



**MINISTERIO DE DEFENSA**



**2004/2005**  
**STRATEGIC PANORAMA**

**INSTITUTO ESPAÑOL DE ESTUDIOS ESTRATÉGICOS**  
**REAL INSTITUTO ELCANO**



**MINISTERIO DE DEFENSA**

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## **2004/2005 STRATEGIC PANORAMA**

The ideas contained herein are the responsibility of the authors and do not necessarily reflect the opinion of the IEE, which has sponsored this publication.

## LETTER FROM THE DIRECTOR

Once again, as in the previous edition of the *Panorama*, we enjoy the magnificent, loyal collaboration of the Real Instituto Elcano, several of whose analysts have contributed articles which, together with papers written by experts from other areas, provide an in-depth analysis by geographical areas of the events that occurred in the world during the course of 2004, and of other topical issues.

Our society undoubtedly has a significant interest in learning of our strategic thought on topical issues relating to security and defence, not only in Spain and the European Union countries but throughout the world.

Therefore, this edition of the *Strategic Panorama* provides knowledge of the general problems and the view we hold of all these matters from this privileged platform called Spain, through renowned experts in the various strategic areas.

I am especially grateful to the coordinator, Admiral José Antonio Barbás, who has directed this project for the first time and whose patient, painstaking and efficient work is appreciated by all those of us who are aware of the difficulties of bringing such complex collaborations to fruition.

All in all, my thanks to everyone who has collaborated with us and my best wishes to all our readers.

JAIME RODRÍGUEZ-TOUBES NÚÑEZ  
*Director, Instituto Español de Estudios Estratégicos*

## CONTENTS

### **INTRODUCTION**

*By José Antonio Balbás Ota*

*Chapter I*

### **INTERNATIONAL CONFLICT LANDSCAPE**

*By Félix Sanz Roldán*

*Chapter II*

### **INTERNATIONAL TERRORISM**

*By Fernando Reinares Nestares*

*Chapter III*

### **THE EUROPEAN UNION**

*By José Ignacio Torreblanca Payá and Alicia Sorroza Blanco*

*Chapter IV*

### **UNITED STATES**

*By Manuel Coma Canella*

*Chapter V*

### **LATIN AMERICA**

*By Carlos Malamud Rikles*

*Chapter VI*

**MIDDLE EAST AND MAGHREB:**

- 6.1. **THE ISRAELI-PALESTINIAN CONFLICT**  
*By Pedro López Aguirrebengoa*
- 6.2. **POLITICAL REFORM IN THE ARAB AND ISLAMIC WORLD**  
*By Gema Martín Muñoz*
- 6.3. **STABILITY PROBLEMS IN THE MAGHREB**  
*By Carlos Fernández-Arias Minuesa*

*Chapter VII*

**IRAQ**

*By José Luis Calvo Albero*

*Chapter VIII*

**ASIA**

*By Fernando Delage Carretero*

*Chapter IX*

**DEFENCE EXPENDITURE WORLDWIDE**

*By Ángel Lobo García*

*Appendix I*

**ARMED CONFLICTS AND INTERNATIONAL SECURITY. A FACTUAL AND ANALYTICAL REVIEW**

*By Alyson J.K. Bailes and Sharon Wiharta*

**COMPOSITION OF THE WORKING GROUP**

**INDEX**

# INTRODUCTION

## INTRODUCTION

*This year's Strategic Panorama, which I am coordinating for the first time, attempts, albeit timidly, to introduce a new approach to the various matters studied, though without sacrificing the depth and rigour that have always characterised it.*

*This new approach entails shedding geographic restraints where possible when addressing certain issues whose special features call for a more analytical and universal treatment, in consonance with the evolution of today's increasingly globalised world in which it has fallen to us to live.*

*Themes such as «International terrorism», «Defence expenditure world-wide», «Political reform in the Arab and Islamic world» and even a general view of «The conflict landscape in 2004», as a preamble to the successive articles, stem from this idea that we will endeavour to explore in greater depth in coming years.*

*In accordance with this more flexible approach, we have included for your interest as Appendix I (even though it covers a much broader period than 2004) a paper written by Ambassador Alyson J. K. Bailes and Professor Sharon Wiharta, research staff at the Stockholm International Peace Research Institute (SIPRI). This article analyses in depth and with statistical rigour developments in what the authors call «armed conflicts»—defining this concept with almost surgical precision—from the end of the Cold War (1990) to the present day.*

*However, there is no doubt that there are still geographical areas which, owing to their special characteristics, repercussions on international relations or specific interest for Spain, such as Iraq, the Maghreb region, the scene of the eternal Palestinian-Israeli conflict and Latin America, deserve to be monitored specifically and in detail. A little forecasting can even be*

*attempted for these areas in a humble endeavour to support those responsible for decision making in any field in their difficult task.*

*2004 has been rich in events. It began with the hope that Saddam Hussein's arrest would bring about a favourable change in Iraq's situation—unfortunately this was not the case—which is examined in depth in the related chapter of this year's Strategic Panorama.*

*International terrorism continued to be a terrible global threat that has dealt devastating blows in different parts of the world, such as the brutal attack we Spanish people suffered in Madrid on 11 March.*

*It is indeed unsettling to realise that in this highly technologically-oriented world with global satellite surveillance, intelligent weapons and the ability to explore the whole electromagnetic spectrum we have failed to locate the leaders of this international terrorist organisation and the centres from which they issue their sinister instructions. Al Qaeda has become a genuine terrorist «franchise» whose eradication will require a major coordinated and supportive effort from all countries.*

*The general elections in Spain brought a change of government and new courses of action in our foreign policy. The result of the presidential elections in the United States has likewise highlighted the failed predictions of many analysts who were keen to judge American public opinion according to European parameters, which are not always applicable to America's conservative society.*

*This is a particularly important time for the European Union owing both to the possible adoption of a European Constitution and to the myriad problems, especially economic, stemming from its enlargement—a moral and material necessity—to 25 members, and to the establishment of a timeframe for the accession of Turkey, with the ups and downs all this entails.*

*The United States continues to exercise its hegemonic leadership and, after a turbulent electoral year that was distorted by the complex situation in Iraq, from which the Bush Administration has emerged strengthened, seems to want to embark on a policy of rapprochement with Europe and return to the «Roadmap» to find a final solution to the Palestinian-Israeli conflict.*

*The Asian giant is continuing its unstoppable demographic and economic development and although international relations in Asia are cur-*

rently their most stable since the Second World War, growing demand for scarce natural resources like gas and oil could become a new potential source of conflict in the near future.

*In the last days of 2004 and early days of 2005, when these articles are being finalised, we have witnessed events of particular significance to the future. On the one hand, the dramatic seaquake in Southeast Asia and its terrible consequence on that complex geopolitical area, which it is still too early to assess; on the other, the encouraging result of the Iraq elections, which took place despite the insurgents' efforts to prevent them, opens a door to hope for the Iraqi people; and no less important and equally encouraging is the new approach to negotiations between Israeli's prime minister, Ariel Sharon, and the new president of the Palestinian National Authority, Abu Mazen, who was chosen after the death of Yasser Arafat—who will be judged by history—and appears to command the firm support of the Madrid Quartet and, very especially, the new Bush Administration, which is conscious of the importance of settling this conflict for the development of his idea of the «Greater Middle East».*

*I wish to end this introduction by pointing out that everyone involved in this project has attempted to make it a «Panorama» presented from Spain, directed at Spaniards and bearing in mind our national interests, as I firmly believe that this is the goal pursued. It therefore attaches particular importance to certain areas such as Latin America and the Maghreb, to which we are bound by many historical, cultural and economic ties, though unfortunately this is at the expense—for reasons of space—of other regions of lesser geopolitical interest to Spain.*

*All that remains for me is to thank all the contributors for their enthusiastic participation and hope that the results help give our readers a clearer idea of the complex «Strategic Panorama» we face.*

Admiral José A. Balbás Otal  
Coordinator of the Working Group

**CHAPTER ONE**

**INTERNATIONAL CONFLICT  
LANDSCAPE**

## INTERNATIONAL CONFLICT LANDSCAPE

By Félix Sanz Roldán

A number of new elements of worldwide scope are looming on the strategic horizon at the beginning of this century. These are transnational terrorism, the proliferation of weapons of mass destruction and the existence of «failed states» whose disintegration is weakening the international order and increasing regional instability—all this in addition to the continuing traditional risks and threats to international peace, stability and security.

The terrorist attacks of 2004, including those that occurred on 11 March in Madrid, have spurred European societies to give deep consideration to the terrorist phenomenon as they have revealed in all their crude reality two aspects that have become almost unquestionable facts: the impossibility of predicting the full spectrum of terrorist acts and the impossibility of achieving total victory over those threats in the traditional sense of the word. The perception of vulnerability has grown enormously in the Western societies, which continue to attach priority to freedom, democracy, security, economic prosperity, human life and the great ethic and moral values.

Terrorism, including suicide attacks, is not new. What is new is terrorist groups' unprecedented access to the latest technology. Not being subject to moral imperatives or the international commitments limiting states' responses, they have acquired a considerable capability to neutralise the West's military supremacy precisely by striking its societies' two weakest points: the public's morale and system of values.

Terrorism renders useless any type of war convention or political code and has gone beyond the moral limits. For terrorist groups, the concept of so-called «collateral damage», that is, civilian victims and destruction of

widely used infrastructure, does not exist; indeed, they actually seek striking effects, heedless of any other considerations.

One of the effects of the latest terrorist attacks is that they have strengthened the notion of the «enemy» as a source of potential threats and foreseeable attacks. This concept of the «enemy» is very useful in bringing home to societies the need for sound and reliable defensive models and powerful defensive alliances. Whereas states step up security when facing risks, they need to defend themselves from enemies and the manner in which to do so encompasses a broad range of measures apart from purely military ones.

What is more, today's terrorism involves a further danger that was widely felt after the collapse of the Soviet system, even though it has not yet materialised: loss of state or international control over certain radioactive materials. The possibility of such means falling into terrorist hands is a terrible threat beyond human comprehension.

It can therefore be said that with the new risks and threats we are witnessing the return of all the sacrifice, harshness and, in some cases, cruelty that were formerly associated with conflict situations and appeared to have been overcome of late. Conflicts, as Iraq and Afghanistan are proving, are not as clean as we would have liked to believe, with minimum non-combatant victims, quickly and forcefully ended with the use of a technology that provides an overwhelming military victory.

As the European Security Strategy (1) states, we are now entering a new and dangerous period that raises the possibility of an arms race centred on weapons of mass destruction, especially in the Middle East. Scientific progress may increase the potency of biological weapons in the coming years; attacks with chemical and radiological substances are also a serious possibility. The spread of missile technology adds a new element of instability that could increase the threat of what is already a high-risk situation.

But 2004 also brought new sources of conflict that pose a risk to international peace and security, such as the persistence of what the Americans refer to as «failed states» and we Europeans prefer to call «disintegrating states» and the organised crime that is associated with this phenomenon. In many parts of the world poor governance, systematic corruption, entrenched civil strife and the emergence of factitious powers that

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(1) SOLANA, JAVIER: «*A Secure Europe in a Better World. European Security Strategy*», Brussels, 12 December 2003.

vie with the state for use of force have led to a weakening of social structures to the point of «fragility», in which states prove incapable of monopolising use of force.

The characteristic image of failed states is anarchic violence in which war is not a means of achieving political ends but an end in itself, a permanent way of life. From the point of view of conflict potential, the problem of disintegrating states is that the violence they generate tends to spread beyond their borders, taking on a peculiar form of cross-border conflict that affects the territory of various states even though they are not formally at war. Examples of wars that have spread and have yet to end can be found in the Great Lakes region, Ivory Coast and the Caucasus. In contrast, Haiti and Afghanistan are obvious present examples of conflict situations that require the international community to employ many resources to keep them in check. The abundant peace operations that continue in these areas underline the fragile nature of their governance and the difficulty of stabilising them.

Disintegrating states furthermore have a damaging effect on neighbouring countries as they become a sort of «black hole» that prevents regional economic development and fosters the unhindered development of illicit and unacceptable activities. Such is the case of the illegal trafficking in human beings or drugs. Criminal organisations, which find ideal havens in the territory of failed states, are the perfect complement to the warlords as they take advantage for their own benefit of the relations forged in an increasingly globalised and interdependent world.

## **THE WORLD CONFLICT MAP**

The world conflict landscape in 2004 was dominated by the Iraq and Afghanistan conflicts, apart from the continuation of the over 50 years of confrontation of the old and bloody Palestinian-Israeli dispute. All three conflicts are in some way or another closely related to global terrorism that can strike anywhere in the world and in an indiscriminate manner.

However, as can be seen in Afghanistan and, much more evidently, in Iraq, conflicts are not only won by successful military operations but during the long period of reconstruction and stabilisation that follows them. This should lead us to a serious debate on the ends pursued by armed interventions in conflict zones and the resources that Western societies are willing to commit to achieving them.

On the world security scene, conflicts are mainly centred on the Eurasian continent. This territory contains the most and most dangerous potential sources of war in the world. From the Balkans to North Korea, including the Caucasus, Iraq, Iran, the Palestinian-Israeli and the Indian-Pakistani conflicts, there is no doubt that Eurasia's conflict potential in 2004 was indeed high and continues to be our chief cause for concern.

Africa is the second area of interest on the conflict map in 2004, though it exerts less influence on the international community since, for reasons that would have to be analysed in detail, a dispute in the African continent normally has fewer repercussions than a conflict in other parts of the world. This creates a «double yardstick» effect that has sparked criticism from civil society and from many of the international organisations. Even so, from Sudan to the Great Lakes through Liberia, Sierra Leone and the Ivory Coast, African conflicts were a very prominent concern during the year.

Latin America witnessed a considerably lower degree of confrontation than other continents and the advance of democracy is creating greater security. Except for the chronic problem of Colombia, which is being solved very slowly, the only significant event worth mentioning in this part of the world is the civil confrontation that occurred in Haiti and required the intervention of international forces as part of a United Nations peace operation.

## **Eurasia**

In the Balkans, Bosnia-Herzegovina (BiH) is heading, albeit slowly, towards membership of NATO and the European Union. Following the notable success achieved in arresting war criminals, BiH can be expected to continue progressing in the reforms undertaken in the political, social, economic and military fields until it becomes fully integrated into the international community.

The situation in Kosovo will continue to be volatile and fragile, as the February riots evidenced, with obvious uncertainty over the country's final status— independence or self-government— which the international community believes should not be addressed for the time being. Meanwhile, it is likely that the Serbs will attempt to bolster their parallel institutions by rejecting the Albanian-majority administration, while the Albanian side will continue with the current strategy of putting pressure on the international community with a view to achieving independence as soon as possible.

In Eurasia, the focus of world attention is undoubtedly the vast area comprising the regions of the Caucasus, Central Asia and the Middle East. This huge region, comprised of countries that form a geopolitical whole, constitutes a Eurasian «fracture zone» that will continue to be a seedbed of international conflict for years to come. The movements witnessed in recent months in the strategic «Great Game» being played in this region point to a shift in the strategic priorities of the major international players—chiefly the United States, NATO, Russia and China—not only from Europe to the Asia-Pacific region (this process began in the final years of the last century) but also, within this region, from the Pacific front to continental Asia.

The aforementioned «fracture zone» possesses a vast wealth of energy resources; is frequently ravaged by acts of terrorism; is battered by old, violent conflicts such as the Palestinian-Israeli dispute, the Caucasian dispute of which Chechnya is one of the main examples, and more recently, Afghanistan and Iraq; is the cradle of the three great monotheistic religions; has experienced the new international intervention mode of preventive war; suffers from fierce interregional rivalry, deep political instability and major social inequalities; endures ancestral struggles of religious, ethnic or nationalist nature; and lacks political institutions that would provide minimum conditions of stability, security and social well-being.

The first terrorist attack of the year in the Caucasian region occurred on 6 February in a Moscow underground train carriage and killed 41 people. Later, following the assassination of the Chechnyan president, Ajmad Kadirov, on 9 May 2004, the majority of the political parties of the secessionist republic questioned the «Chechenisation» strategy implemented after the election of the president in October 2003 consisting of gradually surrendering power and maintaining Chechens' security.

The most significant aspects of the Chechen conflict were present in the Beslan hostage-taking and killings that resulted in 300 deaths: close links between the killers and international Islamist groups; fanaticism of the perpetrators, who took advantage of the complex web of ethnic enmity in the Caucasus with a view to fuelling feelings of independence of Russian power by means of a spectacular action. By attacking the inhabitants of the pro-Russian region of North Ossetia, the terrorists aimed to spark an armed anti-Russian and pan-Caucasian solidarity movement.

All the sides—Chechnyans, Russians and Ossetians—lost out with the final death toll, though the Chechen terrorists did so the most as their

action led to a reinforcement of the Russian central authority, loss of prestige for the Chechen cause internationally and failure to unleash the desired domino effect in the area of toppling the governments of the autonomous regions on the basis of a hypothetical anti-Russian solidarity.

Recent events in Ukraine, where clean elections were achieved as a result of the demonstrations staged by followers of the recently elected President Yuschenko, are an example of what can occur in other territories belonging to the former Soviet area of influence when different ideological and religious conceptions challenge each other. The specific result in Ukraine, a border area between East and West that is the strategic pivot of Eurasia, may condition the future of other states, particularly in the Caucasian region, that are eager to distance themselves from excessive Russian tutelage in order to be able to approach the area of freedoms of the West.

It can be said that a peaceful power struggle is currently being waged between Russia and the West (increasingly personified by an enlarged European Union and a NATO that has established new frontiers) in order to define the limit between each party's areas of influence. While it is true that Ukraine was a Soviet republic for most of the second half of the 20th century, it is equally true that, following the collapse of the former USSR at the beginning of the final decade of last century, much of its society showed a clear preference for closer relations with the West.

As for the Middle East, we should begin by recognising that both the United States and its allies have so far failed in their attempts to stabilise Iraq. Indeed, the joint action of Sunni groups loyal to the deposed Saddam Hussein and extremist Iraqi and foreign groups has unleashed a brutal wave of violence and terrorism that has had a very negative effect on the stabilisation and reconstruction of the country.

The new Iraqi armed and security forces are currently in no position to take responsibility for maintaining security in the country or safeguarding the unity of a state with clashing ethnic groups. To this must be added the fierce opposition to the electoral process that is to be completed on 30 January 2005 both by the extremist groups and the Sunni and Kurdish minorities, which fear that the election results would consolidate a state structure clearly dominated by the Shia majority.

Although under the present circumstances it is difficult to predict the end result of the transition process in Iraq, we can nonetheless establish a number of evident facts: on the one hand, it is highly likely that the estab-

lishment of a true democratic system will require the prolonged presence of the Coalition forces led by the United States. Failure in Iraq would signify a victory for Islamic terrorism, the effects of which would soon be felt in all their virulence in our own societies. In such a situation, it seems logical for both NATO and the EU to take a bigger role in the transition process by supporting the efforts of the coalition and the new Iraqi national authorities.

It is also true that everything that occurs in Iraq will influence the whole of the Middle East and, especially, the Palestinian-Israeli peace process. In this conflict the Roadmap—the peace plan drawn up by the Quartet for the Middle East made up of the United States, the European Union, the UN and Russia aimed at progressing towards a solution to the Palestinian-Israeli conflict by helping both sides make headway in the political, security, economic and humanitarian aspects in order to achieve a final agreement in 2005—is currently at a standstill.

The death of Yasser Arafat in November signifies new diplomatic opportunities in that neither the United States nor Israel can now claim that it is not possible to negotiate a peace agreement with a terrorist leader. The results of the Palestinian presidential elections held on 9 January 2005 and the victory of the moderate candidate Abu Mazen could have a decisive influence on the Palestinian-Israeli conflict as they have ushered in a new scenario that is more conducive to the resumption of peace negotiations between Israel and the Palestinian Authority leading to a peaceful and fair solution to this long drawn-out conflict. In any event, this will be a foreseeably slow and laborious process in which the intervention of the United States with the support and collaboration of the European Union should play a determining role in getting both sides to make concessions, chiefly the end of Palestinian terrorism and Israeli withdrawal from most of the occupied territories.

The greatest danger posed by Iran is nuclear proliferation. It seems obvious that Teheran is attempting to acquire the technological capability to manufacture nuclear weapons and is exploring various ways of doing so should any fail. A nuclear Iran is a threat to the stability of the Middle East and eastern Mediterranean and can be expected to trigger a reflex effect in other Arab and North African states. In this situation the international community has two options: one, step up diplomatic pressure and, if necessary, apply economic and political sanctions; and two, use force. The first would be the path to pursue provided that the United States and

the European Union managed to overcome their differences and persuade Iran to comply with the requirements of the International Atomic Energy Agency (IAEA) since it is this point that raises the most questions.

