrorism financing.

Another bad actor is the Gulf state of Qatar. Four years ago, the U.S. State Department called Qatar's counterterrorism regime one of the worst in the region.¹⁵ In addition, the Treasury Department has blacklisted several Qatari nationals for their links to al-Qaeda. Most recently, Abd al-Rahman bin 'Umayr al-Nu'aymi, described by the Treasury Department as "a Qatar-based terrorist financier and

facilitator," was designated for his role as a financier who "provided money and material support and conveyed communications to al Qaeda and its affiliates in Syria, Iraq, Somalia and Yemen."¹⁶ Qatar also remains one of the last key patrons of Hamas, the terrorist organization that rules in the Gaza Strip, and it has provided the group with aid to the tune of about \$100 million annually. Additionally, Qatar has hosted Hamas leader Khaled Meshaal for the better part of the last 15 years.

For these countries, and others, the stalling of America's war on terror finance has allowed them to skirt the fundamental choice outlined by President Bush back in 2001: to decide, in both political and economic terms, whether they are with us or with the terrorists. That this situation prevails more than a dozen years after the attacks of September 11th demonstrates just how far we have yet to go in combating the practices that serve as the lifeblood of contemporary terrorism.



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PERSPECTIVE

Peace Through Strength An Interview with the Honorable Jon Kyl

Senator Jon Kyl retired from the U.S. Senate in 2013 after an illustrious career in public service spanning more than a quarter-century. Beginning with four terms in the U.S. House of Representatives (1987-1995), and subsequently for eighteen years in the U.S. Senate, Senator Kyl was widely recognized as a leader on foreign policy and defense issues. He now serves as Senior Of Counsel in the Washington, DC, office of the international law firm of Covington & Burling. In February, he spoke with *Journal* Editor Ilan Berman about the threat of a nuclear Iran, American interests in the Asia-Pacific, and the state of U.S. ballistic missile defense.

Since November of 2013, the Obama administration has embarked upon high-profile diplomatic talks with Iran over its nuclear program. These talks have already netted meaningful sanctions relief for the Iranian regime, but as yet Tehran does not appear to have altered its strategic calculations regarding nuclear acquisition. As such, is a strategic breakthrough with Iran truly possible?

The theocratic regime in Tehran is intent on acquiring nuclear weapons for its own protection, power projection, leverage over the West and Israel, and to fulfill its “rightful role” as the world’s leading Islamist state with an agenda to advance the faith. It has learned that its commitment is far greater than the West’s desire to stop it; and, notwithstanding sanctions, is convinced it can play on this difference to achieve its goal. Recent negotiations have only confirmed this confidence—commercial interests in the West are already exerting pressure to resume “normal” trade and financial activity with Iran. Moreover, the only possible impediment to its goal, a preemptive military strike by Israel, is now all but coopted by the “negotiation process.”

There is, in short, no reason to believe a strategic breakthrough with Iran is possible. The government of Iran is under no pressure from its citizens and undoubtedly believes economic sanctions will be relaxed enough to pose insufficient pressure on the govern-

ment to change its policies. The West has nothing Iran wants more than the bomb, and it is not willing to do anything that would force a change in Iran's goal. Therefore, Iran has no reason not to continue to pursue its goal of acquiring usable nuclear weapons.

Over the past several years, bilateral ties between Israel and the United States have seen a marked downturn, with growing disagreements over approaches to Iran and the Palestinians, among other issues. Is this schism lasting, or temporary? How can Washington and Jerusalem reinvigorate their strategic partnership?

Relations between the U.S. and Israeli heads of state are indeed at a low ebb, but there is strong support for Israel in the U.S. Congress. Until the end of the Obama administration, there is little prospect for a change in the former. The reasons have to do with the Administration's views, not with Israeli "intransigence." So, short of a complete reversal of Israel's positions, there is little prospect for change in this relationship. In fact, it is likely to worsen because of the inevitable failure of Secretary Kerry's mission to solve the Israeli-Palestinian impasse and—potentially—if Israel determines to take unilateral military action against Iran. In the former situation, since the U.S. has no leverage to get Palestinian leaders to acknowledge honestly Israel's right to exist in peace, Israel (over which the U.S. has some leverage) will be blamed for the failure, further exacerbating the situation. Given the importance of a good U.S.-Israel relationship, a great opportunity for improvement will be presented to the new American President in 2017.

Since 2011, the Obama administration has embarked upon a very public "pivot" toward Asia. However, this reorientation appears to be mostly conceptual in nature, without sufficient resources to adequately secure American interests in the region. In your opinion, what are those—and how can America best pursue them?

The word "pivot" is intended by the Administration to signal moving away from somewhere else (presumably, except for the ill-fated effort to broker an Israel-Palestinian agreement, the Middle East). This is unfortunate, not because the U.S. doesn't have major interests in the Pacific, but because we should not abandon interests in the Middle East.

Even a token force of 5,000 Marines stationed part of the year in the north of Australia is a big deal in the area. Allies and friends—from Australia in the south to Korea and Japan in the north—are eager to see the U.S. reassert its interest in a region of the world that has historically been important to the American interests. Because of the emergence of China as a competing economic and military power throwing its weight around, those relying on the U.S. require reassurance that we will be there if needed.

We have made commitments—even to the extent of offering a "nuclear umbrella"—to nations in East Asia. Others rely on us to help enforce access to sea lanes, use diplomacy to mediate disputes and enforce trade and other rule of law issues in international fora. All of these things are important for the U.S. as well. While it is absolutely true that the U.S. cannot be the "sheriff of the world," it is also true that there are enormous benefits to peace and prosperity in the region by virtue of America's physical and psychological presence in the Asia-Pacific region.

During your time in the U.S. Senate, you came to be widely regarded as a congressional champion for robust U.S. missile defense. In your opinion, where do we stand in the effort to erect effective defenses to protect the U.S. homeland and our deployed forces and allies? What more needs to be done?

It is ironic that the current Administration, which prides itself on taking a less aggressive military posture in the world than its predecessor, has done so much to undercut the most moral deterrent of all: missile defense. Rather than threatening to kill millions in a nation that might attack us, deterrence through defense simply makes an attack on us unworkable.

Yet, the Obama administration has slowed or stopped modernization of systems bequeathed to it by the previous administration, primarily, it would seem, to curry favor with Russia. Congress had to instruct the Department of Defense to proceed with work on a new kill vehicle for the Ground Based Interceptor (GBI) system deployed to protect the homeland from an attack from a country like North Korea. And the Administration has pulled back from its commitment to develop a substitute—a new and improved version of the Aegis system, which was to be deployed in Europe to protect both our NATO allies and the U.S. Because of Russian opposition, this Administration has gradually, quietly reduced our capabilities so as to be able to assure Vladimir Putin that our defenses would never be effective against Russian missiles. Imagine that.

Finally, the Administration has fought all efforts to even begin to research space-based defense, even opposing modest “situational awareness” planning. All of this is taking place, moreover, as both China and Russia are aggressively modernizing both their offensive and defensive capabilities.

The U.S. will have no leverage over potential competitors unless it reestablishes the credibility we had when Ronald Reagan convinced Soviet leaders that it was futile to try to compete with the U.S. Peace through strength worked. This Administration should try it.





DISPATCHES

What Russia Wants in Ukraine

Michael Bohm

MOSCOW—Russian President Vladimir Putin is not someone who gives up easily, and he certainly won't give up on trying to regain Ukraine. Although direct military intervention is unlikely, there are several other ways he could wrestle the country back into Moscow's camp.

There are many reasons why Putin wants to undermine and ultimately reverse the coup in which Viktor Yanukovich was ousted on February 22nd of this year. Ukraine is not only the most populous and largest former Soviet republic. It is the birthplace of Russian civilization. Ukraine is also a key trading partner, provides the main pipeline routes for Russian gas to European markets, and is an important buffer zone between Russia and NATO. Finally, without Ukraine firmly in Russia's camp, the Customs Union and Eurasian Union—the Kremlin's two key power-projection initiatives—are doomed to fail.

Ever since Putin became president in 2000, he has tried to establish a pro-Russian government in Kyiv, with various levels of success. Although Putin's preferred candidate, Viktor Yanukovich, lost in the country's 2004 presidential election and ensuing "Orange Revolution," Putin maintained good relations with Prime Minister Yulia Tymoshenko during the presidency of Victor Yushchenko (2005-2010), which helped keep Ukraine at least partially tied to Russia. He recovered some of his losses in 2010, when Yanukovich won the presidential election after years of discord and decline under Yushchenko. But Yanukovich proved to be an unreliable partner for Moscow. Worse yet, he was a weak one.

The crucial moment in the confrontation between Yanukovich's forces and the Ukrainian opposition took place on Feb. 21st, when Yanukovich signed an agreement on



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a new Constitution that reduced presidential powers and authorized early elections. Although Russia was invited to participate as a mediator, it refused to sign the agreement, taking the position that Yanukovych shouldn't have made such concessions at all.

After the peace agreement was signed anyway, Putin advised Yanukovych not to remove security forces from Kyiv, where thousands of protesters were still camped out. Like Russia, the protesters also opposed the agreement, but for a different reason: they feared it was only Yanukovych's latest trick to buy time.

Yanukovych, however, did not listen to Putin, and ordered security forces to remove their barricades and retreat from Maidan Square. Once this happened, protesters seized government buildings in Kyiv. Then, Yanukovych's top party leaders and key government officials abandoned him, and Yanukovych, fearing reports of armed groups of nationalists coming to the capital from the western regions of Ukraine, fled Kyiv and—several days later—Ukraine itself.

Putin was incensed by images of angry mobs occupying government buildings and crowds wandering through Yanukovych's luxurious presidential palace, gawking at his personal belongings and collecting secret government documents that he had had no time to destroy. Yanukovych's humiliating ouster was a painful embarrassment for Putin, who had put a great deal at stake by propping up Yanukovych with political support, generous gas discounts and a promised \$15 billion economic bailout. But soon, the power vacuum that followed Yanukovych's ouster gave Putin an unexpected but golden opportunity to annex Crimea, something that had purportedly been a strategic goal of the Kremlin for years.

Yet the annexation, which is now complete, was only a partial victory. Although Putin won Crimea, he lost all of Ukraine. If Putin doesn't "regain" Ukraine by installing a pro-Russian regime, the Crimean victory could easily turn into a Pyrrhic one. Therefore, Putin will do everything in his power—short of a military intervention—to undermine a 2014 repeat of the "Orange Revolution."

One of Putin's weapons is a sharp increase in gas prices to Ukraine or cutting them off entirely. Russia's state gas conglomerate, Gazprom, has already announced an eighty percent price hike, and more will likely follow.

The Kremlin can also apply trade sanctions—thirty percent of Ukraine's foreign trade is with Russia—on the grounds that the February 22nd coup, in which the parliament stripped Yanukovych of his presidential powers without a constitutional impeachment process, violated international law. In the past, in response to tensions with Kyiv, Russia closed border crossings to trucks, banned some Ukrainian imports and closed two Ukrainian-owned chocolate factories in Russia. The next round of sanctions will be far more serious.

In this way, Putin could turn the tables on the U.S. and Europe. He could say that since the February 22nd U.S.-supported "junta" violated international law by deposing a democratically elected Yanukovych, Moscow is justified in levying gas and trade sanctions against the "usurpers" in Kyiv.

Although these punitive measures would also hurt Russian-speakers in Ukraine—the same people Russia claimed it had a compelling obligation to protect with armed forces in the first place—the larger goal of undermining the new government in Kyiv may be worth the short-term loss for the Kremlin.

Even without Moscow's economic sanctions, Ukraine is on the verge of bankruptcy. The preliminary \$27 billion aid package that the International Monetary Fund is offering may not be enough. The rub is that the IMF will demand serious austerity measures for Ukrainians, and this will play directly into Putin's hands. Once Ukrainians are hit with IMF-mandated currency devaluations and decreases in government subsidies, which will result in an increase in prices and unemployment, we could see violent protests in several Ukrainian cities, much like what happened in Greece after austerity measures were implemented. Maidan-like protests across Ukraine are exactly what Moscow needs to destabilize the new government.

Another way to destabilize Ukraine would be to step up provocations in eastern Ukraine and Kyiv to draw Ukraine into violent clashes between ethnic Ukrainians and Russians. This will bog the new government down in a messy political (and perhaps military) quagmire. In early April, armed pro-Russian protesters seized government buildings in Donetsk, Kharkiv and Lugansk in a coordinated attack. They made appeals to Moscow to support their independence movement and to send troops to these regions for "peace-keeping purposes." Meanwhile, Ukrainian authorities are convinced Russian intelligence agencies are behind this destabilization campaign in eastern Ukraine. What's more, a continued buildup of Russian forces on Ukraine's eastern borders could intimidate the government in Kyiv and push it into making political concessions to Moscow.