The situation in Afghanistan continues to be unstable irrespective of the successful staging of the presidential elections on 11 October—thanks largely to the security provided by the NATO-led International Security and Assistance Force—which were won by the Pashtun Hamid Karzai, who had been president of a provisional Taliban-free government in which all Afghanistan's ethnic groups were represented.

There are currently two different operations running in Afghanistan: ISAF under the NATO mandate and the US-led Operation Enduring Freedom. Whereas ISAF is focused on security and reconstruction missions to support the central authority in Kabul, OEF is centred on counter-insurgency tasks to destroy Al-Qaeda's network and prevent a resurgence of terrorism. Given the lack of a common strategy, it seems logical for a command unit in some form or another to be established for both operations with a view to achieving greater synergy between them.

The allies' reluctance to provide the necessary capabilities to extend security to the conflictive southern and southeastern provinces and to increase support for the Provincial Reconstruction Teams (PRTs) that are regarded as the best means of facilitating the deployment in the provinces of the police and Afghan army under Kabul's control highlight the West's limited willingness to increase its commitment in a scenario that is not seen as having a satisfactory solution within a reasonable period of time. It can be estimated that NATO will need to remain deployed in Afghanistan for no less than a decade.

As for the Indian-Pakistani conflict, the possibilities of a nuclear war erupting seem small if we examine rationally both sides' behaviour. Nevertheless, we should be aware of the main risks: lack of bilateral control mechanisms such as the SALT and START agreements between the United States and former USSR and dysfunctions in the decision-making process on the use of these weapons. We cannot therefore totally rule out a nuclear clash between these powers, though the current political and strategic circumstances make this unlikely.

There can be no doubt that China is the most important variable in the security of Eastern Asia. Following years of «strategic ambiguity» and alliances with certain «dubious» states, China's new strategic doctrine pro-

motes the peaceful settlement of differences and dialogue, seeking regional development through tools such as the Shanghai Cooperation Organisation (China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan) which was established in 1996 and is regarded by Beijing as a key instrument in regional stabilisation. Its defence of the multilateral institutions is one of the most significant about-turns witnessed in its foreign policy and helps diminish the perception of a Chinese threat.

The most likely cause of any future confrontation in China's relations with the United States and Japan is Taiwan. Chinese analysts regard Taiwan not only as a domestic problem but also as an exception to their new security concept and «peaceful rise» policy; however China's manner of coping with the problem will determine foreign perceptions of how it exerts its burgeoning influence on world affairs.

Although America's growing intervention in Central Asia has marked a temporary setback to Chinese geopolitical aspirations, China's increasingly powerful political situation and economy are enabling it to enjoy a more favourable strategic situation as regards maintaining stability at its permeable eastern borders. Its limited strategic ambitions of previous periods, focused almost exclusively on «recovering» Taiwan and consolidating its national territory (Xingkiang, Tibet), have thus been superseded.

The perception of security issues in Japan is quite different. The ballistic missile launched by North Korea in 1998, which flew over the Japanese archipelago, and the violation of Japanese waters by a Chinese submarine in autumn, in addition to the wave of international terrorism that was unleashed on 11 September 2001, have brought about a shift in the defence policy of the country of the rising sun away from the traditional pacifism that has characterised it for the past 60 years.

Accordingly, on 10 December the Japanese government passed the White Paper on Defence and a new five-year law on military planning to be implemented between 2005 and 2009. In these documents Japan gives priority to protection from the new threats that are identified: North Korea owing to its policy of nuclear proliferation and China on account of the rearmament made possible by its unstoppable economic growth.

North Korea's clash with the United States and the international community is currently at a standstill, since the only diplomatic forum open for negotiating the Korean nuclear crisis is the sextartite multilateral summits between the United States, Russia, China, Japan and the two Koreas.

The problem raised by this conflict is that the five do not even agree on how to put an end to the nuclear crisis on the Korean peninsula. Some, like the United States, are in favour of exerting greater pressure, whereas others consider that more pressure signifies greater isolation and a greater likelihood of war. In view of this situation, the United States faces what we might call a «strategic dilemma». On the one hand, it is not able to change the North Korean regime without risking a particularly destructive war on the Korean peninsula which, as occurred in the 50s, would affect the neighbouring powers; and, on the other, the US is being held hostage to its «hardline» strategy towards the «problem states» that was stepped up following 11 September.

The solution would foreseeably involve maintaining the status quo, albeit in terms that are less favourable for the North Korean regime. In this regard, a United States that is overly committed to stabilisation operations in Iraq would prefer, at least in the immediate future, a strategy allowing the external aid needed for the survival of the population while the military threat vis-à-vis North Korean nuclear proliferation grows. The sought after effect would be to bring about a collapse of the regime from inside.

A further important conflict factor that has heightened in 2004 is the risk of the growing radicalisation of the Islamic movements that operate in the Asian peripheral states. This is the case of the Philippines, Indonesia and Malaysia, but also southern Thailand and even Singapore. These states have large Muslim communities which, since the 90s, have been linked to the fundamentalist communities in Pakistan and Afghanistan.

Indonesia continues under the constant threat of the biggest terrorist group in the region, Jemaah Islamiyah (JI). This group belonging to the Al Qaeda network is one of the most dangerous threats to the security of Southeast Asia. Although it is initially based in Indonesia, JI's activities extend to Malaysia, Singapore, Thailand, Cambodia, the Philippines and Australia. Recent investigations point to connections between the terrorists responsible for the Madrid bombings of 11 March 2004 and JI cells in Indonesian training camps, underlining the broad international extension of this group.

All in all, the most highly conflictive zones in the world in 2004 were located in Eurasia and, in many of them, to the traditional situations of war should be added the brutal and terrible action of terrorist groups. Islamic terrorism as a fundamental agent of world instability is particularly violent around the arc of the crescent that stretches from Morocco to Indonesia.

It is very likely that the territories that make up the Eurasian fracture zone, which is the nerve centre of the current world geostrategy and that of the short- and medium-term future, will be the most likely potential sources of war in the coming years and it will be on these that the international community will concentrate its greatest security efforts.

## **Sub-Saharan Africa**

The chief problems of sub-Saharan Africa in 2004 continued to be economic and humanitarian, with poverty and AIDS being the main plagues that ravage the continent and are powerful conflictive factors.

From a strategic point of view it can be considered that these problems, together with the region's political instability, have increased the possibility of «failed states» multiplying, making them more vulnerable to being taken over by criminal or terrorist groups. The international community has therefore centred its long-term strategic interests on preventing the region becoming a haven for terrorist and criminal groups. Even so, there are still very significant areas of endemic conflict capable of endangering the regional processes currently under way to promote African stability.

We should also consider the growing interest raised by the exploitation of mining resources and, chiefly, energy resources in view of the current uncertainties in the Persian Gulf region, the world's main supplier of hydrocarbons. Competition for access and control of these resources, which has grown in past years, is a future factor of conflict that should be borne in mind.

But the fight against terrorism is proving a decisive factor in bringing home to the international community the seriousness of the situation in this region and making it realise that areas dominated by chaos are liable to become havens for terrorism and all types of illegal activity.

The Great Lakes region as a whole continues to be a minefield and endemic violence continues to be present, though its virulence decreased in 2004. The plundering of its natural resources and rivalry for control, as well as the fear and hatred triggered by the multiple conflicts, continue to fuel disputes and latent struggles. However, certain encouraging processes have been making headway in the region, such as the inter-Congolese dialogue in the Democratic Republic of the Congo pursuant to the Lusaka

accords, and this in itself can be regarded as significant progress. A central theme of the inter-Congolese dialogue in which only a few, more symbolic than real, first steps have been taken is the creation of a new national army comprising governmental armed forces and the armies of the two main rebel groups RCD-Goma (Congolese Rally for Democracy) and MLC (Movement for the Liberation of the Congo).

For its part, Rwanda still has huge problems to solve. The International Criminal Tribunal for Rwanda, which will try those responsible for the genocide, has neither the resources nor the personnel necessary to perform its tasks. Although tentative political progress has been made and the first democratic elections to take place after the civil war of 1990-94 were recently held, the government continues to be obsessed with security issues.

The signing by 11 African heads of state of a peace and security treaty in Dar es Salaam in November establishing an area of peace and lasting security in the Great Lakes region and a commitment to achieve shared political stability, growth and development can be interpreted not only as a great opportunity for the future of this vast region but also as a manifest wish by Africa to solve its own problems autonomously.

The fragile ceasefire in the Ivory Coast was broken when government aircraft bombed a French army base at Bouake in the centre of the country killing nine French soldiers on 6 November. The French army retaliated forcefully by bombing and destroying all the Ivorian air force on the ground, leading to over 60 deaths of Ivorians and more than 1,000 wounded in just a week.

On 15 November the United Nations Security Council condemned the air strikes carried out by Ivorian aviation between 4 and 6 November, describing them as a flagrant violation of the ceasefire, and appealed to all the parties involved to abide by the peace agreements, also establishing a 13-month arms embargo. South Africa's President Mbeki received a mandate from the African Union to mediate in the conflict. At the end of the year, following talks between the main players involved in the Ivory Coast crisis—President Laurent Gbagbo, Prime Minister Seydou Diarra and the secretary general of the New Forces, Guillermo Soro—there are certain grounds for optimism regarding a possible solution to the conflict in compliance with the Marcoussis and Accra III agreements of January 2003 and July 2004, respectively.

The current rebellion in the Darfur conflict in Sudan erupted at the start of 2003 when the Sudan Liberation Army (SLA) attacked the Sudanese military installations at El Fashir, the capital of north Darfur. Distrustful of its own soldiers, who mostly hail from this area, the Sudanese government chose to launch an air campaign against the black population centres accompanied by attacks by the Janjaweed militia aimed at destroying the ethnic support base.

In April 2004 the sides agreed to a «humanitarian ceasefire», which has been systematically violated by the Janjaweed militiamen despite the government's commitment to disarm and dissolve them. Rather than the Sudan government's incapability, these violations indicate its preference for incorporating the Janjaweed into the Sudanese police and regular forces.

Although both sides have been accused of committing serious human-rights violations, even genocide, the main party responsible for these criminal acts is the Janjaweed militia, who are much better armed. It is estimated that over 1,500,000 people have been forced from their homes and over 200,000 have fled into Chad. The number of dead may exceed 50,000. Despite the Sudanese authorities' repeated proclamations of victory, such declarations may all be considered premature. Indeed, the northeast region of Darfur is controlled by the SLA, whose ranks have not ceased to swell.

Although the Janjaweed's campaign has led many observers to compare Darfur with Rwanda, it seems more appropriate to liken it to the wars in the former Yugoslavia except for the fact that, unlike in the Balkans, the isolation of this region is depriving many refugees of effective international aid.

The African Union (AU) played an observer's role in the ceasefire talks that took place in Djamena (Chad) in April, where it was assigned the responsibility of establishing the Ceasefire Commission in Darfur. Since then the AU has concentrated on setting in motion, assisted to an extent in organisational aspects by the European Union (UE), the so-called enhanced African Union Mission in Sudan (AMIS II), a classic peacekeeping operation that is to be assigned 45 teams of Military Observers (MILOBS), each comprised of 10 people, who will deploy in eight sectors.

As for the Western Sahara conflict, the impossibility of reaching an agreement of any kind between Morocco and the Polisario Front led the Special Representative James Baker to propose a new, amended Frame-

work Agreement on autonomy in January 2003. This plan for the self-determination of the Sahara is based on previous regional polls to elect what the UN calls a «Western Sahara Authority», which would share powers over the former colony with the Kingdom of Morocco. Subsequently, no sooner than four years and no later than five years later, the delayed referendum on self-determination would be held.

Although the Saharans expressed some misgivings, it is curious to note that the biggest impediments to the new Peace Plan in 2004 continued to come from Morocco, in whose view the Framework Agreement has been transformed from a political agreement guaranteeing Moroccan sovereignty into «a separatist project on the golden sands of the Sahara», to cite the *Al Ayam* weekly. Morocco is therefore proposing, as the only solution, negotiating an autonomous status for the «Moroccan Sahara», the limits of which, as mentioned in the statements made by Morocco's foreign minister Mohamed Benaissa, in Casablanca, on 24 April 2004, would be «the sovereignty and territorial integrity of the Kingdom».

To achieve this Morocco is attempting to reinforce its international position through diplomatic action. In particular it is trying to take advantage of the current difficulties experienced by US foreign policy as a result of Iraq. The negative image of the United States in the Muslim-Arab world as a whole makes it likely that the American authorities will strengthen their relations with Morocco, one of the few Arab countries it regards as a friend. The recent signing (June 2004) of a free-exchange agreement with Rabat and the designation of Morocco as a «Major non-NATO Ally», owing precisely to its efforts to combat Islamic terrorism, should be interpreted in this pragmatic context of America's preference for Morocco's stance.

Morocco's stalling of the peace process does not mean that we may consider the possibility of a return to armed struggle by the Polisario Front, despite pressure from the rank and file to respond with weapons. The reason lies in the Saharans' military weakness and the limited effective international support their cause commands today, not only among the Western powers but also among neighbouring states. Should the Saharans decide to take up arms again, their situation could be likened to that of Islamic terrorism and the Saharan cause would feel the effects deeply at a time when the international community is particularly sensitive to armed conflicts arising within Muslim societies. It can therefore be said that the only reasonable Saharan strategy involves exhausting all available peaceful means.

The resignation of the Secretary General's Special Representative James Baker in June 2004 and his replacement by the Peruvian diplomat Álvaro de Soto suggests that the international community has grown somewhat weary of a conflict to which nobody dares suggest a fair and final solution. Despite the foregoing, all the players appear to agree on at least one point: a precarious peace, even if it has to be extended every few months by the Security Council, is preferable to a return to armed confrontation.

We can conclude that over the past year the process continued to convert Africa into not so much a completely stable region but one where conflicts are kept under control, and that failed or disintegrating states—Ivory Coast, Sudan, etc.—are the biggest threat to this stability. A number of important initiatives, such as the New Partnership for African Development (NEPAD), could become valid means of ensuring international commitment to the region's economic development, to the benefit of its geopolitical stability. Whatever the case, the past year seems to indicate that the greatest stabilisation efforts will continue to be witnessed in countries with sizeable energy resources, while the pacification of states that are not of obvious strategic interest will be left to the African regional organisations—such as Darfur—or delegated to former colonial powers (Ivory Coast).

## **The Americas**

In Haiti, as a result of the events of February 2004, the United Nations Security Council adopted a resolution authorising the intervention of a provisional multinational force made up of US, French, Chilean and Canadian troops. This helped step up security in the country but was limited by its scant size, and the situation in the country therefore continued to be highly unstable.

Therefore, on 30 April the UNSC adopted the new Resolution 1542 on the creation of a Stabilisation Mission in Haiti (MINUSTAH) pursuant to Chapter VII of the San Francisco Charter and as such authorised as a Peace Enforcement mission with an initial duration of six months, renewable for further periods. It also established that the military component would consist of eight battalions with a maximum of 6,700 soldiers. Transfer of authority from the previous military force took place in June.

The UN prefers to settle this problem within the American regional environment (CARICOM, OAS, etc.) and, indeed, these countries proved the

most willing to contribute troops. The biggest problem encountered by the international community is that there is at present no alternative minimally acceptable to former President Aristide and that the security situation has progressively worsened over the past months (120 deaths between September 2004 and January 2005). It is therefore foreseeable that the United Nations will have to keep up its commitment to this country for a long time if it is to prevent Haiti from becoming a «mini-Iraq» in the Caribbean. The most plausible solution would be to strengthen the United Nations' administrative role by prolonging international tutelage for a considerable amount of time until Haiti is eventually converted into a country with stable, lasting political institutions that are fully recognised by the world community.

Colombia currently poses the most serious security threat in the Latin American region. The problems relating to guerrilla warfare, drug trafficking and poverty, which are all interconnected and beyond the control of the Colombian government, are questioning both local and regional security.

The measures designed to stem the conflict, put in place after President Uribe came to power and known as the so-called «Democratic Security Policy», can be summed up as: strengthening of democratic activity; an antiterrorist law; international and military presence throughout the territory; pursuit of peace and dialogue in all the armed sectors; a «penal alternative» law to facilitate negotiation; request for the good offices of the UN with respect to human rights and international humanitarian law; combating corruption and impunity; a basic alliance with the United States; strengthening of the armed security forces; curtailing the proceeds of drug trafficking; a policy to eradicate coca cultivation; and setting up a network of informers, that is, boosting intelligence work. All in all, the aim is to bolster state action in all sectors of Colombian institutional life.

The efficiency of this policy and military action has forced the guerrilla to withdraw, though it retains a significant military capability. By avoiding direct confrontation with the military units of the Colombian armed forces, the guerrilla has managed to prevent excessive debilitation. In addition, the Colombian Public Force is being bolstered by the setting up of a Joint Task Force in the south of the country; its mission is to reach areas where the guerrilla is lord and master.

The aforementioned measures, in addition to US approval (ratified during President George W. Bush's visit) of \$700 million worth of annual military aid for the so-called «Colombia Plan», heightens the sensation that the foundations are being laid for a lasting solution to the Colombian conflict.

All in all, although domestic instabilities abounded in many of the Latin American states in 2004, particularly the Andean countries, most of the governments cooperated closely with each other and with the United States in regional counter-insurgency efforts and in clamping down on drug trafficking. Apart from Venezuela and Cuba, which are undergoing singular processes of nationalist self-assertion and absent from the current US-promoted security dialogue, it appears that current national and American policies need to focus preferably on economic development geared to eradicating poverty and on reforming their own institutions with a view to overcoming their own internal contradictions while attempting, through dialogue and diplomatic mediation, to achieve a better understanding and adaptation between governments and social and local movements.

## **THE STRATEGIC POSITION OF THE MAJOR INTERNATIONAL PLAYERS**

The continued eastward enlargement of NATO and the EU towards or even across the boundaries with Asia—and the projection of their influence to the Caucasus, Middle East and Central Asia—shows how both strategic players are proceeding, on the one hand, to provide stability and security and, on the other, to bring about a political, social and economic improvement in the Eurasian territories by eliminating or mitigating possible sources of instability that may arise. With this eastward shift, the Western world is occupying territorial spaces habitually inhabited by other peoples, giving rise to a new system of contacts, experiences and international cooperation relations that would have been unthinkable scarcely a decade ago.

The new borderless risks and threats are requiring NATO to step up international cooperation in order to reduce conflict potential. This is being carried out through a multilateral approach that combines multiple disciplines, countries and organisations. Through its policy of enlargement and through its strategic partnership with Russia and Ukraine, NATO is at the heart of the security and stability relations that spread across the whole Euro-Atlantic area. Following the Istanbul summit, the Alliance is in the process of strengthening dialogue and cooperation with the strategically important regions of the Caucasus and Central Asia and improving relations with its North African and Middle Eastern neighbours.

Furthermore, the recent enlargement of the EU towards the Mediterranean, with the accession of countries such as Cyprus and Malta, has opened up new perspectives for a subregional cooperation more focused on the potentially conflictive areas of the Maghreb and Mashreq. With European security interests shifting further in this direction, Europe should base its security model on a more active commitment to the countries in these regions by encouraging parallel development in the political, economic, social and military fields.

Therefore, although the Solana paper on a European Security Strategy makes do with the modest goal of ensuring that these countries are «well governed», it is advisable to seek a new, much more pragmatic gauge of the Barcelona Process that requires, at least, ensuring that the concept of «flexible border» the EU is so fond of advocating is sufficient to overcome the growing feeling of exclusion among the southern countries, which are finding themselves subjected to a community «neighbourhood» strategy without the benefits of possible future accession.

With European security interests shifting increasingly southwards, the major challenge that an enlarged European Union faces is to transform the current community geostrategy with a view to shaping a belt of friendly countries in the southern borders of the community geopolitical area.

The United States, the only world empire in the security and defence fields, has also made an important commitment to international security by leading the fight against terrorism and intervening politically and militarily in the Central Asia and Middle East region. Although the results of its action are questionable and its costs may be excessively high, this active policy has brought it considerable strategic advantages compared to other significant world players such as the traditional continental powers, China and Russia, in a process that greatly recalls the old geopolitical theory of encirclement. Its military action is currently focused both on Afghanistan and Iraq, though its main challenge in geopolitical terms continues to be a solution to the Palestinian-Israeli conflict.

Russia's perception of its loss of political and strategic influence both internationally and, in particular, in its traditional area of influence, Central Asia, has led it to adopt more radical positions recently, especially in the field of preventive military intervention, as evidenced in its new military doctrine and the strengthening of the powers of the central government. It is not easy for Russia to come to terms with nations from its «near abroad» such as Georgia, Armenia and Ukraine moving closer to NATO and the

European Union. It would be very costly for these organisations to lose Russia as a fundamental partner both in the field of counterterrorism and in counterproliferation.

China, which has seemingly abandoned its policy of calculated ambiguity and has clearly defined its regional concept of security by establishing a policy of a «peaceful rise» and progressive involvement in world affairs, appears to back, on the one hand, reviving the Shanghai Cooperation Organisation as a response to the EU's military deployment in the area and, on the other, signing a strategic partnership agreement for peace and prosperity with the Association of South-East Asian Nations (ASEAN), an organisation aimed at cooperation and mutual assistance between members since its establishment in 1967. At the same time, the foreseeable passing of an anti-secession law which will presumably define the circumstances under which Beijing would initiate military action against Taiwan could display all the ingredients for the emergence of a dangerous escalation of regional conflict potential.

Japan's security policy during this past year, particularly at the end, when the White Paper on Defence was published, was marked by a more proactive attitude towards international peace and stability that is closely aligned with America's policy, particularly in the Asia-Pacific region, and a shift away from its traditional non-intervention stance maintained since the end of the second World War. This very important change in mentality is influenced by the risks North Korea's growing nuclear capability pose to the Land of the Rising Sun and China's foreseeable—and feared—rearmament driven by its powerful economic expansion.

Finally, India is regarded as a moderate, cooperative and realistic strategic player, particularly in the Asian environment. During the year it consolidated exemplary relations with Pakistan, though both countries are aware they have a bumpy road ahead as regards controlling nuclear weapons and conventional detente. It has likewise established a strategic relationship with the United States to make up for the importance Pakistan holds for America as a vital strategic partner in counterterrorism. It has also improved considerably its relations with China by recognising Tibet to be an integral part of the country of the Great Wall, while China recognised India's sovereignty over Sikkim, thereby paving the way towards the settlement of Chinese-Indian territorial disputes.

In short, the position and action of the major powers and NATO states with respect to conflict situations can be regarded as positive, balanced

and displaying a constant concern to ease their intensity as far as possible. It is highly likely that they have all helped lower the level of international conflict potential. Some potential sources of conflict such as Taiwan, Iraq, Afghanistan, the Palestinian-Israeli dispute and North Korea may affect some or all of these states in varying degrees, and, depending on national interests, may lead them to adopt clashing positions.

## **LOOKING AHEAD TO THE FUTURE**

The year 2004 has clearly confirmed that international terrorism is going to be the main risk factor for international security and stability over the next few years and the biggest source of conflicts. If to this situation we add the possibility of transnational terrorist groups obtaining weapons of mass destruction, terrorism will become an extremely dangerous threat that needs to be addressed without doubt or hesitation.

However, stemming this threat requires a series of instruments that provide a range of gradual responses of which military action is but one and, normally, the last resort. This does not mean to say that future use of military forces is irrelevant or unnecessary, but rather that the new strategic views on the use of military forces need to be placed in a broader context in order to calculate more effectively their costs and long-term consequences and prevent counterproductive effects.

Improving international security therefore requires to reduce risks and we can only do so by facing up firmly to the threat while diminishing our vulnerability. The threat is addressed by combating terrorists and their causes while vulnerability is reduced by making ourselves stronger and better equipped to cope with the danger of terrorism. Prevention and prosecution are the best strategic tools for tackling the former, while protection and preparation help reduce the latter.

This challenge extends to all the Western states and all the international security and defence organisations, from NATO—whose Military Committee adopted a new concept of combating terrorism and at the Prague Summit in 2002 decided to set up a Response Force (NRF) to stem the terrorist threat anywhere in the world—to the EU, whose recent security strategy document, «A Secure Europe in a Better World», mentioned earlier, defines terrorism as «a strategic threat» and proposes combating it with «mobile and flexible forces».

From these documents we may infer that fighting terrorism requires a combination of political, legal, police, military, intelligence and other means. All this should be accompanied by an «ideological fight» aimed at outlawing the culture of excuses, putting an end to reasoning that presents terrorists as idealist activists who act in favour of the oppressed and against the oppressors, of the «south» versus the «north», of the world's poor against global capitalism, and of the rest of the world against the West.

By locating the conflict landscape geographically, we have attempted to reflect throughout this paper how the main effort of the international community in the field of security and stability in the near future will be directed at the broad region that extends across the Eurasian fracture line, the nerve centre of world geopolitics, which is where the major powers' main geostrategic positions will be decided.

It is precisely the threat of international terrorism, added to other pre-existing threats of state and ethnic rivalries and religious or nationalist clashes, which will be the greatest focus of attention in this landscape and mending this geopolitical fracture will be politically and strategically enormously wearing for the major powers.

We should therefore not be surprised that the international community has given maximum priority to finding a solution to the existing focuses of conflict in Afghanistan and Iraq and the Palestinian-Israeli dispute owing precisely to their importance and influence on international peace and security. Whereas in the case of the first it is reasonable to expect an acceptable solution to be reached in the medium-term owing to the substantial commitments of NATO and the United States, the other two are trickier due to the lack of full agreement both within the Atlantic Alliance and on the part of the international community.

A second priority is the real conflicts in the Caucasus and North Korea and the potential conflict with Taiwan. Although the first of these largely affect Russia as the major power with the most influence in the area, it is of general interest that this conflict be settled, owing not only to its energy repercussions but also to the repercussions the means and procedures used are having on the international legal system. The North Korean conflict, for its part, is currently experiencing great uncertainty, while Taiwan could witness a heightening of tension as a result of the possible hostile intentions of an increasingly powerful China.

Western efforts to achieve controlled stability in the African continent should be centred on helping countries solve their own problems. However, until this is fully possible, it is necessary to prevent the proliferation in Africa of failed states where terrorism could act with impunity, such as in the regions of Darfur, the Great Lakes, western Africa and the Gulf of Guinea.

There would appear to be greater grounds for optimism in the Americas. On the one hand, the situation of Haiti is fairly encouraging, as the whole Latin American community is committed to finding a solution to what is a difficult conflict. On the other, significant progress was made in 2004 in the Colombian conflict, including the paramilitaries' voluntary abandonment of guerrilla warfare and the continued assistance from the United States, which point to further progress towards a permanent solution.

Another salient feature is the geographical shift in conflictive areas. Whereas at the end of last century these areas were located in the Balkans, East Europe, the Middle East, the southern cone of Africa, South America and Southeast Asia, the conflict map tends to encompass the Caucasus, Central Asia and the Middle East, though the endemic conflicts in sub-Saharan Africa are still very virulent, albeit less so.

From a strictly military perspective, 2004 has shown that the post-conflict period has marked a genuine revolution in warfare. In the past soldiers were trained to battle against a clearly identifiable enemy to defend their country until victory was achieved. Nowadays, in today's conflicts, we have seen that not only is it necessary to achieve military victory but also to achieve peace by carrying out costly and long-drawn out stabilisation and reconstruction tasks in the defeated country. This change of focus in the nature of conflicts and scope of military operations requires, among other things, a new manner of operating in conflict scenarios and a different way of thinking on the part of combatants.

It can be said that the three forms of international intervention in conflicts that have been put into practice in Eurasia in recent years (the Balkan, Afghan and Iraqi models) show that the true difficulty for Western-style armed forces lies not in achieving victory in the stage of large-scale military operations but rather in being well prepared to address the costly responsibilities required of the post-conflict stage. This singular situation therefore necessitates a change of mentality and in the training of soldiers and the societies to which they belong.

The post-conflict period calls for a substantial transformation on the part of the military forces, owing not only to the volume and quality of the personnel but also to the means used, the duration of the mission and the goals pursued. This requires an additional effort in solving a conflict, which involves bigger costs and sacrifices, a new mentality and guidance in preparing and training soldiers, and a substantial modification in the characteristics of equipment and materiel and in military capabilities. This is a challenge that military forces will have to address in future with greater efficiency and determination.

In short, the conflict situation in 2004 requires the international community to adopt a firm and determined attitude towards the emerging threats in order to focus its stabilisation efforts on the Eurasian fracture area, prevent the emergence of failed states in Africa, consolidate stability in Latin America and attach priority to the post-conflict stage. This set of challenges posed by current conflicts, precisely because they are interdependent, shapes a community of risks and threats to which the modern industrial and post-industrial societies we belong to must respond.

Societies' political will and conviction that it may be necessary to make important sacrifices in order to maintain and expand the model of stability and prosperity that characterises societies like ours will shape the aims and limits of shared security and steer the efforts of states and international organisations towards achieving them. To this end it is necessary to take a realistic and clear-sighted view of the nature of the current conflicts, which display the classic ingredients of passion, reason and will, with the conviction that this understanding is our best hope that one day the use of force will cease to be seen as an unavoidable resort in relations between nations and between peoples.

**CHAPTER TWO**  
**INTERNATIONAL TERRORISM**

## **INTERNATIONAL TERRORISM**

By Fernando Reinares

An analysis of international terrorism in 2004 requires us to define with sufficient precision this phenomenon, which is currently related to the widespread and increasingly extensive global neo-Salafist Jihad movement whose foundational core and permanent frame of reference is Al Qaeda. After briefly examining its components, goals and strategies, this chapter gathers a broad range of information and statistics on international terrorism during that period of time, in order to assess the influence of this globalised violence. This approach to studying the geopolitical scenes, operational procedures and patterns of victimisation of the attacks perpetrated this past year by organisations and groups relating to the current international terrorist networks sheds light on some of the most salient features of this persistent threat—features that are not always in consonance with the public's perception of them.

### **ABOUT INTERNATIONAL TERRORISM**

International terrorism is often referred to in overly vague, imprecise terms; this hinders a proper appreciation of its scope and size and the careful study of the trends it displays over time. The problem of defining this phenomenon may lie in the perception held by the media, public opinion, scholars and our societies' political elite. It may even affect the making of decisions relating to specific government measures that are adapted to the nature and scope of this violence, and the widely shared belief of the need for effective intergovernmental cooperation to stem the risks and threats inherent in this phenomenon. It is therefore advisable to adopt more precise or restricted definition criteria in order to avoid, as far as possible, some of the usual mistakes when defining and analysing this con-

cept. Such inaccuracies undermine the validity of many reports, chronologies and databases used to glean reliable knowledge on the reality of international terrorism.

It is common, for example, for international terrorism and transnational terrorism to be confused, though the former actually includes the latter but not vice versa (1). Transnational terrorism is that which in some way crosses state boundaries, basically because the organisational structures and violent activities of its perpetrators extend to more than one country, normally including territories over which the authorities to which their demands are ultimately addressed do not exercise jurisdiction. This means that acts of violence involve more than one country and often individuals of two or more nationalities, as regards both the terrorists and their victims. It would be very difficult nowadays to find an organisation systematically implicated in terrorism that has not transnationalised its activities to some extent, whether with the aim of mobilising the resources necessary for maintaining clandestine structures or of planning and executing attacks. What is more, most terrorist incidents witnessed over the past years all over the world are related to political objectives that directly affect two or very few more state jurisdictions and have transnational connotations but not an international dimension as such. That is, they are expressions of a transnationalised terrorism but not an international terrorism.

What is international terrorism then? In first place, international terrorism is that which is engaged in with the deliberate intention of affecting the power structure and distribution in whole areas of the planet and even on world scale. In second place, it is that whose individual and collective actors have spread their activities throughout a significant number of countries or geopolitical areas in keeping with the scope of the declared intentions. The first characteristic alone is necessary but insufficient to define the phenomenon properly. However, the specific configuration of international terrorism can vary considerably from some periods to others, as recent history has highlighted. It can include, for example, the sponsorship or exploitation of previously existing transnational terrorist organisations by the authorities of countries with shared geostrategic interests, as a result of which the violent actions committed by those groups are granted a truly international scope. This occurred in the 1970s and 1980s

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(1) For the distinction between transnational terrorism and international terrorism see Fernando Reinares, «*Terrorismo y antiterrorismo*», Barcelona: Ediciones Paidós, 1998, pp 175-193.

with part of the international terrorism that was in some way sponsored by governors of the extinct communist bloc to destabilise Western Europe as a whole or, more specifically, certain nations in the southern belt (2).

Whatever the case, the long-term strategy of any international terrorism is compatible with goals that are more limited in scope and shorter in time, either for all of its actors or for some of them. These goals may be, for example, to bring about a change of regime or political alignment of a particular country, and even to pursue the rise or disappearance of a state entity, provided it is part of a much more ambitious political project. However, when the foreseeable consequences that a terrorist campaign pursued with this type of aim in mind can have on a specific region of the world are not contemplated by those who practice this violence or are secondary to other aspirations of a lesser scope, we can hardly speak of international terrorism. Therefore, the attacks by radical Palestinian organisations on Israeli targets are manifestations of a nationalist terrorism that has become broadly transnationalised but not international terrorism strictly speaking.

## **OBJECTIVES OF NEO-SALAFIST JIHADISM**

Since the 1990s many attacks in various parts of the world have been perpetrated by an Islamist international terrorism practiced by Al Qaeda and a series of regional or local armed groups that are associated with this terrorist structure if not directly derived from it. The organisation was established in Afghanistan in the late 1980s following the announcement of the withdrawal of the Soviet army that had invaded the country in 1979. For nearly a decade, thousands of combatants flocked there from numerous Arab and Asian countries, even from immigrant communities in Western societies, attracted by the appeal to contribute to a Jihad or holy war that was understood and religiously justified as defensive. Once the invading troops were defeated, some of the former leaders of the Mujahidin decided to set up a base to provide training, procure funds and supply logistic support to movements willing to engage in violent campaigns against secularised governments of states with mainly Muslim populations or states on the periphery of the Islamic world that were the scene of conflicts involving minorities of the same religious creed. Disputes of this kind

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(2) Fernando Reinares, «*Terrorismo y antiterrorismo*», op. cit., pp. 181-193.

existed in areas as far apart as Bosnia, Chechnya, Somalia, Kashmir and Mindanao in the 1990s.

Al Qaeda, a name that literally refers to this multiethnic and multinational base in Arabic, soon became more than that, in accordance with its initial designs—specifically, a foundational core and frame of reference for many other organisations that are interconnected by links that appear weak on occasions but are technologically developed as part of the complex, extensive web of the new international terrorism. The violence is practiced by groups and organisations that share a particular fundamentalist interpretation of the Islamic faith. The individual and collective actors involved in the increasingly widespread networks of international terrorism are thus characterised by their shared attitudes and beliefs that pertain to neo-Salafism, that is, an extremist and violent Salafism that differs from other puritanical but non-aggressive expressions. This neo-Salafist doctrine is based on a rigid and timeless reading of the Koran and the Hadiths; its supporters are socialised in an environment of pure hatred for those considered infidels and, out of other possible senses, take the concept of Jihad to mean its most decidedly warlike sense (3). Al Qaeda soon came to be controlled by neo-Salafist leaders while others, advocates of other traditional interpretations of the Muslim faith, returned to their places of origin after successfully waging the holy war to which they had been summoned against the Soviet armies.

Between the end of 1990 and mid-1996 Al Qaeda moved to Sudan, where it became consolidated before settling again in Afghanistan, this time in connivance with the new Taliban authorities. By then the neo-Salafist Jihad had redefined itself as a war that was not only defensive but also offensive, with a design and aims of worldwide scope, which secured the effective adhesion of different Islamist armed groups. In February 1998 the so-called World Islamic Front for Holy War against Jews and Crusaders was formally established. This was basically a global neo-Salafist Jihad that manifested itself in the form of international terrorism and made use of a markedly anti-Western rhetoric (4). Indeed, the most significant incidents that have been attributed since then to the organisations and

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(3) Oliver Roy, «*L'islam mondialisé*», Paris: Éditions du Seuil, 2002, pp. 133-163.

(4) On the origins and development of this international terrorism see, among others, the works by Rohan Gunaratna, «*Inside Al Qaeda. Global network of terror*», London: Hurst and Company, 2002; Jason Burke, «*Al Qaeda. La verdadera historia del islamismo radical*», Barcelona: RBA Editores, 2004 and Marc Sageman, «*Understanding terror networks*», Philadelphia: University of Pennsylvania Press, 2004.

groups that practice this violence include, as is well known, those of 7 August 1998 in Nairobi and Dar es Salaam, those of 11 September 2001 in New York and Washington, that of 12 October 2002 in Bali and those of 16 May 2003 in Casablanca. These and many other significant events are part of the activities of an international terrorism that is diversified both in its targets and in its patterns of victimisation, emerged in the first half of the 1990s, has not ceased in 2004 and does not look set to subside in the near future.

The fact that today's international terrorism is Islamist is a characteristic feature of what is known as the fourth wave of modern terrorism, though for the past decade it has been appropriate to speak of new Islamist terrorism in order to distinguish it from other immediately preceding versions of this violence that was also practiced by Muslim fundamentalists but belonging to the Shia current and sponsored by the Iranian theocratic authorities, among others (5). Even today, not all the groups and organisations of Islamist inspiration that systematically commit terrorist acts belong to the international terrorist networks. Hamas, for example, whose activities are widely transnationalised, has regularly attacked Israeli interests and citizens as a means of achieving the establishment of an independent Palestinian State, like other terrorist organisations based in the occupied territories. However, as far as we know, it is not linked to Al Qaeda or any of its related organisations. The same is true of various Muslim armed movements in the north of the Caucasus or southern Thailand, for example, which direct violent campaigns with basically separatist objectives, in principle alien to neo-Salafism and the pan-Islamic aims that underlie the current international terrorist networks, although these may end up absorbing them.

A feature that converts into genuinely international the terrorism practiced by the Islamists linked to such an extensive and complex web whose foundational core and frame of reference is Al Qaeda relates to the ultimate goals pursued. For the entrepreneurs and followers of this new terrorism inspired by neo-Salafist rigourism have declared that their purpose is none other than the political unification of Islam or, in the terms used by the actors responsible for this violence of fundamentalist religious inspira-

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(5) David Rapoport, «*The four waves of modern terrorism*», pp. 46-72 in Audrew K. Cronin and James M. Ludes (eds.), «*Attacking terrorism. Elements of a grand strategy*», Washington: Georgetown University Press, 2004; Fernando Reinares and Antonio Elorza (eds.), «*El nuevo terrorismo islamista. Del 11-S al 11-M*», Madrid: Temas de Hoy, 2004.

tion, the restoration of a caliphate extending from the westernmost part of the Mediterranean basin to the boundaries of Southeast Asia, if not of a universal caliphate. In this regard, for current Islamist terrorists and those who collaborate or sympathise with them, Afghanistan showed that it is plausible to achieve political aims of this kind through violence, which is now justified as a holy war that is both defensive and offensive. Similarly, the experience was considered a first step in the strategy of violence aimed, according to those who implement it, at retrieving the territories where Islam prevailed in the past and progressing towards the building of a single Muslim nation. These objectives transcend but coexist with those established by local or regional groups in their respective territorialized agendas.

## **STRATEGIES OF PAN-ISLAMIC TERRORISM**

The ambitious pan-Islamic designs of those who instigate and execute today's international terrorism actually entail a dual confrontation: on the one hand, against the governors of countries with mainly Muslim populations who are regarded as non-believers or apostates in that they do not conduct themselves in accordance with strict observance of the precepts of the Koran, and are furthermore described as tyrants. This epithet is given not on the basis of how they achieved or maintain power but with regard to a behaviour which, according to the neo-Salafist radicals, deviates from what they consider should be in consonance with a rigid reading of the Sharia. Both Al Qaeda itself and the local or regional groups concerned, depending on their area of action, pursue the overthrow of these Muslim governors they describe as non-believers, heretics or tyrants in order to establish regimes in which a strict interpretation of the Koranic law prevails. However, in practice, the terrorism exercised by neo-Salafist Jihadists has ended up being aimed at whole populations of Muslims whom they also stigmatise as non-believers, either because, as Sunni, they do not conduct themselves in accordance with neo-Salafist rigourism or submit to the dictates of Al Qaeda and its associated organisations, or because they belong to communities that do not fall within that tradition, as in the case of religious leaders and followers of the Shia current of Islam.

But today's international terrorism is the effective implementation of a strategy directed not only against designated adversaries within the Islamic world but also against non-Muslim societies or those regarded as infi-

dels, particularly those defined as pertaining to Jews and crusaders. The entrepreneurs and supporters of the pan-Islamic terrorist networks consider that the worldwide hegemony of the Western countries is a fundamental obstacle to the re-establishment of the *ummah* or community of believers in Islam. Therefore, Western interests and populations, particularly US, European and Australian, but also Israeli, have been and continue to be a coveted target for international terrorists since the early 1990s, both in Muslim territories where they are present and from which efforts are being made to expel them, particularly if Western nations have deployed troops to these countries, and also on their own soil or in third countries. It is important to underline that, despite the anti-Western rhetoric that the most prominent international terrorists commonly exhibit, the challenge that the neo-Salafist Jihadists pose to non-Muslim societies also hovers over the societies of civilisational environments such as the Islamic and even the Hindu or Chinese. These last two can be expected to become more affected by this violence than they have been so far as they increasingly compete with Europeans and Americans for world hegemony or become actively involved in global cooperation initiatives to crack down on terrorism.