Finally, the Kremlin can support strikes in eastern Ukraine and encourage residents to refuse to pay taxes to the "usurpers" in Kyiv. Such provocations are likely to persist beyond the country's May 25th presidential election, in an ongoing attempt by Moscow to delegitimize the new Ukrainian order.

Another attractive option for Russia is to press for federalization. Russian Foreign Minister Sergei Lavrov has already floated the notion that Ukraine cannot function as a "unified state," and Kremlin officials have advocated for an arrangement that provides Ukraine's eastern regions with more local autonomy. Such an arrangement would be beneficial to Moscow, because within the framework of federalization Ukraine's eastern regions could hold referendums—including, presumably, referendums on joining Russia along the lines of that held in Crimea. Then, Russia could argue—as it did in Crimea—that it has a legal basis for absorbing those regions as well.

The West is today applying sanctions against Russia to send a signal that nations should not break international law by violating the territorial integrity of another state. The Kremlin will likewise apply sanctions against Ukraine, but for a completely different reason: to foil the Kiev revolution.

Putin began his Ukrainian adventure as a "great Russian conqueror" who, by annexing Crimea, supposedly rectified a gross historical justice and defended Russians against Ukrainian extremists. He is liable to finish it in a role that he has played many times before: that of spoiler.



How Not to Foster Stability in Iraq

Ramzy Mardini

AMMAN—Today, the bilateral relationship between the United States and Iraq is dominated by American hard power. Deteriorating security conditions in the country (a byproduct, at least in part, of the Syrian civil war) have garnered Baghdad more and more military hardware and security assistance from Washington. But while this approach is clearly intended to promote stability and bolster an American ally in the Middle East, the current policy isn't just fraught with complications, it is actually quite counterproductive.

The United States invaded and subsequently occupied Iraq (2003-2011) based upon misplaced certainty, misconstrued assumptions, and poor strategic foresight. Nevertheless, for all of these faults, Iraq is not like Vietnam—a strategic void from which the United States can simply disengage after its military withdrawal. Situated in a critical region, and with immense oil and gas reserves that could potentially rival those of Saudi Arabia, Iraq is vital to the world's energy needs and future requirements. But moreover, Iraq represents an important component of regional stability, sitting as it does at the center of the sectarian Shi'a-Sunni religious divide and serving as home to the most advanced Kurdish secessionist movement in the Middle East.

But the emphasis that has been placed upon American “hard power” to date in both shaping the bilateral relationship and confronting its deteriorating security environment misdiagnoses the problem, and misunderstands how to solve it.

The process of maintaining the U.S.-Iraqi relationships has become an end in and of itself, rather than a means to one. That sort of thinking may have succeeded during the Cold War, when the Middle East was a battleground for great-power politics. But today, new geopolitical realities require a new approach.

In an effort to combat the increasing violence in Iraq, Washington and Baghdad have only expanded the security dimension of their bilateral relationship. This might be prudent in a democratic, representative state, where the government behaves as a central and credible arbiter between factions. But today's Iraq is none of those things; rather, Iraq is ruled by a regime which behaves as a political organism whose core purpose is to survive and thrive at the expense of other political factions.

This makes America blind to a critical reality: insurgencies are not causally derived from the absence of security, but from the deep social, political and economic ills of the state. Terrorism has become a part of everyday life in post-Saddam Iraq, claiming the lives of thousands of Iraqis each year. Indeed, violence from low-intensity conflict will remain a feature of the new Iraq for the foreseeable future. This is not because of



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any shortage of security capabilities, but rather because of what Iraq essentially is: a broken state characterized by deep ethno-sectarian cleavages, weak institutions and an increasingly authoritarian political order.

Moreover, although militants are a threat to security and public safety, they by themselves do not constitute a threat to the stability and territorial unity of Iraq. Instead, the real threat to long-term U.S. interests stems from Iraq's self-destructive form of politics—which have the power to spawn systemic problems such as a widening insurgency and renewed civil war, societal and political fragmentation, and even secessionism.

Sadly, an inadvertent by-product of the overly securitized U.S.-Iraq relationship has been a strengthening of the authoritarian roots and staying power of the current regime. This, in turn, has aggravated Iraq's already-fractious politics and fragile political system. The widening imbalance of power—between prime minister Nouri al-Maliki and the rest of the Iraqi political class, between the central government and provincial ones, and between the executive and legislative and judicial branches—represents a threat to Iraq's territorial unity and stability over time. The greater the pull towards an authoritarian system, the greater the risk that the country breaks into pieces, the boundaries and resources of which would be fiercely contested by internal factions and external powers.

While the Syrian conflict has unmistakably breathed new life into militancy in Iraq, it represents only part of the story. A collapse in the power-sharing government in Baghdad, deadly clashes between Shi'a security forces and Sunni demonstrators, and a sharpening of sectarian fears and hubris have all contributed to a rejuvenated terrorist threat in Iraq.

Nor has the United States been able to create any meaningful leverage over Baghdad through its continued military sales. This is primarily because of the existence of multiple arms sellers available to the country by virtue of its petrodollars, which has diluted the level of dependency on the United States. Baghdad has diversified its sources of arms acquisition, inking multi-billion-dollar contracts with both the United States and Russia, and thereby lessening its vulnerability to any single external power.

Moreover, Washington is handicapped because it values the simple maintenance of the relationship more than any concession it might seek from Baghdad. In other words, the U.S. cannot credibly threaten to cut off support should the Iraqi regime not comply, because that would push Baghdad into the arms of Russia, China or Iran to a greater extent. So what was supposed to be leverage becomes liability.

Of course, arms sales can strengthen the bonds between allies. But they are not—nor should they be—the cause for alliance. As a result, a disconnect exists between the role of the United States and its interests in Iraq. Without a realignment in policy—and a strict conditioning of U.S. arms deliveries on genuine reconciliation and institutional reforms in Baghdad—America's current role in Iraq will only serve to undermine its long-term interests there.



Tunisia's Security Quandary

Mark Mosely

PARIS—In many regards, Tunisia's current security predicament has been the result of ill-considered policies pursued by successive governments before and after the 2011 "Jasmine" revolution. Regional developments did not always help either.

Terrorist incidents during the autocratic rule of president Zine Abidine Ben Ali were essentially limited to two main episodes: a 2002 suicide attack by an al-Qaeda operative against the Jerba Synagogue and a 2006 *jihadi*st incursion near the village of Suleimane, less than 20 miles south of the capital city, Tunis. Nevertheless, it is clear in retrospect that Ben Ali's security approach, which was based on zero tolerance of Islamism at home and "encouraging" extremist elements to leave the country, was in itself inadequate to deal with regional and global manifestations of the terrorist threat.