In the middle of the 1990s, Osama bin Laden, Al Qaeda's charismatic leader, publicly declared that the environment of Jihadist violence was in no way confined to a particular part of the planet and other leaders of that organisation have since stressed that idea (6). This, added to the declared pan-Islamic objectives of today's global neo-Salafist Jihadism and other significant indicators relating to the extension of its networks and operational capacity, allows us to argue that the phenomenon displays the characteristics not just of international terrorism but of genuine global terrorism. For it is a violence underpinned by networks that spread to at least several dozens of countries, both within and outside the Arab and Islamic world. In addition, the attacks perpetrated by organisations, groups and cells linked to these networks have taken place across the length and breadth of the planet, successively broadening the geopolitical scenes of the new Islamist terrorism. Finally, its entrepreneurs and activists have proved themselves capable of perpetrating acts of megaterrorism, that is, attacks which, on account of their magnitude and consequences, are not

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(6) The fatwa or edict issued by Osama bin Laden in August 1996 states: «*The ruling to kill the Americans and their allies—civilians and military—is an individual duty for every Muslim who can do it in any country in which it is possible to do it, in order to liberate the al-Aqsa Mosque and the holy mosque from their grip, and in order for their armies to move out of all the lands of Islam, defeated and unable to threaten any Muslim.*»

just designed and executed on a local or even regional scale but directed at world society as a whole (7).

For the doctrinaires of the neo-Salafist Jihad that characterises current international terrorism, its success largely depends on this movement's ability to attract followers from among its population of reference, hence the importance they attach to indoctrination and propaganda, whose content and language are adapted to the confessional nature of the population in question. It is likely that the purpose of the attacks of 11 September 2001 was both to cause a direct impact on American society and to trigger a reaction from the US authorities that would alienate and radicalise certain sectors of the Islamic world, thereby converting potential sympathisers of Al Qaeda into de facto support. Perhaps, as has been suggested, this organisation's leaders have been exposed to Western theories of terrorist provocation and, whatever the case, it seems that global Jihadism has the capability to conduct sophisticated strategic analyses (8). Even though the vast majority of the nearly one billion Muslims are not familiar with Osama bin Laden's proclamations and only a very small part of those who actually agree with them, the possible radicalisation of a tiny percentage would allow us to estimate at between one and two million the remaining young men who could be recruited by one of the organisations belonging to today's international terrorist network.

With sufficient support or sufficient popular acquiescence, the organisations that make up the global Jihadist movement aspire to establish a neo-Salafist regime at the heart of the Islamic world from which to progress towards the recovery of what they consider Islam's lost splendour and the restoration of a pan-Islamic caliphate as anticipated by the prophet Mahomet. Ayman al Zawahiri, who is possibly the chief strategist of Al Qaeda and, by extension, of international terrorism, stressed only a few years ago that the holy war sponsored by his organisation should be waged both against the internal and nearby enemy and against the external and remote adversary. At the same time, he provided a further three practical indications to be followed when executing acts of violence, in the context of an antagonism perceived as asymmetrical. In first place, he stressed the need «to inflict the maximum casualties against the oppo-

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(7) Fernando Reinares, «*Terrorismo global*», Madrid: Taurus, 2003.

(8) Mark Sedgwick, «*Al Qaeda and the nature of religious terrorism*», «*Terrorism and Political Violence*» vol. 16, no. 4 (2004), pp. 795-814; Haizam Amira Fernández, «*¿Tiene Al Qaeda una estrategia global?*», *ARI* no. 74, Madrid: Real Instituto Elcano de Estudios Internacionales y Estratégicos, 2004.

ment»; the second requirement is «to concentrate on the method of martyrdom operations as the most successful way of inflicting damage against the opponent and the least costly to the mujahidin»; and lastly, targets and weapons must be chosen to have an impact «on the structure of the enemy» (9). To what extent do these guidelines coincide with the reality of international terrorism witnessed throughout 2004?

## INTERNATIONAL TERRORISM IN 2004

Between January and December 2004 at least 187 attacks took place that can reasonably be attributed to organisations and groups related in some way to current international terrorism (see chart 1). Series of attacks occurring in a brief period of time, in the same location and against related targets are recorded as single incidents. The statistic also includes a few advanced attempts at attacks that were nonetheless ultimately thwarted. A significant number of other episodes could likewise be attributed to this new Islamist terrorism perpetrated by the broad global neo-Salafist Jihad movement owing to their location, method and target. However, their authorship was neither publicly announced nor subsequently disclosed and we can only hazard more or less sound guesses as to who committed them. What is more, it should be borne in mind that the complex configuration that this phenomenon currently displays does not always enable the organisations that mastermind or carry out the attacks to be clearly identified. On occasions, even those with a more defined organisational structure use overlapping, interchangeable names, sometimes even to endorse acts of violence committed by small local self-established and relatively autonomous cells whose links with Al Qaeda's decision-making centre or with the leadership of some of its affiliated groups are seemingly weak. However, the data gathered allow a feasible analysis to be made of the impact of international terrorism throughout 2004 and its most plausible trends (10).

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(9) Document by Ayman Al Zawahiri in the Arabic-language daily *Al Sharq al Awsat*, which is published in London; cited by Marc Sageman, «*Understanding terror networks*», op. cit., p. 23.

(10) The statistics contained in this and the next two charts were compiled from data from the Terrorism Knowledge Base maintained by the Memorial Institute for the Prevention of Terrorism (MIPT) and revised and broadened using information supplied by Agencia EFE and the archives of the *El País* daily, and updated with the help of the chronology of significant terrorist incidents published by the US National Counterterrorism Center. I am grateful to Profesor Ruth Bermejo for her inestimable help in gathering, systemising and statistically processing these data.

Chart 1

<b>Acts of international terrorism in 2004, by organisations and groups</b>		
<b>Organisations and groups</b>	<b>Frequency</b>	<b>Percentage</b>
Taliban	69	36.9
Tawhid wal Jihad	26	13.9
Ansar Al Sunna	11	5.9
Tanzim Qa'idat al Jihad al Rafidayn	10	5.4
Lashkar e Tayiba	10	5.4
Al Qaeda	9	4.8
Islamic Army in Iraq	8	4.3
Salafist Group for Preaching and Combat	6	3.2
Al Qaeda on the Arabian Peninsula	5	2.6
Abu Sayyaf	4	2.1
Jaish e Mohammed	4	2.1
Islamic Movement of Uzbekistan	4	2.1
Abu Hafs al Masri Brigades	3	1.6
Lashkar e Jangvi	3	1.6
Jemaa Islamiya	2	1.1
Harakat ul Mudjaheedin	2	1.1
Al Haramain Brigades	1	0.5
Others (unspecified)	10	5.4
<b>Total</b>	<b>187</b>	<b>(100)</b>

Source: compiled by the author.

It is interesting to note, first of all, that only a few of the recorded incidents, a mere nine of those witnessed in 2004, can be linked to the original core and effective vanguard of today's international terrorism, that is Al Qaeda. This is not surprising, as the terrorist structure rarely plans and carries out attacks itself. To be more precise, that year it masterminded five attacks committed in Saudi Arabia, at least two in Afghanistan, and another two in Pakistan and Syria. What is more, an Al Qaeda spokesman also claimed responsibility for the attacks of 11 March in Madrid and the members of the cells that staged the massacre belong to the same network as those who subsequently attempted an equally bloody attack on the high-speed train line linking the Spanish capital with Seville and finally committed suicide on 3 April in the suburb of Leganés. These acts also involved

individuals related to the Moroccan Islamic Combatant Group, which was established recently but has been linked to Al Qaeda since its beginnings (11). Responsibility for three events that occurred in Turkey during this same period was claimed by the so-called Abu Hafsa al Masri Brigades, a name that refers to a prominent Egyptian member of what is known as Al Qaeda's military committee, who was killed just over three years ago in a US air strike on Afghanistan.

In Saudi Arabia itself, part of the several hundreds of militants that Al Qaeda's subgroups seem to have among the locals of the Arabian peninsula, many of them experienced in the Afghan war or trained in the camps set up for that purpose, carried out at least five terrorist acts in 2004, to which should be added another attack perpetrated in that country by an internal faction of the same Jihadist sector known as the Al Haramain Brigades (12). In Irak, Tanzim Qai'dat al Jihad fi Bilad al Rafidayn (that is, the Organisation of Al Qaeda for the Holy War in Mesopotamia) perpetrated a further 10 after mid-October. It was then that the Tawhid wal Yihad group (Unity of God and Holy War), which was probably established in summer 2003 and consists of a few hundred, generally non-Iraqi, Arabs, adopted this new name after its leader, the Jordanian subject called Abu Musab al Zarqaw, publicly swore allegiance to Osama bin Laden that same month (13). But its web of relatively independent cells had previously perpetrated no less than 26 attacks so far that year, particularly in Iraqi towns towards the centre and north of the country. Groups known as Ansar al Sunna (Defenders of Tradition) and the Islamic Army of Iraq, both of which largely overlap with the armed organisation that decided to change its name in autumn, jointly claimed responsibility for a further 19 terrorist attacks in the same area throughout 2004.

Al Qaeda and its own local or regional networks therefore perpetrated nearly 39 percent of the terrorist acts related to the neo-Salafist Jihad recorded for 2004. Armed activists still loyal to the values and institutions of the no longer extant Taliban regime, closely linked to Al Qaeda since the mid-1990s, were behind some 69 attacks all carried out in Afgha-

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(11) Fernando Reinares, «Al Qaeda, neosalafistas magrebíes y 11-M: sobre el nuevo terrorismo islamista en España», pp. 15-43 in Fernando Reinares and Antonio Elorza (eds.), «El nuevo terrorismo islamista», op. cit..

(12) International Crisis Group, «Saudi Arabia backgrounder: who are the Islamists?», «Middle East Report» no. 31, Amman, Riyadh and Brussels: (September 2004), pp. 14-17.

(13) In this connection see the special compilation provided by «Terrorism Monitor» vol. II, no. 24, published in December 2004 and available over the Internet from the website of The Jamestown Foundation (<http://www.jamestown.org>).

nistan (14). After the US military intervention that followed the attacks of 11 September 2001 and put an end to the haven this terrorist structure enjoyed under the theocratic totalitarian rule, a good number of the organisation's members and leaders, as well as many combatants loyal to the political system, crossed the border to settle in the neighbouring Pakistani provinces of Baluchistan and the Northeast, to which access is difficult, while others sought refuge in the most densely populated cities of the neighbouring countries and the rest dispersed among their respective countries or communities of origin, in or outside the Islamic world. Be that as it may, the attacks committed in Afghan territory by armed Taliban redoubts accounted for approximately 37 percent of all incidents attributed to the current international terrorist networks occurring in the world during 2004.

As many as a further 39 cases, that is, nearly 21 percent of all incidents recorded, enable us to include several other collective actors associated with Al Qaeda in this overview of international terrorism in 2004. Such is the case, for example, of Lashkar e Tayiba (Army of the Pure), a terrorist organisation established in 1989 which, like another that emerged at the end of the following decade, Jaish e Mohammed (Army of Mahomet), aim for Pakistani annexation of Kashmir and the supremacy of Islam in the neighbouring countries and the whole of India, where they have carried out bloody attacks. Between the two, they have a few thousand followers and are based on Pakistani territory, as is Harakat ul Mujahedin, an organisation that operates in Kashmir but has important transnational links. Set up in the early 1980s, it soon began to recruit Sunni volunteers to combat the Soviet invasion of Afghanistan and eventually became associated with Al Qaeda at the end of the 1990s. It is reckoned to number 500 or so activists of different nationalities, though mainly Pakistanis. The terrorist group Lashkar e Yhangvi (Army of Yhangvi) is similar but is only 100 or so strong and regularly attacks Western and Shia targets in that same state, as occurred last year (15).

Also significant in 2004 was the terrorist activity of the so-called Salafist Group for Preaching and Combat, which has been known to operate in Algeria since the early 1990s, when it was established with the help of Osama bin Laden, and is part of the global neo-Salafist Jihad movement. It currently has several hundred members, not only in its country of

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(14) Ahmed Rachid, «*Los talibán*», Barcelona: Península, 2001.

(15) Christine Fair, «*Militant recruitment in Pakistan: implications for Al Qaeda and other organizations*», «*Studies in Conflict and Terrorism*» vol. 27, no. 6 (2004), pp. 343-356; also Richard Clarke (ed.), «*Cómo derrotar a los yihadistas. Un plan de acción*», Madrid: Taurus, 2004, pp. 70-75.

origin but in other northern African states. It has even spread to the Sahel region, in addition to having set up infrastructures for propaganda and proselytising in various European nations (16). It is similar in size to another organisation involved in acts of international terrorism, the Islamic Movement of Uzbekistan, which was founded in 1998 and generally strikes in that Central Asian country, though in the past it has attempted to broaden the territorial scope of its action to other neighbouring parts of Central Asia. Many of its militants have been trained in Afghan camps directed by members of Al Qaeda, the structure to which the group of radical Islamists comprised mainly but not exclusively of Uzbeks has been associated since its beginnings (17).

Jemaah Islamiya, another of the organisations belonging to the current international terrorist networks, perpetrated a few attacks in 2004. It would appear to have succeeded in recruiting several thousand members since its establishment in January 1993 and its cells, which are relatively independent of each other, are deployed in various Southeast Asian countries, mainly the Indonesian archipelago, though its structures also extend to Australia. It has received funds and backing from Al Qaeda, and in turn lends support to components of this terrorist structure in Southeast Asia (18). It also has close ties to the Abu Sayyaf group (Bearer of the Sword), of the same Jihadist leanings, which concentrates its attacks in Muslim areas in the southern Philippines and also perpetrated international terrorist acts last year (19). Another seven international terrorist incidents committed in 2004, the remaining nearly four percent of all those recorded, were committed by organisations and cells with varying degrees of formal structure, often without a specific name and basically autonomous but with firm links to Al Qaeda and the global neo-Salafist Jihad movement.

## SCENES OF THE NEO-SALAFIST JIHAD

Thirty-eight percent of all the acts of international terrorism recorded over the course of 2004 took place in Afghanistan and nearly 30 percent in Iraq (see chart 2). Approximately seven percent were perpetrated in India and Saudi Arabia respectively, while the countries (with lower indi-

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(16) On this group and its links to Al Qaeda see the aforementioned report directed by Richard Clarke, «Cómo derrotar a los yihadista». Op. cit., pp. 47-49.

(17) Richard Weitz, «Storm clouds over Central Asia: revival of the Islamic Movement of Uzbekistan (IMU)?», «Studies in Conflict and Terrorism» vol. 27, no. 6 (2004), pp. 505-530.

(18) Richard Clarke (ed.), «Cómo derrotar a los yihadista», op. cit., pp. 39-42.

(19) Richard Clarke (ed.), «Cómo derrotar a los yihadista», op. cit., pp. 35-39.

vidual percentages) that altogether account for remaining 32 percent of attacks include Algeria, Egypt, Spain, the Philippines, Indonesia, Pakistan, Syria, Turkey and Uzbekistan. By geopolitical regions, slightly more than half the attacks attributed to organisations and groups related to the global neo-Salafist Jihad movement in 2004, approximately 52 percent, were reported in Central and Southern Asia, compared to around 37 percent in the adjacent area that stretches from the Middle East to the Gulf region. Around three percent of all the acts of terrorism perpetrated between January and December of that year occurred in only one Maghreb country and a similar percentage in two countries of Southeast Asia. A mere two percent took place in Western Europe, specifically Spain.

**Chart 2**

<b>Acts of international terrorism in 2004, by country and geopolitical region</b>		
<b>Countries</b>	<b>Frequency</b>	<b>Percentage</b>
Afghanistan	71	38.0
Iraq	56	30.0
India	14	7.5
Saudi Arabia	13	7.0
Pakistan	9	4.8
Algeria	6	3.2
Philippines	5	2.7
Uzbekistan	4	2.1
Spain	3	1.6
Turkey	3	1.6
Indonesia	1	0.5
Egypt	1	0.5
Syria	1	0.5
<b>Total</b>	<b>187</b>	<b>(100)</b>
<b><u>Geopolitical regions</u></b>		
Central and Southern Asia	98	52.4
Middle East and Gulf	74	39.6
Maghreb	6	3.2
Southeast Asia	6	3.2
Western Europe	3	1.6
<b>Total</b>	<b>187</b>	<b>(100)</b>

Source: compiled by the author

Afghanistan, Al Qaeda's haven between 1996 and 2001, has progressively lost the centrality it once had for international terrorism, despite the frequent incidents recorded over the past year. The US military intervention after the 11 September attacks put an end to the Taliban regime and had a decisive influence on the configuration of the terrorist structure and that of global neo-Salafist Jihadism. The former was weakened and became fragmented, but the latter has grown more extensive and widespread. Since then, the remnants of the Taliban militia and elements of Al Qaeda that operate across the Pakistani border have systematically engaged in acts of terrorism, both in opposition to the presence of Westerners and the activities of international organisations and to impair the functions of the incipient administration and, above all, to instil fear in the population in an attempt to prevent them agreeing to the establishment of a new form of government in the country. This violence continued during 2004 with an extraordinary frequency in parallel to the limited progress that Afghanistan witnessed in the rebuilding of the state and political stabilisation (20). Indeed, the first elections in the country's history took place on 9 October. The progressive normalisation of the country and adaptation of its security instruments should have a negative influence on the ability of the armed groups related to the Taliban or Al Qaeda to mobilise resources and affect the political process under way with their terrorist acts.

In the case of Iraq, terrorist actions in general and those of international terrorism in particular are related to the insurgency that has been a constant feature since summer 2003, when the Baathist dictatorship was toppled by the invasion and occupation of the country by multinational coalition troops, mainly American. The calling of general elections for 30 January 2005 triggered an increase in the frequency of the attacks during the preceding months with the aim of preventing their holding in normal circumstances. A month before that date, three armed Sunni groups related to the global neo-Salafist Jihadist movement posted a threatening communiqué on the Internet stating: «*We call upon faithful Muslims to refrain from taking part in this impious exercise which consists in the application of the infidel laws of the crusaders with the aim of replacing our great religion by secularism*». Local insurgents and foreign terrorists failed in their efforts to prevent or invalidate the elections, but they will continue trying to condition the country's political development. In mid-2004 it was calcu-

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(20) In this respect see Manuel Coma, «*Afganistán, primer frente contra el terror*», ARI no. 171, Madrid: Real Instituto Elcano de Estudios Internacionales y Estratégicos, 2004.

lated that the contingent of foreign Jihadists who had come to join these armed Sunni groups linked to Al Qaeda could number between several hundred and a few thousand (21). Their attacks account for a small percentage of the total number carried out by insurgent forces and were aimed above all at members of the new Iraqi security forces, US military or those of other countries with troops in the areas, headquarters of international organisations and the Shia community, the majority in the country, in order to trigger civil strife and sectarian violence.

International terrorist acts committed in other countries of the Arab and Islamic world stem chiefly from the wish to undermine the legitimacy of their respective governments, which neo-Salafist thinking brands as apostates or infidels, as they exercise power without the rigour required by the Sharia or Koranic law according to this fundamentalist conception of the Muslim faith. This violence is practiced by groups and organisations associated with Al Qaeda, which combine their own local or regional agenda—the establishment of political regimes based on a rigid interpretation of the Koranic laws in the short or medium term—with the objectives ultimately pursued by the global neo-Salafist Jihad, that is, to create a caliphate that politically unites the Islamic world and is globally prevalent. In Saudi Arabia the attacks of 2004 are the continuation of the campaign begun halfway through the previous year; in Algeria terrorism is linked to the Islamist extremism that has rocked the country since 1992; in Pakistan it is related above all to the Kashmir dispute and has attracted elements of Al Qaeda, affecting the neighbouring India; in Indonesia and the Philippines international terrorist acts in turn fuel sectarian violence; in Uzbekistan actions of this kind take advantage of the unstable political envi-

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(21) Bruce Hoffman, «*Insurgency and counterinsurgency in Iraq*», Santa Monica, Arlington and Pittsburgh: RAND Corporation, 2004, pp. 11-14.

(22) On the cases discussed, see, among others, the following reports and studies: International Crisis Group, «*Saudi Arabia backgrounder: who are the Islamists?*», op. cit.; Abdelaziz Testas, «*The roots of Algeria's religious and ethnic violence*», «*Studies in Conflict and Terrorism*» vol. 25, no. 3 (2002), pp. 161-183; Irm Haleem, «*Micro target, macro impact: the resolution of the Kashmir conflict as a key to shrinking Al Qaeda's international terrorist network*», «*Terrorism and Political Violence*» vol. 16, no. 1 (2004), pp. 18-47; Christine Fair, «*Militant recruitment in Pakistan: implications for Al Qaeda and other organizations*», op. cit.; Richard Weitz, «*Storm clouds over Central Asia: revival of the Islamic Movement of Uzbekistan (IMU)?*», op. cit.; David M. Jones, Michael L. Smith y Mark Weeding, «*Looking for the pattern: Al Qaeda in Southeast Asia. The genealogy of a terror network*», «*Studies in Conflict and Terrorism*» vol. 26, no. 6 (2003), pp. 443-457; Anwar Alam, «*The sociology and political economy of Islamic terrorism in Egypt*», «*Terrorism and Political Violence*» vol. 15, no. 4 (2003), pp. 114-142; Lawrence E. Cline, «*From Ocalan to Al Qaida: the continuing terrorist threat in Turkey*», «*Studies in Conflict and Terrorism*» vol. 27, no. 4 (2004), pp. 321-335.

ronment, just as they deepen socio-religious rifts and spur radicalisation in Egypt, Syria and Turkey (22).

The most significant international terrorist attack directed at a non-Muslim society in 2004 is undoubtedly the massacre of 11 March in Madrid. This was not the first attempt by entrepreneurs and activists of the new Islamist terrorism to commit an atrocity of this scale in a European country, but it was the first time they succeeded in carrying out their plans. A series of attacks on German, French, British and Spanish targets in southern Asia, the Middle East and North Africa were the prelude to what eventually occurred in the European Union. The international terrorist activities in Spain were facilitated by a combination of circumstances of accessibility, vulnerability and opportunity that had not hitherto been witnessed in other European countries (23). Altogether, Spain's geographical proximity to the Maghreb, the particular appeal Spain's Muslim past held for the Islamist terrorists, antiterrorist arrangements that were highly developed but insufficiently adapted to the challenges of the global neo-Salafist Jihad, and an environment of tense political debate on the Spanish government's alignment with the United States regarding military intervention in Iraq, created a comparatively favourable environment for the spectacular Madrid attack—and for Al Qaeda too and its associate organisations, which benefited from the propaganda of the collateral effects caused by the massacre carried out in the so-called death trains.

Insofar as the connection with the current international terrorist networks has existed, the events of September 2004 in Beslan are no less significant than the Madrid massacre of 11 March in terms of the impact of international terrorism on countries whose population is not mainly Muslim. This case is a good example of how the adoption by some Chechen pro-independence groups of a repertory of terrorist violence that initially seems to be a response to the devastating repression unleashed by the Russian army on the separatists and their population since the 1990s has enabled the leaders of Al Qaeda and the groups linked to the global Jihadist movement to interfere relatively successfully in an ethnic nationalist conflict in an attempt to redefine it in terms of religious confrontation. However, so far there is insufficient proof of connections between Chechen separatist terrorism or,

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(23) Here I refer to a lecture I delivered at the Woodrow Wilson Center in Washington on 27 September 2004, entitled «*Al Qaeda's European front: 3/11 and its implications*», a transcript of which, not without errors, was made and disseminated by the Federal News Service (<http://www.fednews.com>).

more specifically, between those who perpetrated the Beslan attack and the global neo-Salafist Jihad movement.

### **A NEW INTERNATIONAL TERRORISM?**

International terrorism today is often described as a particularly novel phenomenon owing to the elevated death tolls and high degree of indiscrimination of the attacks, the routine involvement of suicide bombers and its tendency to be directed at Western targets, particularly US interests and citizens. Indeed, the discourse used by the leaders and entrepreneurs of today's international terrorism highlights the bloody potential of their threats, appeals for operations conducted by people who are defined as martyrs and stresses an anti-Western rhetoric that is particularly hostile towards Jews and Christians. However, although a certain combination of features considered typical of international terrorism and voiced by its instigators is common in the more spectacular attacks perpetrated over the past few years, this globalised violence is actually evolving, as the information for 2004 indicates, towards lower death tolls than are imagined, much more conventional procedures than believed and victimisation patterns that are also different to what is often supposed.

In 2004, the 187 acts of international terrorism examined in this study caused at least 1,508 deaths and injured at least 3,971 people. The average number of victims per attack was thus eight dead and 21 injured. These rates are undoubtedly relatively elevated but do not reflect the high frequency of incidents that amounted to mass killings such as those of New York or, to a lesser degree, Bali, Casablanca and Madrid, for example. Indeed, slightly more than a quarter of all terrorist incidents registered that year did not cause any deaths, whereas slightly over half killed between one and 10 people; the latter figure was approximately 17 percent higher than the other known episodes and only in four cases were more than 100 people killed (see chart 3). About 41 percent of acts of international terrorism that occurred during that period did not cause any injuries and nearly 38 percent caused injuries of varying severity to between one and 10 people, so that in approximately 21 percent of cases the number of wounded was higher, though attacks in which over 100 people were wounded account for scarcely six percent.

These victimisation figures are in consonance with the fact that nearly half the acts of international terrorism recorded in 2004 involved bombs and other explosive devices, whereas firearms were used in approximately a quarter and various procedures for the rest, including a very significant

Chart 3

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Acts of international terrorism in 2004, by numbers of dead and injured

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<b>Deaths</b>	<b>Frequency</b>	<b>Percentage</b>
None	50	28.2
Between 1 and 10	98	55.3
Between 11 and 40	18	10.2
Between 41 and 99	7	4.0
Between 100 and 199	4	2.3
200 or more	---	---
<b>Total</b>		
<i>Cases without data: 10</i>	<b>177</b>	<b>(100)</b>
<b>Injured</b>		
None	64	41.3
Between 1 and 10	59	38.0
Between 11 and 40	19	12.3
Between 41 and 99	3	1.9
Between 100 and 199	6	3.9
200 or more	4	2.6
<b>Total</b>		
<i>Cases without data: 32</i>	<b>155</b>	<b>(100)</b>

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Source: compiled by the author

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percentage of hostage takings (see chart 4). Although the terrorists linked to the organisations and groups belonging to the global neo-Salafist Jihad movement are feared for their tendency to use chemical, bacteriological, radiological or nuclear components in their attacks, their activities over the past year were based on fairly conventional procedures. This does not mean that the risk of a non-conventional terrorist incident does not exist, although the data gathered suggest that the statistical likelihood of such an attack is low. As for the possible involvement of suicide attackers in acts of international terrorism, it should be underlined that 83 percent of the incidents recorded in 2004 did not involve them, whereas in nearly 17 percent of the cases reported the presence was detected of terrorists who chose to lose their own lives when carrying out an attack.

Chart 4

Acts of international terrorism in 2004, by procedure and modality

<u>Procedure</u>	<u>Frequency</u>	<u>Percentage</u>
Acts with bombs and explosives	84	46.2
Attacks with firearms	42	23.1
Hostage takings	34	18.7
Other procedures	22	12.0
<b>Total</b>		
<i>Cases without data: 5</i>	<b>182</b>	<b>(100)</b>
<b>Modality</b>		
Without suicide terrorists	142	83.5
With suicide terrorists	28	16.5
<b>Total</b>		
<i>Cases without data: 17</i>	<b>170</b>	<b>(100)</b>

Source: compiled by the author

The preferred targets of international terrorism in 2004 were, above all, government employees and institutions and public security agencies and, to a lesser extent, economic and tourist interests, individuals and private property, and diplomatic headquarters, which altogether account for over three-quarters of the total (see chart 5). However, around 64 percent of the targets were non-Western, whereas Western citizens and interests were exclusively affected in nearly 24 percent of the occasions studied. What is more, in 2004 international terrorism was directed at solely US targets in 12 percent of the known attacks. These figures therefore indicate a much broader range of victimisation than is often attributed to the violence of the global neo-Salafist Jihad. Indeed, empirical evidence shows that in at least two-thirds of the cases reported organisations and groups related to today's international terrorism chose non-Western targets, though there were a few cases of attacks being targeted at local Christian groups in Asian countries. These data, crossed with those referring to countries and geopolitical environments where the global neo-Salafist Jihad was rife last year, allow us to conclude that the preferred victims of today's international terrorism are the local populations, particularly in mainly Muslim societies.

Chart 5

Acts of international terrorism in 2004, by type and nationality

<u>Type</u>	<u>Frequency</u>	<u>Percentage</u>
Institutions and government employees	37	20.8
Police and military	40	22.5
Economic and tourist interests	29	16.2
Citizens and private property	23	12.9
Diplomatic targets	13	7.3
Transport and public services	9	5.1
Religious institutions and figures	6	3.4
Other	21	11.8
<b>Total</b>		
<i>Cases without data: 9</i>	<b>178</b>	<b>(100)</b>
<b><u>Nationality</u></b>		
Non-Western	99	63.9
Western (US)	19	12.2
Western (other nationalities)	14	9.0
Western (mixed)	4	2.6
Western and non-Western	13	8.4
Other (United Nations)	6	3.9
<b>Total</b>		
<i>Cases without data: 32</i>	<b>155</b>	<b>(100)</b>

Source: compiled by the author

In connection with this chart, in my opinion, it is particularly illustrative that only one of the four most exceptionally bloody international terrorist attacks recorded in 2004 took place on Western territory or was expressly directed at Western targets. I am referring to the synchronised explosions that took place at rush hour on 11 March on commuter trains bound for Madrid in which 191 people died and nearly a thousand and a half were injured in a massacre committed on behalf of Al Qaeda by various individuals organised into cells whose chiefs were linked to elements of that terrorist structure or some associated neo-Salafist organisation of north African origin. However, the other most lethal attacks perpetrated by international terrorism that year had already taken place.

Two occurred in the Gulf region, in Iraq to be precise, and one in South-east Asia, this time in an area under Philippine jurisdiction. They were all carried out indiscriminately, affecting local Christian populations in one of the cases and followers of currents of Islam other than Sunni neo-Salafism in the rest.

On 1 February, two practically simultaneous attacks killed 117 people and injured over 220 in the Iraqi city of Erbil, when two suicide bombers detonated the explosives they were wearing at the headquarters of the Democratic Party of Kurdistan and the Patriotic Union of Kurdistan at a time of the morning when they were crowded with people and on the day of the Muslim feast of sacrifice. Ansar al Sunna claimed responsibility. On 27 February an explosive device hidden behind a television screen caused a passenger ferry to sink just off the coast near Manila, the capital of the Philippines. At least 118 people lost their lives and a few more were rescued. The arrest made after the incident pointed to the involvement of the armed Islamist group Abu Sayyaf. On 2 March, again in Iraq, a series of synchronised attacks by suicide terrorists involving mortar bombs and bombs concealed among bags claimed 106 lives and wounded over 230 in Karbala, when thousands of faithful were celebrating the religious feast of Ashura in two holy Shia sites. These acts were attributed to the terrorist organisation Tawhid wal Jihad.

## **IN CONCLUSION**

Both the high frequency and variable intensity of the attacks committed in 2004 are a good illustration of the potential of the groups and organisations involved in the international terrorist networks. Al Qaeda, the foundational core and main reference for the multinational and multiethnic actors who practice this globalised violence, has grown progressively weaker over the past three years after losing its haven and suffering the consequences of a growing international reaction. However, just as this terrorist structure appears to have adapted better than expected to an adverse environment, the complex global neo-Salafist Jihad that it has promoted is now extensively widespread and benefiting from the radicalisation processes that are affecting certain groups of Muslims in and outside the Islamic world. The danger now lies in a wide-ranging violence whose execution involves the decision-making centre of Al Qaeda, its many associate organisations in various countries or regions of the world and even local cells that are set up on their own but adopt the objectives and methods of the mother organisation.

In Western societies, this wide-ranging violence can be manifested as highly lethal attacks but also as individual murders carried out by small, self-formed and substantially autonomous groups of radical neo-Salafists, such as the killing of a well-known Dutch filmmaker in November 2004. In any event, international terrorist activities during the year were in consonance with the strategy designed years ago by Al Qaeda's leaders, consisting of deploying violence both inside and outside the Arab and Islamic world. However, despite the anti-Western rhetoric that is characteristic of this organisation and the broad-ranging movement to which it has given considerable impetus over the past decade, the statistics examined in this chapter show that international terrorism poses risks and threats to the societies of different civilisations. It is currently directed at its own population, a fact which, in principle, suggests internal contradictions and difficulties in reaping the hoped-for benefits from its propaganda. This does not mean, at least for the time being, that Al Qaeda and the rest of the organisations that make up the web of international terrorism lack the necessary short-term capability to plan and implement sustained campaigns of violence in territorially demarcated environments or spectacular and even non-conventional attacks with a worldwide impact.

**CHAPTER THREE**  
**THE EUROPEAN UNION**

## **THE EUROPEAN UNION**

By José I. Torreblanca Payá  
and Alicia Sorroza Blanco

### **INTRODUCTION: THE EUROPEAN UNION IN TRANSITION**

The year 2004 witnessed two essential milestones in the building of Europe: eastward enlargement, which came to fruition on 1 May 2004 with the accession to the European Union of Poland, Hungary, the Czech Republic, Slovakia, Slovenia, Estonia, Lithuania and Latvia (in addition to Cyprus and Malta); and the signing of the European Constitution in Rome on 29 October once the negotiations of the Intergovernmental Conference (IGC) that followed the European Convention were completed on 18 June. Each of these events in itself implies a challenge-packed European agenda for 2005. It seems obvious that, together, enlargement and Constitution constitute a genuine refounding of the Union. If we further consider the impact of the 11 March attacks in Madrid, 2004 can be regarded as a turning point in the building of Europe.

The first event, enlargement, has erased for good the last traces of a divided Europe and ushered in a Europe of 25 states and over 450 million inhabitants. Enlargement has doubled the number of farmers in the Union; added fifty new regions that need to be converged; brought the number of official EU languages up to 20; sparked tension between South and East regarding financial resources and between old and new members regarding foreign policy; fragmented states' power in the Council of the Union; extended the Union to Russia's doorstep; and put Turkey's accession permanently on the agenda.

The second event, the European Constitution, aims to establish the game rules and consolidate the political, economic and legal framework

that will underpin the building of Europe from 2006. However, to judge by the European elections held in June 2004, Europe's men and women are not in the mood for fun and games: after over 10 years of institutional reforms, enthusiasm has waned and a more prudent (but also more pessimistic) view of Europe's ability to face up to its challenges appears to have set in. In this regard, it is worrying to note that a hypothetical failure of the ratification process would make the European Constitution a problem to solve instead of the solution to the problems Europe really faces.

As was evidenced throughout 2003 and 2004, Europeans' unity of action on the international stage will be decisive: united, they will be able to influence the international system and reach agreements that are favourable to their interests and compatible with their values; divided, they will continue to be a player that is not only insignificant but considered increasingly incapable of influencing major international affairs. The European Union faces an additional challenge, as the highly complex international context, focused on waging a «war on terrorism» with dubious results, is hindering its incipient leading role and activism in the international arena. In this connection, it might be anticipated that during 2005 the Union's inherent internal weakness will be further exacerbated by the limitations of an international context that notably devalues its economic and diplomatic assets and draws even more attention to its incapacity in security and defence issues.

For obvious reasons, the fact that Europe is engrossed in digesting its enlargement and deepening process is the first risk to be averted. The bombings of 11 March 2004 in Madrid and the continual terrorist threats and attacks all over the world do not leave much room for serious hopes that the world is going to be a more secure place in the year that is beginning. Furthermore, in a context marked by the conflictive situation in Iraq and the electoral confirmation of President George W. Bush's second mandate, cooperation between both sides of the Atlantic, although necessary, will not be easy to achieve.

Throughout 2005, the EU should do more, and in a better and more coordinated manner, to develop its internal and external security strategy. If the Union wishes to earn citizens' respect, it needs to learn to combine attention to the institutional and constitutional reforms necessary for the working of an enlarged Union with substantive policies aimed at the crux of what, judging by the Eurobarometers, are citizens' chief concerns, namely: achieving a real area of internal and external security while sus-

taining a competitive productive base close to full employment. Therefore, more than just «institutional digestion», the real challenges the Union faces as regards its capacity for action lie within the ambit of the Common Foreign and Security (and Defence) Policy, the Area of Freedom, Justice and Security and, finally, the Lisbon Agenda, Stability Plan and Financial Perspectives for 2007-2013. Evidently, unless strategic decisions are made in these fields or, alternatively, if the existing plans are implemented in a cumbersome or half-hearted manner, the Union's capacity for external and internal action will be noticeably reduced.

### **The outcome of enlargement and its consequences**

The enlargement of the European Union on 1 May 2004 is the greatest foreign-policy success in the Union's history. A region troubled by ethnic clashes, economic collapse, democratic backwardness and environmental deterioration has, despite the very many pending problems and challenges, joined the Union with impeccable credentials: consolidated democracies, open markets and respect for human rights and minorities. The Union has thus fulfilled its «Manifest Destiny», replacing diplomacy and power politics with democracy and the rule of law, and it has done so in a peaceful manner by combining selective incentives and persuasion. Europe has not found itself forced to choose between regimes that are geopolitically «friendly» but democratically unacceptable; by shaping its periphery in its own image and likeness, it has required and obtained a total and utter transformation in all areas of the political, economic, administrative and social life of the 100 million people who live in the new and soon-to-become Member States.

This enlargement refutes the idea that the Union lacks the capability to pursue and achieve long-term goals with perseverance, unity of action and coherent policies. What is more, this enlargement not only marks a major foreign-policy success but proves that the European Union possesses something more valuable than capacity for external action: the capacity to transform the international order, to *generate* international relations based on parameters that are more similar to those that hold sway *within* modern states (democracy, human rights, a market economy, the rule of law, etc.) than to those that have traditionally prevailed *between* states (the predominance of sovereignty in the sense of inward and outward autonomy, and the consequent absence of norms and values). With enlargement, the Union has laid the foundations of a Europe that is beginning to leave

behind for good the order established at Westphalia in 1648 and is shaping a model of relations between states based on the supremacy of law, limitation of internal and external sovereignty, renunciation of armed conflict as a means of settling differences and, more importantly, the delegation of very important powers to democratically chosen supranational agencies and representative institutions (the Commission and Parliament, respectively). We are witnessing the triumph of an organisational model of international relations whose basis of power and legitimacy is essentially regulatory and deliberative; a model in which conflicts of interests are settled not only by accommodating sectorial interests but by creating regulations and principles that are general in scope.

There is, nonetheless, a big blot on the Union's track record with respect to this enlargement: the decision of the Greek-Cypriot majority to reject in a referendum the United Nations-sponsored peace plan, even though the majority of Turkish Cypriots, spurred on by the prospect of Cyprus's accession, had voted in favour of the Annan Plan, is a source of continued tension in the eastern Mediterranean. It is also causing an unjustifiable situation: although the division of Germany is a thing of the past, part of the European Union's territory is populated with barbed wire and patrolled by United Nations blue helmets. Although the situation is discouraging, it is significant that tension between Greece and Turkey remained so low-key during 2004; the prospect of Turkey's accession to the Union is likely to continue to keep tension between the two countries under control during 2005. Once again, the prospect of accession has proven to be the main conflict-solving tool the European Union possesses.

Enlargement signified a particular challenge for Spain as it does not stand to benefit from the economic opportunities of enlargement, but is suffering its consequences (reduction in the structural funds, increase in migratory flows, industrial relocation and disinvestment, trade competition in key markets, etc.) without obtaining equivalent compensation. In terms of Direct Foreign Investment (DFI), Spain is the 20<sup>th</sup> most important supplier to the new Member States, representing a mere 0.5 percent of the capital received. Spanish exports to the area are similarly scanty, accounting for a market share of around 1.8 percent. In contrast, with labour costs standing at some 16 percent of those of Spain and a similar level of skills as Spain, the new partners, as soon as their physical and technological infrastructure is modernised thanks to foreign investments and European funds, will become fierce and growing competition for Spanish companies.