Ben Ali's rule, however, was followed by much worse. After Ben Ali's fall from power in January 2011, the undiscerning policies pursued by successive interim governments since have proven downright catastrophic.

Relying on emergency powers, President Fouad Mebazaa and Prime Minister Mohamed Ghannouchi issued a decree freeing individuals imprisoned for "political or trade union activities" shortly after their assuming office. The hastily-issued decree went into effect on February 2nd, 2011. Many of the beneficiaries of the pardon were members of the al-Nahda Islamist movement. But the list of the freed "political prisoners" included many hard-line Salafists and convicted terrorists imprisoned after the 2006 incidents. Authorities even pardoned Seifallah Ben Hassine (a.k.a. Abu Iyad), a notorious al-Qaeda recruiter previously extradited from Turkey. In the months that followed, notorious terrorists (such as Tarek Maaroufi, founder of the Tunisian Combatant Group, who was sentenced in Belgium to more than 50 years in prison) exploited the opportunity and returned from Europe as well.

It is not clear how the Salafists and terrorists with blood on their hands came to be included on the list of "political prisoners" to be pardoned by Tunisia's new government. It is even less clear how dangerous elements were put back out onto the street without precautionary procedures to keep track of their activities. What is obvious, however, is that the scope of this pardon was massive—and its effects potentially ruinous. In September 2011, for example, London's *Guardian* newspaper was already speaking of no fewer than 1,800 Salafists that had been "freed from prison after the revolution."

What made the situation even worse were successive prison breaks, which allowed thousands of criminals to escape. By the end of January 2011, there were an estimated 9,500 fugitives who had escaped from the Tunisian penal system in the midst of the



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revolutionary tumult. The trend continued for months to come. On April 29, 2011, alone, 1,000 inmates escaped from the Kasserine and Gafsa jails, in the country's rebellious southwest. There were no confirmed statistics regarding how many of the escapees were put back in jail. Anecdotal evidence shows that at least some of them managed to cross the border illegally into Libya, with that country's chaos providing either a safe haven or a venue for transit. Meanwhile, Salafist groups became an attractive outlet to hundreds of the young and unemployed criminal elements who stayed home.

The timing could not have been any worse for the country's security services, which were in a state of utter disarray after the revolution. Instead of initiating security reforms which would have gotten the police out of the business of harassing opposition activists but reinforced their ability to deal with terrorism challenges, the new government then introduced a number of measures that had a debilitating effect on the country's security agencies.

Because of either incompetence or revolutionary fervor, government leaders failed to see that most of the networks used by Ben Ali for admittedly repressive purposes were nonetheless crucial in combating terrorism and intelligence gathering. So when the Interior Ministry decided to disband the State Security Service in March 2011, it was happy to describe the move as a "definitive break" from the oppressive practices of "the political police." But, combined with other personnel firings, the decision deprived the ministry of experienced senior cadres and sowed widespread doubt among law-enforcement and intelligence officers. Revolutionary politics also led to the abolition of a vast network of lower-level civil service auxiliaries, known as *Omdas*, who since independence have been the eyes and ears of the Ministry of the Interior in the hinterland.

These and other abrupt decisions left a gaping hole in the security and intelligence-gathering infrastructure, especially in rural areas and sensitive border zones. With the subsequent fall of the Gadhafi regime in neighboring Libya, Tunisia's common border became a nightmare, and Libya's unsecured weapons started to flow into Tunisia with the complicity of Salafists on both sides of the border. The army, already overstretched, could not fill the void.

Throughout 2011 and 2012, Salafists intensified their activities. They tried to intimidate the population in general, and secularist elites in particular, into changing their way of life. Hateful preachers were brought in from abroad to buttress the call for a *Sharia*-compliant society.

The government, led by the Islamist party, al-Nahda, was reluctant to crack down on ultra-conservative hooligans. Salafists were, after all, religious "revivalists" facing "secularist hostility." Al-Nahda also thought it could co-opt Salafists into the political mainstream, or at least appease them.

But the Salafists, even those who had formed political parties, showed little interest in electoral democracy. Many of their grassroots activists continued to harass artists, ransack bars, and commit various acts of vandalism. Tensions mounted in the country, but—because of a lack of clear policies—security forces were reluctant to crack down on radical Islamic elements. The Salafist factor was also a matter of political balance within al-Nahda itself, where an ultra-conservative wing shared ideological affinities and political ties to Salafists.

The September 2012 attack on the U.S. embassy in Tunis rendered this precarious *status quo* absolutely untenable. After the attack, the al-Nahda-led administration was suddenly confronted with the anger of the U.S. government and with a public perception of ineptitude. The attack also put to rest all illusions about the true objectives of the country's Salafists. For months, Salafist theoreticians and other political apologists tried to blur the lines by claiming Tunisia's holy warriors were "only" interested in *jihad* abroad (as if that in itself could be justified). But there had been clear signs from the start that they were interested in the home turf, starting with a bloody showdown with the National Guard in May 2011. The embassy attack removed all lingering doubt.

But Salafists remained relevant—and potent. During this period, religious hardliners were taking advantage of the great confusion at home and the chaotic situation in Libya to smuggle weapons from south of the border and stock them in Tunisia for future use. They also started hundreds of "charities" through which they could organize underground activities and collect funds. Ansar al-Sharia was perceived as the "rising star" among such groups.

In 2013, domestic and regional developments eventually pushed the Tunisian government to designate Ansar al-Sharia as a terrorist organization. That year alone, the group was suspected of involvement in the assassination of two secularist leaders, suicide bombing attempts in Sousse and Monastir, and the slaughter of soldiers at Mount Chambi, on the border with Algeria. But the failure of the Ministry of the Interior to act upon a warning from the CIA about a plot to kill leftist politician Mohamed Brahmi added to the climate of distrust and suspicion within the security establishment and further complicated the task of fighting terrorism.

The deterioration of the security situation and rising street tensions in Tunis after the ouster of Egypt's Muslim-Brotherhood-dominated government in the summer of 2013 finally convinced al-Nahda to sit down with its political rivals and offer to relinquish executive power. By late February 2014, Tunisian interior minister Lotfi Ben Jeddou, a member of the newly-appointed caretaker government of Mehdi Jomaa, was boasting that the black flags of al-Qaeda, morals police, and sidewalk tents of Salafi "daw'a" were all gone. More importantly, 1,400 terrorism suspects had been brought to justice.