**TABLE 1**

**AVERAGE WAGE PER WORKER IN THE MANUFACTURING  
SECTOR (\*) IN THE CEECs**

EU = 100

(\*) Measured in euros. Naturally, if these figures were Purchasing Power Parity adjusted, the differences would be evened out substantially

La Caixa Report. EU Enlargement. Effects on the Spanish Economy 2002  
*Carmela Martín, José Antonio Herce, Simón Sosvilla-Rivero and Francisco J. Velázquez*

	Year 2000
Bulgaria	4.16
Czech Republic	12.39
Estonia	11.13
Hungary	12.37
Latvia	9.17
Lithuania	10.07
Poland	17.15
Romania	4.55
Slovakia	10.04
Slovenia	28.58
<b>CEEC</b>	<b>11.55</b>
<b>European Union</b>	<b>100</b>
<b>Spain</b>	<b>73.73</b>

If we furthermore bear in mind that, as a result of the «statistical effect» of enlargement, Spain's income has gone from 87 percent of the European average to 95 percent (GDP per capita in purchasing power standards for EU, EUROSTAT 27/2004), the country is consequently no longer eligible for the Cohesion Fund (a by no means inconsiderable 1,795 million euros annually in 2005) and a good many Spanish autonomous regions have lost their status as Target 1 regions (under 75 percent of community income), it seems obvious that enlargement will worsen some of the Spanish economy's structural problems (deficit in competitiveness, productivity and human resources) that affect its capacity to achieve a real income convergence with its European partners.

**TABLE 2**

**GEOGRAPHICAL DISTRIBUTION OF THE FOREIGN  
CAPITAL STOCK RECEIVED BY CANDIDATE COUNTRIES,  
data as of 31 December 1999.**

La Caixa Report. EU Enlargement. Effects on the Spanish Economy  
2002 *Carmela Martín, José Antonio Herce, Simón Sosvilla-Rivero and  
Francisco J. Velázquez*

1. Germany	19.4
2. Netherlands	13.9
3. United States	10.7
4. Austria	7.1
5. France	7.0
6. United Kingdom	5.5
7. Italy	4.8
8. Sweden	2.9
9. Belgium	2.4
10. Switzerland	2.2
11. Korea	2.1
12. Russia	1.6
13. Finland	1.5
14. Denmark	1.4
15. Ireland	1.1
16. Norway	0.9
17. Cyprus	0.9
18. Liechtenstein	0.9
19. Luxembourg	0.5
20. <b>Spain</b>	<b>0.5</b>
European Union	68.4
OECD	86.9
<b>Total received</b>	<b>95.776 million dollars</b>
<b>From Spain</b>	<b>453.2 million dollars</b>
<b>Spain's share</b>	<b>0.5%</b>

**TABLE 3**

**Main suppliers and customers of the CEECs. 1999**

La Caixa report. EU Enlargement. Effects on the Spanish Economy 2002  
*Carmela Martín, José Antonio Herce, Simón Sosvilla-Rivero and Francisco J. Velázquez*

Main suppliers (exports to CEECs)		Main customers (imports from CEECs)	
	% of total		% of total
Germany	24.8	Germany	32.6
Italy	8.9	Italy	7.6
Russia	6.8	Austria	5.4
France	6.1	France	4.7
Austria	4.4	United Kingdom	4.0
United Kingdom	4.0	Netherlands	3.8
United States	3.8	United States	3.6
Czech Republic	2.8	Czech Republic	2.9
Netherlands	2.7	Poland	2.5
Japan	2.4	Belgium and Luxembourg	2.5
Belgium and Luxembourg	2.3	Slovakia	2.4
Sweden	2.2	Russia	2.1
China	2.2	Sweden	1.9
Finland	1.9	Hungary	1.6
Slovakia	1.9	Spain	1.4
Spain	1.8	Denmark	1.4
Poland	1.7	Ukraine	1.2
Switzerland	1.5	Switzerland	1.1
Korea	1.4	Finland	1.0
Hungary	1.4	Croatia	0.9
European Union	61.8	European Union	67.9
OECD	78.6	OECD	82.1
<b>Spain (millions of dollars)</b>	<b>2,841</b>		<b>1,732</b>
<b>Total (millions of dollars)</b>	<b>156,566</b>		<b>120,624</b>

Even so, enlargement is far from being finalised. The decision of the Brussels European Council of 16-17 December 2004 to approve Bulgaria and Romania's bids to join on 1 January 2007 once negotiations are completed, the exploratory talks with Croatia with a view to opening negotiations, the explicit mention by the recently elected Ukrainian president Victor Yushchenko that belonging to the European Union is a strategic objective, and, finally, the historic decision made in relation with Turkey to commence accession negotiations on 3 October 2005, clearly indicate that the debate on the EU's geographical, political and cultural limits is far from being settled.

Despite the European Commission report of 6 October 2004 in favour of negotiations, the approval by a majority of the European Parliament (407 votes to 262) and the large number of safeguards introduced by the European Council in its decision of 16-17 December 2004, the announcement by France and Austria of a referendum to approve Turkey's possible accession may corner the relationship with this country into a dead end, precisely at a time when it is supposed that relations between the EU and Turkey are beginning to be smoother. Bearing in mind that the Union's own leaders have admitted that Turkey's accession is impossible within the next financial framework (2007-2013), it is paradoxical that these negotiations, which at best would be unlikely to result in accession before 2015, can so seriously poison the political climate of the European Union in 2005, especially as regards the ratification of the European Constitution.

As with enlargement, once again Europe's interests are clearer than Spain's. Although the successive Spanish governments, irrespective of their political colours, have backed Turkey's candidature for political, economic and security reasons, these reasons are far from being obvious. From an economic standpoint, although Spain's economic relations with Turkey are good, Turkey's accession would put further pressure on Spain in terms of foreign investment, foreign trade, regional policy and agricultural policy. Similarly, in political terms, there is no doubt that a larger number of European Union members would make the EU's institutional web more unmanageable per se. Furthermore, in the case of Spain, it also seems evident that the entry of any large country invariably introduces a rivalry factor and calls for additional diplomatic efforts to extend and consolidate leadership. Finally, in terms of foreign and security policy, although Spain fully shares the European agenda in the Middle East, Caucasus and Central Asia, the «strategic depth» that Turkey's eventual accession would supposedly afford the Union would again require an

addition diplomatic effort in order to maintain the intensity of the financial and political resources the Union earmarks to the Maghreb, which is where the interests and specificities of Spain's foreign policy lie. It is therefore indubitable that both today and in the past the EU enlargement processes signify a very particular challenge for Spain: they require it to devote more effort and energy to maintaining the visibility and centrality of its interests and specificities in the European agenda and budget and make it increasingly difficult to «Spanify» the European agenda in essential foreign-policy areas such as the Mediterranean and Latin America.

This takes us to the European Union's neighbourhood policy, which is the link between the Union's foreign policy and the enlargement processes. This policy is currently being questioned for various reasons. With respect to Russia, because, according to the criticism levelled by its own promoters, the Union has yet to find a way of setting the tone and maintaining a coherence between its principles (which lead it to regard with huge concern Russia's internal and external authoritarian involution) and its strategic and energy needs (which force it to ease its tough attitude to Moscow). As for the Mediterranean, ten years into the Barcelona process, the EU has yet to find the means of making its policy of promoting democracy and human rights in the Arab world genuinely conditional or of asserting itself as an effective mediator respected by both parties to the Israeli-Palestinian conflict.

From the point of view of Spain's foreign-policy priorities, which are influenced by its proximity to the Maghreb, Barcelona continues to be the appropriate strategy. Although the results of this process have failed to live up to expectations, its high level of acceptance by the southern neighbours continues to be its main asset. Spain has an important role to play in attempting to bring European interests closer to those of Spain and make the community realise that this region is essential to its own well-being in economic, political, political and security terms. Specific initiatives such as combining structural and cooperation funds for neighbouring countries like Morocco and Algeria are an option that is in line with Spanish interests in a context of progressive reduction of its access to structural funds. Spain therefore applauded the European Commission Communication of May 2004 on the European Neighbourhood Policy (ENP), nonetheless fully aware that some aspects are more relevant than others to its own interests. Specifically, it is considered that this initiative could be a more effective instrument for achieving the Barcelona goals, since the New Neighbourhood Policy allows for the principle of differentiation between countries, for example. This implies that the European

Union will be able to work on and improve its relations with countries that show a real interest in overcoming their internal difficulties and, above all, adapt each plan to the reality of each of these countries.

Another major area of interest of Spain's foreign policy that has a broad European dimension is Latin America. So far, both Spanish and EU foreign policies have attached priority to closer relations with the Latin American region as reflected in the concept of «Biregional Strategic Association». However, during 2004 both the system of EU-Latin America bilateral summits and relations between the Union and the existing regional blocs (MERCOSUR; the Andean Community of Nations) showed some signs of wear to judge from their scanty content and real results. In view of the foregoing and the fact that the Latin American regional integration processes have come to something of a standstill, 2005 will provide the European Union with an opportunity to consider the need to strengthen bilateral ties with countries that so wish; it would thus be possible to take a differentiated approach to each country according to its capabilities and wishes and relative merit, but on the basis of objective principles in order to avoid comparative grievances.

## **THE EUROPEAN CONSTITUTION AND SPAIN'S POWER IN THE ENLARGED EUROPE**

Over and above the legal debate on its true nature (Treaty, Constitution or hybrid?), the European Constitution approved by the heads of state and government of the 25 member states on 18 June 2004 and formally signed and adopted at Rome on 29 October 2004 undoubtedly marks a step in the right direction as regards the building of Europe.

The undeniable progress this document signifies does not make it perfect. The European Constitution is too long, unnecessarily complex and very difficult to read and shows plenty of room of improvement in some aspects, like all constitutions. But despite these deficiencies, the European Constitution has made very significant headway in the building of Europe in both the short and the long term.

In the short term, the European Union will be more democratic, as the powers of the European Parliament, that is, of citizens, have increased substantially. Europe will also be more open and transparent, as its powers will be more clearly defined and its institutions more subject to control by citizens. Europe will also be more capable, both internally and externally, and

more effective. Thanks to the Constitution, the Union will be able to make faster progress in a host of matters of huge concern to citizens, such as judicial, police and immigration matters. European citizens will furthermore possess a Charter of Fundamental Rights common to all of them.

In the long term, the importance of its being called a «Constitution» will be noticeable: over and above formal labels and legal and academic disputes, and despite the risks posed by a ratification process dominated by referendums, successful ratification will amount to an achievement and, at the same time, a qualitative leap: it will signify the recognition of belonging to a single political community with identical values and objectives. The European Union's «Constitution» will mark the fruition of the political agreement underlying this integration process. Therefore, the Constitution not only signifies, as has been stated ironically, a «recasting» of texts, but aims in its results to be a genuine «refounding» of the Union.

With respect to the Union's political and institutional agenda, it is evident that European politics in 2005 are going to be greatly conditioned by the ratification process and (eventual) entry into force (in 2006) of the European Constitution.

In a successful ratification scenario, the European agenda will be marked by the need to guarantee the effective functioning of the Union according to the new game rules and institutional configuration. This will not be an easy task, as it is most likely to be in the institutional field where the improvements are less obvious and the problems posed by the Constitution are more evident.

On the one hand, introducing a new President of the Council with too poorly defined powers not only opens the door to personal leadership that is unpredictable, but will inevitably overshadow the figure of President of the Commission, despite his double, reinforced legitimacy (by States and citizens) vis-à-vis the Council.

Similarly, the effective coordination and delimitation of responsibilities between the Union's new Minister of Foreign Affairs and the new President of the Council should not be regarded as accomplished. Nor are the virtues of having a double-hatted Foreign Minister belonging to both Council and Commission (Vice-president) obvious, particularly in view of the problems of political and democratic control that could arise on the part of the European Parliament, the Commission itself and even the European Court of Justice.

Finally, the Constitution has not provided a satisfactory solution to the question of the composition of the Commission. This introduces a factor of instability and inefficiency precisely in the most central institution designed to guarantee the proper development of policies that are crucial to all Europeans.

The second major scenario is failure by one or several countries to ratify the European Constitution. This failure in turn gives rise to several possible scenarios with various possible consequences. The first would require political negotiation with the states who reject it and, as occurred with Denmark with the Maastricht Treaty or Ireland with the Nice Treaty, would translate into a series of political declarations followed by a second referendum. This would be the most likely option if ratification were rejected by a few, small and foreseeable countries (Denmark, Ireland, Malta, etc.). From the institutional point of view, there would not be a crisis since the Nice Treaty would be perfectly capable of ensuring the continuity of the Union. The problem is that if this option were to fail, either in the referendum or with the governments of this member States, it would be very tricky for the European Constitution to come into force selectively, only in the countries that approved it. From a political standpoint, over and above the transitional nature of Nice, it would be very difficult to function in practice with the two politico-legal systems in place simultaneously. Therefore, the withdrawal from the European Economic Area (with Norway and Switzerland) of those that were to reject the Constitution would be the most likely outcome (the option of using enhanced cooperation laid down in Nice, although possible, would signify a backward step that would be unacceptable for many).

The second possibility would be a *global* renegotiation of a new text by all 25 Member States. Only one result could be expected of such renegotiations: an upgraded Constitution, hardly a downgraded Constitution. This outcome would be highly likely if ratification were to involve more than five countries, including one or two major advocates of integration. There would apparently be two options: first, those wishing to progress further would break away from the Union, proceeding to carry out a differentiated integration «outside» the Treaties (making the current Treaty of Nice an advanced version of the European Economic Area). Alternatively, those wishing to progress more quickly (particularly the French and German socialists) would be able to do so «within» the Treaties in all matters over which the Convention and IGC proved to be more divided: tax issues, social welfare and defence. We would therefore be witnessing the deliber-

ate introduction of advanced fiscal and social solidarity mechanisms into the Treaty, making the European Union more attractive to the citizens of some States and at the same time signifying the expulsion from the Union of a series of countries, resulting in the entry into force of a «Constitution plus» in a small number of countries.

Nonetheless, despite the official European rhetoric, which tends to regard as catastrophic the mere existence of a «Plan B» in the event that the Constitution fails to be ratified, it seems obvious that consideration of the content and possible options vis-à-vis a partial or total failure of ratification will be a central topic on the European agenda.

From Spain's point of view, enlargement, added to the changes introduced by the Treaty of Nice and the European Constitution, has marked a quantitative and qualitative change in the power structure of the Council of the Union—and in particular a loss of states' relative power. This loss of power can be observed in various areas and has important consequences.

First, the Council as a whole has lost power to the European Parliament as a result of the generalisation of the co-decision procedure (*grosso modo*, the procedure whereby decisions require a majority of the Council and a majority of Parliament). Co-decision makes the European Parliament a powerful rival of the Council for influence over the Commission's agenda. Following the entry into force of the Treaty of Nice, the co-decision procedure has become the standard decision-making procedure for the 46 most important matters related to the internal market. Added to the fact that matters subject to the unanimity of the Council are increasingly fewer as the use of qualified majority voting has spread to extremes that were unimaginable both at Nice and in the future Constitution, it is evident that part of the Union's decision-making power is being shifted from the Council to Parliament.

Second, we are witnessing a loss of the individual power of states within the Council as a result of both enlargement (each increase in the number of Council members results in a loss of the relative power of each state within the Council) and the reduction of the areas in which unanimity is the basis of decision making. Qualified-majority decision making will be normal practice in the enlarged Union governed by the Treaty of Nice and even more so in the future Constitution and unanimity will be limited to very precise and clearly defined areas (foreign, security and defence policy, tax matters...).

**TABLE 4**

**Spain's a priori voting power (Standardised Banzhaf index)**

<b>EU 27</b>	<b>Population</b>	<b>Nice</b>	<b>Convention</b>	<b>Constitution</b>
Germany	17.047	7.7828	12.761	11.869
France	12.316	7.7827	9.0943	8.7366
United Kingdom	12.254	7.7827	9.0484	8.6919
Italy	11.839	7.7827	8.7807	8.4359
<b>Spain</b>	<b>8.582</b>	<b>7.4199</b>	<b>6.6372</b>	<b>6.3742</b>
Poland	7.894	7.4198	6.3174	5.8874
Romania	4.497	4.2591	4.0631	4.2174
Netherlands	3.344	3.9740	3.3898	3.5049
Greece	2.276	3.6843	2.7660	2.8800
Portugal	2.150	3.6843	2.6884	2.8033
Belgium	2.139	3.6843	2.6826	2.7975
Czech Republic	2.107	3.6843	2.6645	2.7798
Hungary	2.095	3.6843	2.6525	2.7679
Sweden	1.847	3.0925	2.5089	2.6268
Austria	1.666	3.0925	2.4012	2.5208
Bulgaria	1.621	3.0925	2.3712	2.4914
Denmark	1.112	2.1809	2.0650	2.1908
Slovak Republic	1.111	2.1809	2.0650	2.1908
Finland	1.075	2.1809	2.0470	2.1730
Ireland	0.819	2.1809	1.8905	2.0196
Lithuania	0.715	2.1809	1.8302	1.9603
Latvia	0.482	1.2502	1.6856	1.8179
Slovenia	0.412	1.2502	1.6436	1.7762
Estonia	0.280	1.2502	1.5650	1.6993
Cyprus	0.148	1.2502	1.4865	1.6217
Luxembourg	0.093	1.2502	1.4503	1.5859
Malta	0.082	0.9422	1.4444	1.5799

Source: Bilbao 2004 ARI Elcano.

Enlargement furthermore poses two serious threats to the functioning of the Council: it is putting the traditional culture of consensus to the test, as it will greatly reduce the number of options that satisfy all members and, at the same time, encourages the formation of exclusionist minimal winning coalitions (as a decision brings fewer benefits, an increase in the individual share of benefits requires keeping the number of coalition members as low as possible).

In any event, over and above the quarrels about Spain's specific power in the Union, an examination of Spain's a priori voting power (measured by

the standardised Banzhaf Index, which establishes the percentage of possible coalitions in which a country's vote is decisive) shows that in any of the three cases (Nice, the Convention and the Constitution), Spain's decision-making power in the Council would be determined (in this sense, limited) more by the number of members (27) than by the specific decision-making rule adopted (weighted votes, double majority of 50 percent of states and 60 percent of population or, alternatively, 55 percent of states and 65 percent of population) .

As table 4 shows, Spain's a priori decision-making power in a 27-strong Union, to which the rule established in article I-25 of the European Constitution is going to be applied, varies by just over one point from Nice to the Constitution. Furthermore, bearing in mind that at the last minute Spain managed to include a clause establishing the minimum number of states required to form a blocking majority at four, we may conclude that in an enlarged Union what is decisive is ability to form coalitions and political leadership to form both qualified majorities and blocking minorities as opposed to the individual power of a state.

Returning to a scenario of prompt and non-conflictive ratification of the Constitution, the EU could devote somewhat more time to studying the best way of addressing European citizens' true concerns and making the intentions and declarations reflected in this Constitutional Treaty a reality. As a result, ratification of the Constitution would enable the EU to concentrate on the substantive matters in which its capacity for action and future world presence are at stake and its chief advantage would be making it possible to concentrate the European agenda on giving impetus to the stagnant Lisbon Agenda and on developing the Area of Security, Justice and Home Affairs and the incipient Common Foreign and Security Policy (CFSP, one of the main areas of integration reinforced by the Constitution).

In the case of the CFSP, the main changes are institutional. On the one hand, a foreign minister is established; this post will combine the jobs of the current «Mr CFSP» (Javier Solana), now the Secretary General of the EU Council of Ministers, and the Commissioner for External Affairs, a member of the College of Commissioners. On the other hand, mention should be made of the relative increase in qualified majority voting as well as the incorporation into art. I-40 of a «passerelle» clause stating that the European Council may decide unanimously that the Council of Ministers may introduce qualified voting in cases other than those envisaged in part III of the Constitutional Treaty.

In the field of the Union's Common Security and Defence Policy (the new name given by the Constitution to the European Security and Defence policy or ESDP), there are notable differences with respect to its current configuration, as despite the difficulty of negotiating such delicate aspects in a tense atmosphere, as occurred with the Convention and throughout the Intergovernmental Conference, the political will of a certain group of countries helped incorporate some novel elements into the Constitution. Once again the dynamics of intergovernmental cooperation was the driving force behind that of the community—specifically, by broadening the scope of the so-called «Petersberg» missions (typically focused on peacekeeping and humanitarian missions) to conflict prevention, crisis management, strengthening international security and fighting terrorism, in accordance with the principles of the United Nations Charter (art.I-41.1, art. 309.1).

One of the main weaknesses that has hindered the effectiveness of security and defence initiatives in the exclusively European environment from the outset is the precariousness of European military capabilities. Conviction of the need to improve military and civil capabilities in order to give a certain credibility to the objectives and ends of the EU's external action was witnessed during 2004 and is reflected in various instruments, particularly the text of the European Constitution and its articles I-41.3 and III-311. The Constitution specifically establishes that the Member States will make civilian and military capabilities available to the EU, provided that the States' national policies are respected. In addition to this commitment, a European agency in the field of armaments, research and defence capabilities (art. I-41.3, art. III-311) is to be established to identify requirements and foster the means necessary to develop more flexible and effective European military assets. However, the EU did not wait until the new text entered into force before implementing the Agency, as it was established by means of a Common Action of the Council (Common Action 2004/551/CFSP of the Council, of 12 July 2004).