That is undoubtedly a good start. But the decisions taken by successive governments after the revolution caused damage which will take time to reverse. Until that happens, Tunisia will have to reckon with hundreds of suspicious charities, scores of mosques under Salafist control, and an undetermined number of dormant extremist cells inside the country. *Jihadist* websites likewise continue to be accessible to aspiring terrorists, in the absence of proper legislation banning them.

But far and away the most imminent and clear danger is that of *jihadists* returning from Syria. Mostly operating under the banner of al-Qaeda-affiliated *Jabhat al-Nusra*, their exact number is unknown, but estimates vary between 2,000 and 5,000. At least 400 fighters are said to have returned to Tunisia in 2013 alone. That same year, about 8,000 would-be fighters were reportedly prevented from joining the *jihad* in Syria by Tunisian authorities.

Regional factors will determine whether Tunisian authorities are able to stem the flow of terrorists from the region, gain effective control over the country's borders, and eliminate terrorist strongholds in its western mountains. But at least one variable will depend on the will of Tunisia's new rulers alone: that of shaping and implementing the right security policies at home.





BOOK REVIEWS

Warriors in Gray Suits

Mark Dubowitz and Annie Fixler

JUAN ZARATE, *Treasury's War: The Unleashing of a New Era of Financial Warfare* (PublicAffairs, 2013), 512 pp. \$29.99.

Economic sanctions are now the default instrument of coercive statecraft for confronting challenges to the international order. When Russian President Vladimir Putin invaded Crimea this winter, Barack Obama turned to his “favorite noncombatant command” at the U.S. Treasury Department to design targeted sanctions to increase the costs of Russian revanchism.

The president likes sanctions; he does not like to couple his diplomacy with military force. Unlike America's adversaries in Tehran, Damascus, or Moscow, Obama doesn't kill while he negotiates. Instead, he believes that there should be a clear sequence of engagement: diplo-

macy, sanctions, more diplomacy, perhaps more sanctions, and only after all peaceful alternatives are exhausted, the possibility of force—a possibility that the Administration is loath to entertain even in hypotheticals.

So financial warfare has become the president's weapon of choice against Iran's Ali Khamenei, Syria's Bashar al-Assad, and now Russia's Vladimir Putin as these men threaten to unwind the nuclear nonproliferation regime, transform Syria into a *jihadist* state in the heart of the Middle East, and upend Europe's peaceful post-Cold War order. For these financial warfare tools, the president can thank his predecessor George W. Bush and a small band of financial warriors who, after 9/11, established Treasury as a pivotal national security player, expanded its effectiveness through the war against al-Qaeda, and provided Obama a powerful,



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albeit still limited, instrument of American power.

To understand how this was done, we can thank Juan Zarate for his indispensable book *Treasury's War: The Unleashing of a New Era of Financial Warfare*, which describes how a small group of Treasury officials transformed blunt state-based embargoes into smart sanctions that leveraged the power of the U.S. dollar to isolate rogue actors, from terrorists to nuclear proliferators to arms dealers to Russian oligarchs. Zarate, who led this team as the first ever Assistant Secretary of the Treasury for Terrorist Financing and Financial Crimes, and who later served as a “silent partner” to his successors as deputy national security advisor for combating terrorism, details the innovation that transformed financial tools into key instruments of national security.

In the wake of 9/11, as part of the resulting all-out offensive against al-Qaeda, Zarate and his colleagues designed financial tools that treated reputation as a currency in an environment in which companies cannot afford the risk of being associated with bad actors. The rules of this new world were straightforward: you can do business with the United States or you can do business with rogue actors. You can choose, but you can't do both. And if you choose the latter, prepare to be excommunicated by the global financial community.

The system created a “virtuous cycle of self-isolation by suspect financial actors,” explains Zarate. As rogue actors became more isolated, they engaged in more suspicious behavior to evade restrictions. And the more suspicious behavior they engaged in, the more they found themselves isolated from financial networks. The approach was based on persuading private sector players—principally financial institutions—to act in their own self-interest to avoid unnecessary business and reputational risk.

The message about the risks of doing business with rogue regimes like Iran and North Korea was conveyed in global boardrooms as Treasury officials—especially the first ever Undersecretary for Terrorism and Financial Intelligence, Stuart Levey—traveled around Europe and Asia. As Zarate explains: “Levey’s job was to stage the financial assault on Iran’s banks and its financial system—in large part by demonstrating to CEOs and compliance officers around the world that the risk of doing business with Iran was too high.”

This six-year effort reached its height in 2012 and early 2013. Levey (and later his successor David Cohen) and colleagues persuaded scores of foreign banks to restrict Iranian access to global financial markets. Treasury’s efforts were strengthened significantly by the bipartisan passage of multiple pieces of congressional legislation between 2010 and 2013; these congressional measures hammered Iran’s financial, energy, shipping, insurance, precious metals, and industrial trade, including a successful effort, initially opposed by the Obama administration, to target Iran’s economic lifeline, its crude oil exports.

Further punished by a European oil embargo and EU sanctions that restricted access to what had been its largest commercial and financial markets, by 2012 Iran was in a severe recession. In 2013, these economic difficulties led to the election of President Hassan Rouhani, who campaigned on the promise of resolving international concerns over Iran’s nuclear program in exchange for relief from punishing economic sanctions.

At the heart of efforts against Iran and other illicit actors was an obscure agency, the Office of Foreign Assets Control (OFAC), which Zarate describes as “perhaps the most powerful yet unknown agency in the U.S. government” prior to the rebirth of Treasury as a national security player. OFAC is

in charge of U.S. sanctions programs and has the ability to unilaterally isolate illicit actors by cutting them off from the U.S. financial system.

OFAC's power was complemented by the Financial Action Task Force (FATF), whose focus on the classic money-laundering schemes of drug cartels and organized crime was retooled to build international standards surrounding terrorist financing and proliferation. Treasury also developed its own intelligence agency, the Office of Intelligence and Analysis (OIA). While the smallest agency in the U.S. government's intelligence behemoth, OIA punches well above its weight, unraveling illicit financial networks and providing evidence for thousands of designations.

After 9/11, Section 311 of the PATRIOT Act gave Treasury new authorities to designate entities as locations of "primary money-laundering concern." While a Section 311 regulation advises only U.S. banks to end relationships with the designated entity and requires no action by foreign banks, the effect is a stark public indictment. While the United States does not order any asset freezes, financial institutions around the world freeze assets and close accounts in reaction to a 311 declaration that a bank is financially radioactive.

Early designations against entities in Burma, Northern Cyprus, Belarus, and Syria paved the way for the most dramatic use of "the 311" as part of a full-scale, multifaceted pressure campaign against North Korea that culminated in the designation of Banco Delta Asia (BDA). The rationale was clear: designation of a bank that the North Korean regime was using to evade sanctions and engage in illicit activities would spur the private sector to dump Pyongyang like a toxic asset. The designation in September 2005 "unleashed financial furies the likes of which the regime had never experienced" and "set powerful shock waves

into motion across the banking world," Zarate notes. Within days, North Korean accounts and transactions were frozen or blocked in banking capitals around the world—notably including Beijing.

But, as Zarate explains, for those whose priority was securing a nuclear deal with North Korea at all costs, Treasury's actions worked too well. Not fully understanding what Treasury had done, these officials initiated an interagency war that undermined the leverage that Treasury had provided. Facing a North Korean negotiating team that refused to make any progress before money was transferred, the State Department became North Korea's agent, advocating for the release of funds rather than forcing Pyongyang to alter its behavior. The North Koreans ultimately persevered, and the United States missed a significant opportunity to force Pyongyang to clean up its illicit activities, including its counterfeit racket. In the process, Washington undermined its own credibility as a protector of the global financial system.

The United States has never again had the kind of leverage against North Korea as it did at that moment—an important lesson as Washington calibrates sanctions relief alongside nuclear negotiations with Iran.

Today, hopeful that the negotiating track publicly launched with Iran in Geneva last fall will yield dividends, the Obama administration is claiming that escalating financial pressure will undermine rather than enhance negotiations. As a result, it has blocked broad, bipartisan Congressional legislation that would have imposed additional sanctions if Iran didn't promptly and on acceptable terms reach a comprehensive nuclear deal. Meanwhile, although the Administration claims that the dollar value of sanctions relief provided as part of the "Joint Plan of Action" is limited, the decision to suspend sanctions on key sectors of Iran's economy risks

reducing the pressure on Tehran. Today, with sanctions pressure de-escalating, market psychology is shifting from “fear” to “greed,” as international companies position to get ahead of their competitors to find ways to re-enter the Iranian market. According to recent estimates from the World Bank and the IMF, the Iranian economy is experiencing a modest albeit fragile recovery.

This limited recovery helps Iran in the negotiations over its nuclear program. Although the Iranian economy cannot fully recover while the toughest sanctions remain in place, Iranian negotiating leverage doesn’t depend on a full economic recovery but on reversing the steep sanctions-induced recession that Iran experienced in 2012 and the first half of 2013, and avoiding an even more severe economic crisis. Thus, a change from a sanctions-induced economic free-fall to a Geneva-assisted recovery, however modest, will reduce U.S. negotiating leverage, making it more difficult to conclude a deal that prevents an Iranian pathway to a bomb.

The sanctions architecture may be eroded further still if the White House cannot vigorously defend it or, as in the North Korea case, moves too quickly to offer irreversible sanctions relief in exchange for reversible and temporary nuclear concessions. European companies may be hesitant to test the bounds of Western sanctions relief but, as recent sanctions-busting evidence suggests, Russian, Chinese, and Turkish companies may not be so cautious. Banco Delta Asia serves as a lesson that a State Department “single-mindedly fixated on getting a deal at all costs,” can too quickly throw away critical financial leverage without understanding that it can be “impossible to put the genie fully back into the bottle,” once sanctions-induced pressure is relieved.

Even when an administration is resolute, financial warfare alone may not

work. As the Treasury Department has secured its preeminence at the national security table, there is a temptation to believe that no matter how complex the threat, Treasury can “just sanction something.” But as we have seen in Syria, financial sanctions are not always an adequate response to stop evil men from doing evil things. Sometimes the only effective response is the application of America military force, either directly or by arming people willing to fight to stop the slaughter.

While financial sanctions will remain a powerful coercive tool of American statecraft, they can only be effective if combined with other instruments of American power, including more credible presidential bellicosity. The warriors in gray suits are America’s preeminent financial combatants, and Juan Zarate’s book is a richly deserved celebration of their unsung successes—and an essential guide to how their financial power can be most effectively used.



Asia's Next Contest

Derek Grossman

JEFF M. SMITH, *Cold Peace: China-India Rivalry in the Twenty-First Century* (Lanham, MD: Lexington Books, 2013), 290 pp. \$95.00.

On May 11th and 13th, 1998, the Indian government, then led by the nationalist Bharatiya Janata Party (BJP), successfully detonated five nuclear weapons at New Delhi's test site at Pokhran. Instead of highlighting the threat from perennial adversary Pakistan as justification for the test, Indian officials identified a power largely considered a distant second in terms of threat: China.

Beijing's predictably harsh reaction resulted in China's first-ever Defense White Paper spelling out the "grave consequences for peace and stability in South Asia." Nonetheless, relations between the two pushed on, and senior Indian diplomats were welcomed back in Beijing by the end of the year. In the years that followed, a determined diplomacy persisted; Chinese President Hu Jintao and Indian Prime Minister Manmohan Singh met an impressive 26 times from 2002 to 2012.

The Pokhran nuclear tests and their political fallout highlight the essential nature of China-India relations. As Jeff M. Smith explains in his new book, *Cold Peace: China-India Rivalry in the Twenty-First Century*, Beijing and New Delhi harbor a mutual and deep-seated strategic mistrust of one another. Yet both countries have continued to conduct their daily interaction with impressive

comity, even under the most trying of circumstances. With the exception of a brief border war in 1962, China and India have exerted enormous effort in shaping positive momentum in their bilateral ties over the decades. But the warmth and symbolism on display in these exchanges should not be mistaken as rapport. The two are indeed regional rivals with profound problems intrinsic to their bilateral ties—and, as Smith asserts, the troubles are only growing.

Smith, who directs the South Asia Program at the American Foreign Policy Council (AFPC), comes to this conclusion after two years of meticulously-conducted interviews with senior Chinese, Indian, and U.S. policymakers, as well as scholars, and military officials in Washington, Beijing, and New Delhi. As such, his book serves as a much-needed update to John W. Garver's seminal 2001 work on the same topic, entitled *Protracted Contest: Sino-Indian Rivalry in the Twentieth Century*.

In *Cold Peace*, Smith convincingly argues that China and India continue their rivalry, and does so by comparing his results with what Chinese analysts call the "Five Ts" of Sino-Indian Relations: threat perceptions, territory, Tibet, Tawang (a key Buddhist enclave of Tibet), and third parties (namely, the U.S. and Pakistan). Smith adds a sixth "T," turf, to denote emerging frontiers in China-India strategic competition, including the Indian Ocean Region and the South China Sea.