Another novel feature worth stressing is the incorporation of various forms of flexible integration, that is, endowing a group of Member States that so wish with a certain capacity for action. On the one hand, it provides for the possibility of entrusting the execution of a task aimed at protecting EU values and interests to a group of states that so wish and possess the capabilities required by such a mission (art. I-41.5, III-310). On the other, it provides for the possibility of establishing «permanent structured cooperation» (art. I-41.6, III-312) between states with appropriate military capabilities which have made more binding commitments to one another with

a view to more demanding missions. The Union has thus attempted to institutionalise the intergovernmental dynamics that exists de facto in security and defence issues. A certain group of countries that have the means and political will to undertake more difficult missions and have assumed the commitments established in the Protocol on permanent structured cooperation may act within the EU using models similar to that of monetary policy or Schengen.

A clause that sparked considerable controversy is the one included in art. I-41.7, which provides that if a Member State is the victim of an armed aggression on its territory the rest of the States shall be obliged to aid and assist it by all the means in their power. It should be stressed that compared to the guarantee of defence established by NATO, which does not extend to the Spanish cities in northern Africa, as they are not considered European territory, the clause of territorial solidarity and integrity included in the European Constitution has been interpreted by some as applying to the whole of Spanish territory without exception; this fact would be of huge significance to Spain in the medium term, once the EU has equipped itself with the military capabilities envisaged in the Constitution.

An important innovation springing from the demands of an international and European context marked by fresh risks and threats is the clause reflecting the solidarity of the Union and its Member States in the event that one of the latter suffers a terrorist attack or is the victim of a natural or man-made disaster. The Union shall mobilise all available civil and military resources to assist in various disasters and, in the specific event of a terrorist attack, provide assistance in the territory of the State in question (excluding action beyond the borders of the EU).

## **SPAIN AND SECURITY AND DEFENCE IN THE EUROPEAN UNION**

In the area of security and defence, 2004 was marked by the attempts to implement the European Security Strategy approved by the Brussels Council of December 2004 («*A Secure Europe in a Better World*»). Although the so-called «Solana Document» lists the chief threats—terrorism, the proliferation of weapons of mass destruction, regional conflicts, failed states and organised crime, as well as a series of phenomena that also affect our security such as the negative effects of globalisation, poverty, underdevelopment, planetary warming, diseases such as AIDS and SARS and energy dependence—the Brussels Council of 12 Decem-

ber 2003 considered that it was more urgent to focus on measures designed to promote effective multilateralism within the framework of the United Nations, counterterrorism, a new strategy for the Middle East region and a joint policy for Bosnia and Herzegovina.

Accordingly, as far as effective multilateralism is concerned, the European Council of June 2004 approved a report on implementing the joint EU-United Nations declaration (September 2003) on cooperation in military crisis-management operations. Two scenarios were analysed: on the one hand, the assignation of national military capabilities to a United Nations Mission; on the other, the execution, at the request of the United Nations, of specifically European operations. An important agreement was also reached between the European Commission and United Nations Development Programme (UNDP) in this field in June 2004. This new type of link is one of the first in a series of conventions that the European Commission is planning to establish with various United Nations agencies.

Nonetheless, this progress is still very limited, which is why the need has been raised for a more concrete definition of the means of achieving the strategic goal of strengthening the United Nations. Similarly, headway has yet to be made in extremely difficult but essential aspects of the relationship between the EU and the United Nations, such as the possibility of the former's representation on the Security Council (an issue which requires a major debate as it affects the seats held by France and the United Kingdom on the UN Security Council) or, alternatively, the types of mechanisms that would give the EU an economic sway within the organisation more in keeping with its influence and significance.

Furthermore, considering that, according to the National Defence Directive currently in force (DDN 1/2004), our country bases its external action on «*scrupulous respect for international legality*» and recognises the «*United Nations to be the organisation responsible for safeguarding international peace and security*» and that in security and defence matters «*Europe is our area of priority interest*», it is essential to boost the EU's overall capacity for action in the United Nations while working towards strengthening and substantially improving the functioning of the United Nations, particularly the Security Council. If effective multilateralism is the chosen option, the means for making it a reality need to be put in place.

Over and above their contribution to world governance, the new strategy for the Middle East region and the policy towards Bosnia-Herzegovina combine the strategic goals of the Solana Document of addressing the

threats affecting the EU (weapons of mass destruction, regional conflicts, disintegration of the State and organised crime) while seeking to build security between neighbouring countries. Starting from the premise that none of these new threats is merely military, the EU aims to use all the instruments at its disposal, be they politico-diplomatic, economic or military. In this connection, the Brussels European Council of June 2004 adopted an important instrument that was backed firmly by Spain: the *Strategic Partnership with the Mediterranean and Middle East*. This partnership is aimed at fostering the development of a common area of peace, prosperity and progress in the Mediterranean by establishing a concrete political agenda that seeks, among other goals, to promote the prevention and resolution of conflicts in the Mediterranean and Middle East and measures for combating terrorism, the proliferation of weapons of mass destruction and illegal immigration.

As for proliferation and weapons of mass destruction, the European Security Strategy was put to the test in 2004 when the triumvirate formed by France, Germany and the United Kingdom attempted to get Iran to suspend its nuclear programme. European policy towards Iran is undoubtedly a good example of the use of diplomatic instruments and «conditional cooperation» by the European Union and its Member States to address one of the main threats: the proliferation of weapons of mass destruction. Following fruitless negotiations, in November 2004 the so-called «Paris Agreement» was reached whereby Iran agreed to suspend its activities and make them conditional on the verification of the International Atomic Energy Agency (IAEA). Following the IAEA resolution of 29 November confirming the suspension of Iran's activities, the European Commission debated on ways of resuming negotiations for the trade agreement that were called off in 2003. However, the tension between Iran and the US over the Iranian nuclear programme, particularly if Iran were to run the risk of acquiring nuclear capability before the US withdraws from Iraq, could thwart these attempts to solve the problem using diplomatic means.

Also in connection with preventing proliferation, the basic principles were recently approved for the use of restrictive measures (sanctions), as was a declaration on the criminal sanctions applicable in the case of materials relating to weapons of mass destruction, such as the illegal exportation, dealing and smuggling of material related to weapons of mass destruction (WMD). Incentives and sanctions are therefore becoming a significant means of achieving the strategic goals of the European Security Strategy.

The Security and Defence policy, to quote Javier Solana, is the dimension (after the euro) in which the European Union has witnessed the fastest and most spectacular progress in the past five years. 2004 was a fundamental year on account of the initiatives set in motion and the consolidation of the European Union's incipient military capability that is still mainly based on the «Berlin Plus» agreements with the Atlantic Alliance. In a European context with fundamental and highly complex issues to solve such as the integration of ten new members and the negotiations leading to the signing of the European Constitutional Treaty, the European Security and Defence Policy has accomplished major achievements. Expression was given to the close relationship between three of the Member States with the greatest capabilities and ambitions in this field, France, Germany and the United Kingdom, in the proposal tabled at the Berlin Summit of 18 February 2004 on setting up nine battle groups. The proposal was adopted by the European Union at an informal defence ministers' meeting on 5-6 April 2004 and incorporated into the Headline Goal 2010 in June 2004.

In principle, each of these battle groups should consist of 1,500 highly-trained soldiers with appropriate support elements prepared to deploy within 15 days and ideally capable of engaging in high-intensity operations both independently and in preparation for larger-scale operations, for at least 30 days extendible to 120. These battle groups are intended to make up for Europe's lack of highly mobile forces deployable in difficult terrains, as in view of the current international context and the lessons learned in Operations Concordia and Artemis, the Rapid Reaction Force decided on at Helsinki (Helsinki European Council, December 1999)—between 50,000 and 60,000 troops with the necessary naval and air support in order to be deployable in 60 days and sustainable for a year—is insufficient and too slow to deploy.

The new forces are designed to act in response to a request from the United Nations (though not exclusively), in keeping with Europe's commitment to effective multilateralism. Spain was quick to sign up to this initiative and has pledged to take part in several battle groups. On 22 November 2004, Spain's defence minister, José Bono, signed an agreement with his Italian, Portuguese and Greek counterparts to set up a battle group based on the structure of the Spanish-Italian Amphibious Force (SIAF), with contributions from Portugal and Greece. Similarly, following Zapatero's meeting with Schröder and Chirac at La Moncloa (the official residence of the Spanish premier) in September 2004, it was decided that Spain would participate fully in the future French-German battle group and

that the French-German Naval Group would be extended to Spain. These initiatives are in keeping with the decision to be in a position to take part in projects which, in line with the current National Defence Directive (DDN 1/2004), require «*the development of more demanding military capabilities and in the acquisition of more binding commitments, under the terms laid down in the European Union Constitutional Treaty*».

The implementation of ESDP missions is the chief gauge of the real progress of this policy. Two, mainly police, operations were staged in 2004: Operation *Proxima* in Macedonia (which continued with Operation *Concordia*) beginning on 15 December 2003; and the European Union Police Mission in Bosnia and Herzegovina (EUPM), which began operating on 1 January 2003 and is expected to continue until 31 December 2005. The transfer of authority from NATO to the European Union in the mission in Bosnia-Herzegovina is a true test of the community mechanisms and, in particular, of relations with NATO. In this connection mention should be made of the *Althea* mission which on 2 December took over from the Stabilisation Force (SFOR) after nine years on the ground, under the mandate of a new United Nations Security Council resolution (R/1551, July 2004). This mission takes a civic-military approach and its long-term goal is a stable, feasible, peaceful and multi-ethnic Bosnia that could join the European Union in the future. This mission is made possible by the use of NATO capabilities provided through the «Berlin Plus» agreements. However, the mandate is European, since the political and strategic guidelines are drawn from the EU's Political and Security Committee (PSC), which reports to the Council, while the European Union's Military Committee will supervise the execution of the military operation. Even so, the operational command of the mission is under the authority of the British general John Reith, NATO Deputy Supreme Allied Commander in Europe (D-SACEUR) at the European Union operational headquarters located in SHAPE (Mons, Belgium).

No less important is the first mission to support the rule of law (the third civil operation of the ESDP) in Georgia, called EUJUST THEMIS. This operation is a response to the Georgian government's request for support in the process of taking the European approach to security as an example, taking into account civil conflict prevention tools. The significance given to the civil aspect of the ESDP has translated into an action plan on civil aspects of the ESDP which was approved at the Luxembourg European Council of 14 June 2004. Similarly, to keep pace with the increase in European missions and in response to the call for a simple method of financ-

ing, as of early March 2004 the EU has a permanent mechanism for handling common costs of military operations, whatever their kind. This mechanism is called ATHENA and is aimed at facilitating the development of missions through faster and more flexible administration of common costs. ATHENA is run by a Special Committee whose decisions, made by unanimity, are binding.

As for the issue of capabilities, the new Headline Goal 2010 is the main reference for the development of the enlarged European Union's military capabilities. This new Headline Goal is based on that of Helsinki, on the EU's experiences of its first military missions (Concordia and Artemis) and, in particular, on the European Security Strategy. The main characteristic of the *Headline Goal 2010* is the priority it attaches to qualitative over quantitative improvement, seeking to equip the EU with the military capabilities required to act jointly in a framework of strategic autonomy and with sufficient technological advantage vis-à-vis any adversary.

The European Defence Agency envisaged in the European Constitution and already running can play a significant role in harmonising Member States' needs in this area, and in collaborating in agreements on operational requirements which in turn allow the ever-scarce funds available for these investments to be organised and rationalised. It should nonetheless be borne in mind that the Agency is merely a intergovernmental organisation (all the Member States have decided to participate voluntarily in it) that has yet to assimilate the existing initiatives in this area (the Organisation for Joint Cooperation in Armaments, OCCAR, and the Letter of Intentions, Lol) and that powers for acquiring military materiel are exclusively national.

To sum up, despite the deficiencies in capabilities and lack of coherence between rhetoric and reality—or precisely because of this—consolidating the ESDP is an absolute priority for Spain, since, although our strategic conception is underpinned by our own defence capability and by a truly national response capability, it is also based on collective defence and shared security with our partners and allies. In addition to our firm and necessary commitment to the Atlantic Alliance, the European project is central to our security, as stated in National Defence Directive 1/2004: «*We are Europe and our security is indissolubly linked to that of the continent*», and therefore «*Spain will promote and foster a true European security and defence policy, back initiatives aimed at achieving a common defence*».

## THE IMPACT OF 11 MARCH

Although Europe is not ravaged by wars and armed conflicts between its Member States, nor is it free of risks and threats. Following 11 March there are risks that have ceased to be hypothetical and are now a harsh reality that we must face up to and on our own territory. Whereas the Cold-War scenario of potential attacks perpetrated by other states has become a fairly remote possibility, new, more diverse, less visible and less foreseeable threats currently plague our societies. These essentially asymmetrical and transnational threats indissolubly link the internal and external aspects of security. One of the chief consequences of the new strategic context is, as the Spanish Military Strategy points out, the difficulty of establishing «*categorical separations between internal and external security, since both in fact form a continuous whole*» («*New Challenges, New Responses*»: Spanish Military Strategy, Chief of Defence Staff, Ministry of Defence, July 2003). This challenge is common both to Spain and to the European Union and all its Member States.

Security, both Spanish and European, requires instruments and initiatives that combine, on the one hand, the need to ensure citizens' well-being on their territory (internal security) and, on the other, the assumption of international responsibilities (external presence). These two aspects are essential and cannot be dissociated. In the European context, this means striking the right balance between «internal security» and the traditional operations of the Common Foreign and Security Policy (CFSP). The European Security Strategy does not cover in sufficient depth the necessary internal aspect of European security; it gives priority to external threats and does not devote enough attention to those that are part of our reality and everyday lives.

All this had been known since 11 September 2001, but the European Union, trusting, wasted a magnificent opportunity and did not give content to the Action Plan approved on 21 September 2001. Inevitably, it is since 11 March 2004 that Europe appears to have suddenly realised its internal vulnerability and the urgent need for a clear commitment in combating this scourge that is threatening our societies. Shortly after 11 March, the Brussels European Council issued a declaration on fighting terrorism with the aim of strengthening political and operational cooperation and optimising the efficiency of information systems. The post of counter-terrorism coordinator was created and the Dutch politician Gijs de Vries appointed, being entrusted with coordinating judicial, police and intelligence services in this

area. The strategic goals of the 2001 Action Plan, which was also revised, include: restricting the financing of terrorism; bolstering the capabilities for preventing and prosecuting terrorist acts both nationally and in the EU; safeguarding the security of international transport and effective management of border checks; combating the factors that encourage terrorism and the recruitment of terrorists; and fostering actions aimed at third countries that play a key role in fighting terrorism. The importance should likewise be stressed of the political commitment made by the EU Member States to take joint action against terrorist acts pursuant to the solidarity clause in art. I-43 of the European Constitution, but applied in advance by the European partners in an expression of solidarity with Spain.

Europe is currently at a crossroads and facing a dilemma, since the disappearance of internal borders has exposed us particularly to new transnational and asymmetrical threats. There is no doubt, in view of the matters it deals with, that building an Area of Freedom, Security and Justice is essential to European citizens' well-being. Even so, despite the notable progress underlined by the recent European Commission communication (Assessment of the Tampere programme and Future Orientations, COM (2004) 401), an overall approach to and strategic planning of the various aspects related to this area have yet to be adopted. Issues as essential to achieving public security as asylum policies, migration, border management, fighting terrorism and organised crime, and police and judicial cooperation continue to be addressed separately with their own logic and at their own pace.

There can be no doubt that with the Hague Programme adopted at the beginning of November 2004, the EU has made a major effort to progress in this field. According to this programme, as from 1 April 2005 questions covered by Title IV of the Constitutional Treaty, that is matters such as illegal immigration, asylum, border policy and visas, will no longer be subject to unanimity. Unanimity will continue to be required for legal immigration matters, though only until the Constitutional Treaty enters into force. Mention should be made of the commitment to equip the EU with a common asylum policy by a specific date, 2010. The Member States have likewise agreed that exchanging information will be one of the main areas of police and legal cooperation by 2008. The need is also identified to gradually establish an integrated system for managing external borders and stepping up control and monitoring at the EU's outer boundaries, underlining the principle of solidarity and shared responsibility among the Member States, even with respect to the financial implications—a fundamental

aspect for Spain, which manages 10 percent of the EU's external borders. According to this programme, the approach to preventing and suppressing terrorist acts should be based on the principle of solidarity, since safeguarding national security should also take into account the Union's security. Important references are likewise made to judicial and police cooperation and to the external aspect of the policy of freedom, security and justice; indeed, the Secretary General/High Representative and the Commission are requested to design a strategy encompassing all external aspects of this matter in order to lend greater coherence to the European Union's external action.

Despite this progress, there are various shortcomings both at European and at national level. An overall, cross cutting perspective of security specifying the criteria for action and priorities to pursue has yet to be adopted, as strategic planning is a pending task. Similarly, issues such as access to information, practical cooperation and for example generalisation of the use of new technologies need to be improved (Félix Arteaga, «*La cooperación policial y judicial de la Unión Europea en perspectiva española*», DT Real Instituto Elcano 2004). All in all, the Area of Freedom, Security and Justice, despite being a newcomer to the process of European integration and constituting in a sense a large jigsaw puzzle pieced together from recently established initiatives and agencies, is undoubtedly a frontier of integration as real and with as far-reaching repercussions on the building of Europe as the establishment of the single market once was and deepening and shaping it is therefore a primordial task on both the European and Spanish agendas.

## **CONCLUSIONS**

When in 1954 the French National Assembly buried the project for a European Defence Community (EDC) that had been promoted by France itself as a means of monitoring closely the necessary remilitarisation of Germany owing to growing tension between the two blocs and, in particular, to the Korean war, the Europeans decided to shift the whole of the burden of responsibility for defence to the USA. France, for its part, decided to build its own nuclear capability to ensure its defence independently. Europe became the major loser but was able to develop economically and politically under the wing of America and France. So emerged the myth of the European Union as a «civil power», a transforming force based chiefly on democracy, trade and the rule of law. Given its consensual and peace-

ful nature, it was said that Europe could become a superpower, but of another kind, a «civil» as opposed to the typically military superpower that had defined power relations in the international arena in pre-EEC Europe, or that defined the bloc politics during the Cold War period.

Fifty years after the failure of the Pleven Plan, the European Union Member States have negotiated and signed a Constitution in which security and defence policy is clearly defined. Has the circle thus been closed that allowed Europe to develop, placing us, as some in the US fear, in a position to compete for power in the international sphere? Or will Europe maintain its civil nature despite acquiring military assets and capabilities? Actually both can be argued for.

On the one hand, there are those who maintain that the means define the ends, that is, that the Union has become civil in nature «by default». In other words, in the absence of a real military capability, the Europeans have specialised in an area in which they could compete: economic weight and political influence. Put another way, to use a common US expression that expresses well the course of the foreign policy pursued by the USA this century, the argument is «*when you have a hammer, everything looks like a nail*».

However, there is good reason to think that the European Union's goals will continue to stamp its actions with a different character, even if it possesses advanced military assets and capabilities. It is argued that the consensual element that dominates relations between the 25 Member States, together with the inevitable need to maintain the coherence between the norms and principles that the Member States grant each other, will continue to be an unavoidable reality.

It is likely that the latter are right. It is even possible that they *ought* to be right if we wish to continue thinking of the European Union as a force of transformation and global development. However, we know that neither of the two groups can be right as things currently stand: unfortunately, the European Union's security and defence resources are still much smaller than required for a debate on the nature of its ends to be meaningful. As stated at the beginning of this chapter, Constitution and enlargement make a genuine turning point: however, although the arrow has been fired from the bow, we do not yet know whether it will strike the target.

**CHAPTER FOUR**  
**UNITED STATES**

## UNITED STATES

By Manuel Coma Canella

### INTRODUCTION

2004 was a year of continuity with no major surprises for the United States from the strategic and security point of view. Problems and policies were those of previous years and did not undergo any substantial changes during the year. If anything, the former worsened and the latter tended to be more stubbornly pursued. However a number of turning points were witnessed that should have repercussions in 2005.