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In his survey of the traditional “Ts,” Smith finds that threat perceptions of China among the Indian public remain high, and more importantly, among senior Indian national security officials, China has already *surpassed* Pakistan in New Delhi’s strategic threat planning. Indian concerns are driven by Beijing’s quantitative and qualitative military edge along disputed borders, as well as by China’s growing strategic capabilities in other areas, particularly the maritime domain. India also continues to believe that China maintains its exceptionally close relationship with Pakistan to limit India’s growing influence in the region.

One of the most interesting sections of the book is Smith’s discussion of the role that Tawang plays in the resolution of the China-India border dispute. Little understood in the West, Tawang is a tiny Buddhist enclave located between the disputed Indian province of Arunachal Pradesh and the nation of Bhutan. Perched high in the Himalayan mountainside, Tawang is situated along an old trade route that is the shortest and least hazardous path through the harsh conditions of the Tibetan plateau. Recognizing its strategic value, the Chinese seized Tawang during the 1962 border war, but inexplicably gave it back without a fight shortly after China and India’s cease-fire a month later. Today, Beijing seeks a return of Tawang to China as a prerequisite for any final border resolution, because Chinese leaders do not like the idea of having a Tibetan outpost beyond their physical control. The Dalai Lama has visited there no fewer than five times, most memorably and symbolically during his 1959 exile from Tibet. Yet no deal looks likely in the future.

When it comes to turf, Smith explains that, oddly enough, the Pokhran nuclear test actually resulted in closer U.S.-India ties. Alarmed by the potential for a nuclear war on the subcontinent, Washington decided to dispatch then-

Deputy Secretary of State Strobe Talbott to India for the most substantive diplomatic engagement since the 1960s. U.S.-India rapprochement, a reversal after years of complicated relations during the Cold War, played into Beijing’s worst fears of containment. This new power dynamic, Smith argues, is the primary reason for concerted, but mostly failed, Chinese diplomatic outreach to India in the 2000s.

Smith is at his best when he looks to the longer-term strategic dimensions of “turf” during his discussion of growing China-India rivalry in the Indian Ocean. He contends, contrary to many views (especially Indian perspectives), that China’s so-called “String of Pearls” strategy—Beijing’s effort to build a network of ports, listening posts, radar stations, and container terminals that could have military applications against India down the road—is overblown. Smith recognizes, however, that China is increasingly concerned about the security of its sea lines of communication (SLOCs) through the Strait of Malacca, which is viewed as critical to ensuring energy imports. Smith’s most interesting discussion (and one that is scarcely mentioned in the literature) involves India’s response to the perceived String of Pearls strategy, which is to build a defensive network referred to as the “Necklace of Diamonds.” As its crown jewel, this network features the Andaman and Nicobar Islands, where India is growing its naval capabilities to eventually patrol and block channel entries into the Strait of Malacca, if needed.

One notable omission in *Cold Peace* is Afghanistan, which will almost certainly become increasingly important to both China and India as Washington draws down its troops there. The China-India geopolitical rivalry also extends to this region, primarily in the form of competition for natural resources and other economic interests. Afghanistan is also

a place of potential cooperation, in that both Beijing and New Delhi seek stability there—though effective collaboration might be inhibited by China’s exceptionally close ties with Pakistan, and by Islamabad’s ongoing tensions with both New Delhi and Kabul.

Nevertheless, *Cold Peace* stands as a comprehensive and important update to the study of relations between Asia’s two rising giants. The key takeaway for U.S. foreign and security policy is that competition and rivalry will only increase in coming decades. Smith’s work, then, sets the stage for an international drama that will likely define the latter half of the twenty-first century, and which will have a profound impact on U.S. national security planning.



Future Fight

George Michael

DAVID KILCULLEN, *Out of the Mountains: The Coming Age of the Urban Guerrilla* (Oxford: Oxford University Press, 2013), 351 pp. \$27.95.

In his most recent book, *Out of the Mountains: The Coming Age of the Urban Guerrilla*, retired Australian Army officer David Kilcullen advances an ambitious “theory of everything” on conflict in the twenty-first century. His conclusions may surprise you. Since the start of the twenty-first century, soldiers, diplomats, and aid workers have been preoccupied with Afghanistan, but Kilcullen argues that rather than mountainous regions, the locus of future conflict will be in urban, networked, and coastal areas. To deal effectively with this new conflict environment, he counsels that we must “get ourselves, mentally and physically, out of the mountains.”

According to Kilcullen, four powerful megatrends will shape the contours of future conflict. The first is rapid population growth. By the year 2050, the globe’s population is expected to level off at somewhere between 9.1 and 9.3 billion people. The vast majority of this growth will be absorbed by cities, hence the second trend—urbanization. By 2008, the global population had passed the 50 percent urbanization mark and by 2050, this figure is estimated to reach 75 percent. Moreover, much of this growth will take place in cities on coastlines, resulting in the third trend, littoralization. The final trend—connectedness—will link

these overcrowded, coastal regions with the rest of the world. As Kilcullen notes, these coastal urban sprawl areas should not be dismissed as marginal; rather, they are central to the global system as we know it.

Kilcullen conceptualizes the city as a living organism complete with its own flows and metabolism. Just as organisms transform inputs such as sunlight, food, water, and air into energy, cities circulate people and products through their environs. Urban insurgencies arise when cities lack the carrying capacity to metabolize these inputs, leading to a buildup of toxins which manifests as poverty, disease, unemployment, social injustice, and ethnic dislocation. Local armed groups have the potential to exert a chokehold on these urban areas. For example, by attacking transportation systems, they can disrupt the flows that connect cities with their hinterlands.

Connectivity is the great force multiplier in modern urban insurgencies. Kilcullen explains how connectivity enabled the Arab Spring, which commenced on December 17, 2010, when a fruit vendor immolated himself in the central Tunisian town of Sidi Bouzid to protest police corruption and harassment. Mass demonstrations quickly spread throughout the country. Members of soccer clubs, or “Ultras,” formed the hard core of the street protests. Inasmuch as they had prior experience in confronting the police in the streets, they were accustomed to mayhem. Resistance groups made exten-



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sive use of the new media and social networking sites to get their message out to fellow protesters and sympathizers in other parts of the world. For instance, members of the online group Anonymous assisted by shutting down Tunisian government websites, which contributed to a cascading loss of cohesion within the government. Finally, on January 14th, President Ben Ali stepped down and fled the country.

The success of the Tunisian protests had a demonstration effect in other Arab countries. News of Ben Ali's fall led to immediate calls for President Hosni Mubarak's ouster in Egypt. Connectivity was also a catalyst in the Egyptian uprising. Despite the authoritarian character of Mubarak's regime, Egypt enjoyed an unusually high and unfettered degree of connectivity. As in the Tunisian conflict, Anonymous activists targeted Egyptian government servers. Mubarak responded by shutting down the Internet, but his efforts were thwarted when companies such as Google implemented a system that enabled protesters to send tweets even though the Internet in Egypt had been turned off. Mubarak's move only further antagonized the population. Eventually, the Egyptian police refused to support Mubarak, forcing him to step down and hand over control to the Supreme Council of Armed Forces, whose leaders began taking steps to transition to democratic rule.

Just four days after Mubarak resigned, protests began in the eastern Libyan city of Benghazi. Unemployment had become an acute problem in Libya, made all the worse by the country's youth bulge. Moreover, Muammar Gadhafi's government had favored the communities around Tripoli, and given short shrift to those cities in the eastern region of the country. A lack of economic opportunity meant that Libyan cities—especially Benghazi—were “gradually filled with educated, politically aware,

unemployed, radicalized, alienated youth,” a combustible situation to say the least. Over the years, Gadhafi had alienated virtually all of his Arab neighbors in the region. As a consequence, they were quick to support multilateral efforts for his ouster. The UN Security Council authorized the establishment of a no-fly zone, which effectively doomed the regime. NATO air strikes enabled the rebels to maneuver and gave them access to seaborne support. Virtually all of the fighting was urban and coastal. As in Tunisia and Egypt, Ultras served as shock troops in the Libyan civil war. Although the Libyan rebels lacked military experience, they had a good functional knowledge of technology. Finally, on the morning of October 20, 2011, Gadhafi was captured on the outskirts of the city of Sirte and killed by the rebels. With news of his death, the regime collapsed within hours.

All three of these countries—Tunisia, Egypt, and Libya—are heavily connected, littoralized and have experienced rapid population growth and coastal urbanization. They thus exemplify the model of conflict that Kilcullen presages will predominate in the upcoming years.

Like other scholars of warfare, including Martin van Creveld, Thomas P.M. Barnett, and Rupert Smith, Kilcullen predicts that irregular warfare will predominate in twenty-first century conflicts. In fact, the U.S. military's supremacy discourages adversaries from conventional military confrontations, thus leaving asymmetrical strategies the only viable option in the realm of armed conflict. For many years, the conventional wisdom was that the countryside would be the primary locus for revolutionary movements in the developing world. But in the 1960s, some Latin American revolutionary theorists, such as the Brazilian Carlos Marighella, came up with a strategy for conducting urban guerrilla warfare. His strategy

was put into practice in Uruguay by a group called the Tupamaros. But after their campaign failed, the consensus was that irregular warfare would predominate in rural districts rather than cities. However, Kilcullen predicts that this pattern will reverse as more and more people migrate to cities. What is more, these irregulars will increasingly be able to draw upon advanced technologies to enhance their military potential.

To establish long-term stability, Kilcullen counsels that it is imperative for locals and outsiders to come together to jointly design approaches to solve the problems that bedevil these cities. To that end, a secure environment must first be established—one with enough predictability and sense of safety so that locals can get together and begin the work toward building a consensus on the nature of their problems. At that point, an external team—the smaller and less intrusive the better—can bring functional and technical knowledge relevant to the project. The primary goal, Kilcullen argues, is not the “project”; rather, it is the creation of a functioning community that can work together to solve problems as they arise.

To meet the challenges of this new threat environment, Kilcullen recommends that the Marines should become the force of choice, given their specialization in complex expeditionary operations. Versatility and adaptability will be important traits for these forces. In these urbanized littoralized locales, military forces will usually not have fixed installations equipped with a lavish intelligence infrastructure or constant Wi-Fi coverage of counterinsurgency operations. To adapt to this new security environment, Kilcullen advises that “Troops will have to become hikers again, not campers.”

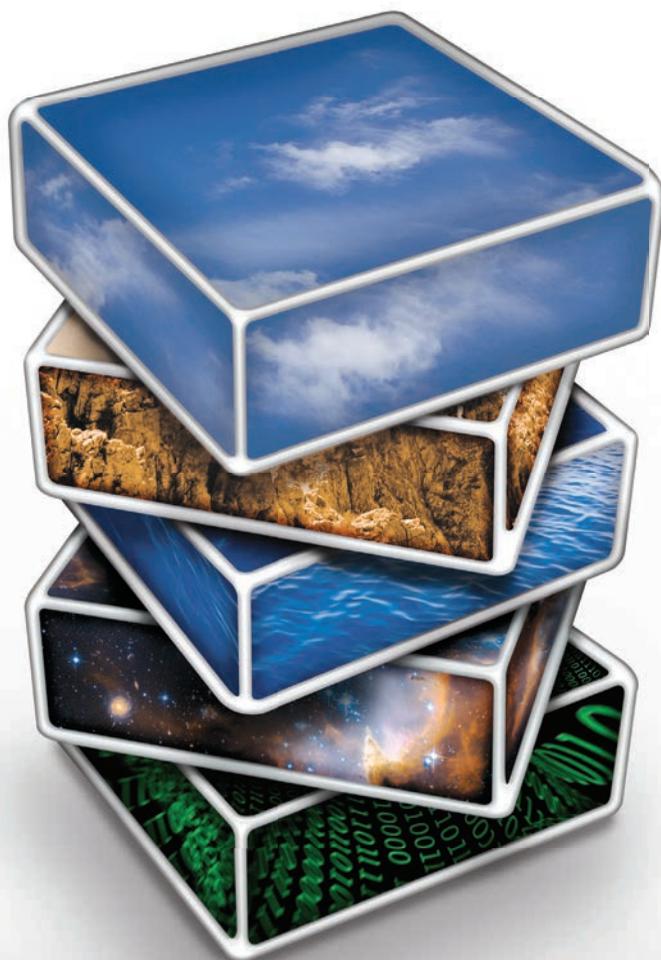
Although presented as a “theory of everything,” Kilcullen has little to say about how armed conflict and terrorism might occur in the developed world.

This is somewhat surprising, because of the centrality of connectedness in his theory. He does note, though, that nations that engage in military operations in parts of the world from which they have an immigrant population should now take into account the risk of “diaspora retaliation.” This observation has sobering implications for the United States and other NATO nations as the “long war” against radical Islam and terrorism persists, since these countries now host growing Muslim immigrant communities. An increasing number of soft targets in our interconnected societies could make terrorism carried out by self-radicalized amateurs highly destructive in the future.



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