The best news of the year for America relates to something that did not happen, which does not make it any less important that that which did occur. There was no repetition of 11 September or even anything of the more modest magnitude of the tragic 11 March attacks in Madrid. Elections took place on 2 November, the president was sworn in the following 20 January and all the alarms proved to be unfounded. Or perhaps the dangers were averted or thwarted by the security apparatus. But nor did similar attacks take place in 2003 or 2002. There is also continuity in this respect. This brings us to one of the strategic debates currently being conducted, in two parts. Is the war on terrorism being won? And who is playing the decisive role in this war—intelligence and police or military interventions? Or, have the military interventions made a positive contribution to the fight or are they counterproductive?

The worst news never made the headlines, among other reasons because it was not a specific event but the result of a lengthy process. 2004 may go down in history as the year in which the US came up against the limits of its power, and much of what it did or failed to do during the year springs from these limiting circumstances. It is to be expected that

2005 will be characterised by a series of adaptations to, and attempts to come to terms with, this reality by increasing power and pushing these limits back. During the series of international summits held in June, President Bush made some overtures to his European colleagues and thereafter his defence minister, Donald Rumsfeld, abstained from making statements that were scandalous to the ears of people this side of the Atlantic. Once again, that which did not occur counts.

This gesture of rapprochement, which failed to achieve a significant response, stemmed both from the disastrous situation in Iraq and from electoral needs since, indeed, elections and Iraq dominated the American political scene in 2004. In principle, one might think that only the second of the two is an international issue with strategic dimensions, but both were closely linked up until the day of the polls. As had not been witnessed since the Vietnam war in the sixties, and with even greater intensity, war dominated the whole electoral campaign, starting precisely with the one that took place forty years ago. In addition, the making of decisions with respect to Iraq was strongly conditioned by electoral considerations.

## **THE STRATEGIC FRAMEWORK: THE STRUGGLE AGAINST HEGEMONY**

Iraq is not the only war that the United States had to wage throughout 2004, nor can it be regarded as an isolated episode: on the contrary, it is the centrepiece of the whole strategic framework that essentially underpins the United States' relations with the world. The two main axes of this broad framework intersect in Iraq. On the one hand, fully visible, is what Bush called the «war on terror» following 11 September. On the other, we find another major conflict that is universal in nature, unbloody but no less bitter, and in which a completely informal and vague coalition against hegemony is pitted against American power, attempting to counter and stem it. Like the war on terror but in a very diverse manner, this conflict has its main front in Iraq.

Its vague and informal nature make this second, purely diplomatic, confrontation much less visible. It does not even have a name and many of those who take part in it hold very different perceptions of the overall phenomenon and of their role in it. For most, the aim is above all to oppose American unilateralism and denounce its tendency to use force to solve external problems, unheeding the rules of international law—all of this dis-

astrously exemplified by the Iraq intervention and its side effects. Underlying this opposition and denunciation are diverse prejudices and ideological stances which, departing from sometimes antagonistic standpoints, converge in a common dislike of the American colossus' accumulation of power and in the common aim to use the United Nations as if it were a sort of world parliament, court and even a government to which everyone should submit, beginning with the hegemonic player and, in practice, ending with it, since the United Nations rarely succeeds in having its resolutions respected by those who consider themselves hard done by them.

This anti-hegemonism tends to be the current form of anti-Americanism and encompasses the various earlier versions of this phenomenon, such as those of the losers of the Cold War, who have found a chance for revenge in America's recent unpopularity, though many others who share these feelings have very different ideological origins and would reject the label of anti-Americans as their denunciations are focused on the conservatism of the current Administration and even on facets of the president's personality. The diversity of the underlying motivations and arguments put forward tends to conceal the essentially anti-hegemonic nature of the criticisms levelled at America's foreign policy, and Iraq is a pretext and instrument of the conflict. A pretext because although it is Iraq which has drawn together this host of complaints about the United States, the true source of dissatisfaction that is common to them all lies in what is perceived as excessive American power. It is therefore a previously occurring and independent factor and its mere existence makes helping the United States out of the Iraqi mire not only difficult but even absurd.

In this respect Iraq is also an instrument of the effort to counteract the hegemon. When it is said that Iraq is a disaster, it should be clarified for whom. It is for the Iraqis and for the United States. For many others the situation in the Mesopotamian country is actually convenient, however regrettable this is. This is the view of almost all its neighbours, with the exception of Kuwait. The rest are content to see the American eagle digging its beak and claws into Iraq, as its possibilities of exerting pressure on them are thus limited. No doubt they are also concerned, as a worsening of the situation could lead the conflict to flow over the borders and involve them directly. But as long as things continue as they were in 2004, Iraq will not only be the threatening example of democracy for the Middle East, as the Americans wish, but of everything that should be avoided. In the rest of the world, in varying degrees, those united against the hegemon also experienced a *Schadenfreude*, a subliminal pleasure derived from

Iraq's misfortunes, for which they consider George Bush's government solely and fully responsible, giving them the gratifying moral superiority of those who had previously warned of the consequences.

These attitudes are the constant features that American policy has come up against during the year, with only small changes. One of these modifications, which is modest on the global scale but among the most important, was Spain's change of alignment following the 14 March elections. The Iraq war drove a deep wedge between the main Spanish parties and President Rodríguez Zapatero acted in keeping with what his party had advocated throughout the crisis and promised in the election campaign. The forcefulness of his action—the withdrawal of Spanish troops from Iraq with little warning, accompanied by equally vigorous declarations—tinged the change with dramatism and afforded it considerable international visibility, creating friction with Washington, even though the Spanish government, like others, has emphasised that its stance was in no way related to anti-American attitudes.

The persistence of the anti-hegemonism stemming from the sensibilities offended by America's actions explains why United Nations Security Council Resolutions 1511 and 1546, which provided a legal framework for the presence of occupation troops in Iraq without justifying or condemning the military intervention, have not improved the United States' international position in practice, and the countries that voted in favour of them have not felt obliged to follow their recommendations of collaborating with the occupation forces. Nor did the transfer of power to an Interim Government in Baghdad on 29 June improve the international climate. That same month witnessed a series of international summits: that of the G-8 on Sea Island (Georgia, United States), the US-EU meeting in Brussels; the NATO summit in Istanbul; and even Bush's visit to Normandy to commemorate the 60<sup>th</sup> anniversary of the landing. As mentioned previously, Bush's attempts to use these meetings to soften relations with some of his disgruntled partners achieved very few practical results.

These attitudes thus continued, though with fewer harsh outward manifestations. Electoral considerations on both sides were partly responsible. In the race for the presidency, the White House tenant was being harassed by his rival (who claimed that Bush's policy had isolated the country) and found himself obliged to counter that accusation. His reluctant allies were unwilling to do him such a favour, expecting a change of power in Washington. With Bush confirmed as head of state for a further four-year term,

we can expect some readjustments to be made to relations, though these adaptations will be limited by the fact that it is in the interest of those who wish to undermine American power to continue to harbour misgivings about the country's intentions and, in particular, the legitimacy of its military presence in the Gulf. In this respect the successful holding of the Iraq elections on 30 January 2005, at the time the *Panorama* goes to press, signifies an important novelty that could change the course of events, as it is not the same to adapt to a power that is stuck in a rut as it is to attempt to jump onto the winning bandwagon.

## **THE WAR ON TERROR**

While anti-hegemonism/anti-Americanism in its various manifestations affects all of the United States' foreign relations, the most visible aspect of the country's international policy in 2004 continued to be the «war on terror», with Iraq as its main, but by no means only, battle front. Afghanistan continued to take up part of America's military and other energy, though throughout the year open crises continued with the two other countries expressly mentioned in the 2002 State of the Union Address as belonging to the axis of evil, Iran and North Korea, precisely on account of their nuclear aspirations.

But although the «war on terror» is not a war as such, it displays many purely warlike facets in the strictest sense of the word rather than in a more figurative sense, as is the case of the war against AIDS or industrial accidents. Although Iraq is on everyone's mind, Afghanistan has at no point ceased to be a political problem and the scene of continual military operations conducted under the Enduring Freedom flag, with 18,000 American soldiers, mostly commandoes—i.e. elite units—with whom other nations collaborate with small contingents. This is particularly the case of the Anglo-Saxon countries but also some of the firmest opponents in what we have called the war against hegemony such as France, which thereby underlines the contrast between what it considers legal and illegal wars and the non-anti-American nature of its criticism of the hegemon.

In addition to this military and diplomatic conflict, there are two ever-latent crisis points to which Washington cannot afford to cease to pay attention. These are the two other powers, apart from Iraq, that were designated members of the axis of evil: Iran and North Korea. Both are cause for concern on account of their nuclear programmes, presumed in the

case of the first and self-confessed in the case of the second. Iran is furthermore accused of continuing to support terrorist movements and, of course, of interfering in Iraqi affairs. Another conflict in which the United States appears perpetually involved is the Israeli-Palestinian dispute. But both this and the Iraqi conflict seem to be interlinked by a grand design that is conceived as the positive side and deeper dimension of the war on terrorism: the attempt to stem terrorism by addressing its causes, according to the interpretation that has prevailed in Washington since 11 September.

### **The Reform of the Greater Middle East and North Africa**

What Washington has set out to present as the positive facet of this war is the programme for the reform of the vast area it initially called Wider Middle East and subsequently Greater Middle East and North Africa, which stretches from Afghanistan to Mauritania. The idea, hatched months after the invasion of Iraq, failed to take off during 2004. This was partly because it did not command sufficiently firm support at the aforementioned summits held in the middle of the year and partly, as far as America is concerned, because of the distraction of the electoral circumstances at home, but above all, probably because the situation in Iraq undermined Washington's democratising sermons. In any event the project has not gelled and nothing resembling a specific plan has come to light, even though the central goal remains intact. Indeed, not only was it reaffirmed during the investiture speeches and, only days later, during the addresses on the State of the Union at the beginning of 2005. In these new, completely general formulations it even transcended the initial geographical area, which continues to be a priority, and has become the main axis of all American policy which is now expressly aimed at combating tyranny—regarded as the chief cause of terrorism—by using the spread of «human freedom» as a privileged instrument. Although the scope of these proposals is universal, the only names that have been mentioned are Saudi Arabia and Egypt, countries which have been informed nicely that they are expected to embark on a democratic opening of their own accord; and Syria and Iran, which have been made to understand with veiled but by no means obscure threats that they will continue to be monitored and pressured. The Arab world therefore continues to be a priority.

This conception is a response to the predominant conception entertained by the anti-hegemonic band according to which poverty is the root

cause of all the frustrations that lead to desperate violent reactions, whose most widespread political manifestation nowadays is terrorism. The Bush Administration and its defenders refute this by claiming that many poor societies are perfectly peaceful and that terrorists do not usually come from poor backgrounds but mostly hail from the middle classes and possess a fairly good education and some, like Bin Laden, are actually rich. According to their interpretation, the political phenomenon of Jihad terrorism has predominantly political causes that must be sought in the frustrations engendered by the repression, stagnancy and poor prospects caused by the despotism of some of the prevailing regimes in the countries in question. Attacking the root causes of the evil therefore calls for unleashing a new democratising wave like the one that triggered the fall of communism and disintegration of the Soviet bloc. This conception is based on the tenet, repeated ad nauseam by Bush in all his public statements, that freedom and democracy are universal human values and not exclusive to just one civilisation, that of the West.

## **Iraq**

In many aspects the dominant issue of Iraq is merely a development of the previous year's legacy. By the time 2004 began the expectations linked to a fast victory in the conventional stage of the war had vanished and by the end of the year America's policy towards Iraq had taken more than one lurch when attempting to adapt to the circumstances on the ground. Violent opposition to the new democratic order America aims to promote has been gaining ground, despite its limited social support base. It is championed by the remains of the Saddam regime's military and security apparatus and the international Jihaddists. Although with very different ideological motives, they both spring from the Sunni community that accounts for just under 20 percent of the country's population.

The makeup of the resistance has basically stayed the same with only minor developments, but above all it has not ceased to grow in number throughout the year. As a result, by the end of the year its members were reckoned to be double or quadruple the number a year earlier (from between 5,000 and 10,000 to over 20,000 currently). Some 15,000 have been knocked out of combat due to death or arrest, though part of the detainees may only be suspects. Therefore, one of the most salient characteristics of the Iraqi conflict in 2004 is the continual growth of the insurgent forces whose ranks not only did not dwindle as a result of American

actions but, on the contrary, were actually reinforced during the period we are dealing with.

Although this was the general trend, the year began on a fairly encouraging note for the Bush Administration. Saddam Hussein had been arrested on 13 December of the previous year and the terrorist attacks had slackened after intensifying during the Islamic month of Ramadan (between mid-October and mid-November). Although the circumstances of Saddam's capture showed that he could not have been commanding the paramilitaries, there was speculation about the supposedly demoralising impact of his fall among his followers and about the reorganisation into which the underground insurgents would be forced by not knowing how much intelligence from Saddam could have fallen into his enemies' hands. However, the truth is that, although terrorist actions decreased with respect to the Ramadan offensive, they returned to previous levels in January and February and continued until April, when the clashes focused on the towns of Falluja and Hajaf reached new heights.

### *The Transitional Administrative Law (TAL)*

Towards the end of 2003, Washington, driven by the firm stance of Ayatollah Sistani, who has the backing of the large majority of the Shia community, embarked on a new political strategy consisting of bringing forward the deadline for the transfer of powers from the occupying authority to an Iraqi authority chosen in elections. In view of the worsening of the security problems, which hindered immensely if not made impossible everything else, beginning with reconstruction and the relaunch of the economy, the deadline, which thenceforward became the main goal of the United States' political efforts in Iraq throughout the year, should be considered more as a very risky, almost desperate ploy than as the result of a realistic calculation based on the prior reestablishment of a certain normality, as in the initial plans proposed by Bremer, the US envoy to Baghdad. The change attested to the scarcity of the options available to the Bush Administration according to its own perceptions.

At the end of the previous year Paul Bremer, as head of the Coalition Provisional Authority (CPA), was preparing a legal document, called the Transitional Administrative Law (TAL), laying down the steps that would need to be taken to build the basic institutions of an independent, democratic Iraq. For the first two months of the year Iraq's political scene revolved around the adoption of this project and, even if Bremer negotiate

with the members of the Iraqi Governing Council that he himself would appoint from among the leading political forces opposed to the previous regime, the great shadow interlocutor would be the most respected of the Shia religious authorities, the Grand Ayatollah Sistani, who is truly a key figure in Iraq today and whose moral influence over his followers can hardly be exaggerated.

America's initial project envisaged establishing a transitional assembly based on provincial assemblies of notables around the middle of the year, considering that it would take time to meet the minimal administrative conditions for universal suffrage. Sistani, negotiating through intermediaries, wants proper elections. He seeks to speed up the process whereby power will come into the hands of the majority group in the country, his fellow Shia, and does so by always invoking the fundamental principle of democracy, that of «one man one vote». The dispute led the Americans, with the consent of the religious leader, to appeal for the mediation of the United Nations, which had withdrawn in August the previous year after its headquarters were blown up by terrorists. At the end of January the secretary general Annan placed the Algerian diplomat Lakhdar Brahimi in charge of a small commission entrusted with the task of drafting, on the ground, an intense 11-day programme of interviews in February. On the basis of its conclusions, Annan informed the Security Council that it was impossible to all intents and purposes to hold elections before the end of the year or beginning of 2005 and only then would it be possible if the organisational work, starting with the drawing up of the census, were to begin immediately.

Both Bremer and Sistani agreed to this and 30 January 2005 was the deadline set for the elections, while 30 June 2004 was maintained as the date for the transfer of powers to an interim government. However, the disagreement over the content of the provisional constitution that is to oversee the whole process of transition to democracy (TAL) did not end there. Bremer attempted to influence in advance the future constitution which will need to be drawn up by the first assembly that is elected by trying to settle the question of fundamental freedoms: of expression, assembly, press, an independent judiciary and equality before the law. He attempted to find a solution to the controversial issue of the Sharia by recognising Islam to be the state religion and proclaiming that no law may violate the «universally agreed principles of Islam», but rejecting the idea that the Koran should be the chief source of legislation. Such an ambiguous precept will hardly be able to settle such a controversial question for the

future, but Sistani and his followers no doubt decided not to hinder the process on account of something that will inevitably have to be discussed in the constitutional talks.

The apple of discord was article 61c, which was designed to allow three of the 18 provinces to prevent the future Constitution from being approved by referendum if two thirds of the electorate were to vote against it. It was intended to give the Kurds the power of veto to block any attempt to rob them of the wide autonomy they have enjoyed almost since the end of the First Gulf War, after the Kuwait invasion, by advocating a federal system, at least as far as they are concerned. What was hardly discussed at the time, even though it is no less important, is the fact that this provision also grants the Sunni Arabs the same powers to veto any constitution they consider damaging to their interests, and could potentially extend federalism to the Sunni triangle.

Although the draft Law sponsored by Bremer provided substantial protection for the Kurdish autonomy, the Kurds nonetheless expressed their discontentment with the fact that it did not regulate the issue of the oil-rich city of Kirkuk to their advantage: this city does not belong to the Kurdish provinces, yet the northern population insist on regarding it as their own. This is a potentially explosive problem linked to the constitutional problems. The dashing of the expectations of the Americans' most faithful Iraqi allies was a concession made to Sunni and Shia equally. However the latter, who have become champions of national unity, were not satisfied with the «Kurdish veto» either. In the cut and thrust of early March, the Washington delegate stood his ground and in the end it was Sistani and his followers who gave in, making it clear that they would revise everything in the future constitutional drafts. Even so it seemed that the wrestling match continued following the ratification of the TAL by the Iraqi Governing Council on 8 March and the Shia—it was not clear whether they enjoyed the support of their leader or whether the situation overwhelmed him—took to the streets at one point, staging mass demonstrations in the south of the country.

This defiance of the occupying authority could have triggered a major crisis, as America's endeavour in Iraq was based entirely on acceptance, however conditional and grudging, by the Shia majority. The Shia experienced the fall and eventual capture of Saddam as a genuine liberation but never considered themselves indebted to the Americans, whom they believed to have betrayed them in 1991 following the war when, supposedly incited by Bush senior, they rose up against the tyrant and, aban-

done by the United States, were killed in dozens of thousands. Unlike the Kurds, for whom the presence of American troops is a blessing, the Shia tolerate it as a serious and annoying evil lesser evil than the re-establishment of the domination of the Sunni minority, whether in the form of Baathists or Jihaddists. The demonstrations soon died down at the end of March, just when the disastrous possibility of a clash with the Shia community was threatening to develop into an armed uprising.

### *The April and August crisis*

The new crisis was initially just an episode in the struggle against the insurgents in the so-called Sunni triangle to the west and north of Baghdad. The place was the city of Falluja, some 50 kilometres away from the capital. The events of Falluja in April were of prime importance. The fact that the troops withdrew, leaving the population's safety in the hands of local forces commanded by a general from Saddam's former army after the rebel city was chosen as the target on which to inflict an exemplary punishment of insurgence, marked a tactical and perhaps spectacular strategic zigzag. The decision was totally political and went against the opinion of the commander of the Marine infantry conducting the operation.

It could signify a surprising adaptation to the surviving forces of the Baathist regime by seeking the pacification of the Sunni community in exchange for tolerating a wide autonomy in the control of their cities. Or it could simply be a ploy to gain time at what was the most delicate moment following the end of the phase of conventional military operations until the January 2005 elections. If it was the former, the experiment certainly foundered immediately. The local police were completely unable to take in hand the guerrilla fighters and terrorists who had chosen the city as a base and immediately converted it into a haven for keeping captured hostages, storing explosives, preparing bombs and organising attacks. By only a few weeks it had become clear that Falluja was a thorn that was becoming embedded and had to be extracted. But in view of the unsolvable problems of the urban warfare, the costs of psychological warfare were judged untenable by an American administration in the throes of an election campaign. But it soon became clear that the time would come immediately after the elections.

The decision to «pull out of» Falluja was harshly criticised by the pro-war Americans, who regarded it as one of the worst strategic errors committed by their political leaders. It is one of those judgements that are difficult to

prove. What happened afterwards seemed to prove the critics right, but as always, the problem is that we do not know what might have occurred had the fighting continued inside the city. It is likely that the civilian death toll would have been extremely high, with absolutely adverse moral implications and propagandistic effects. Vacating the city before proceeding to assault, as was done later in November, is a large-scale operation requiring lengthy preparations, especially bearing in mind the small number of American troops available in relation to the missions they have to perform.

It was an extremely delicate moment because it was used by the Shia dissident Moqtada Sadr to hurl a direct challenge at the occupiers by aiming to take sides with the Sunni insurgents. Although militarily less significant owing to the greenness of its militiamen, Sadr's insurrection was particularly dangerous to America's enterprise precisely because it hailed from the majority branch of Islam that had previously been totally opposed not only to the restoration of the Saddam regime but to any form of Sunni supremacy. While it was bad for Americans to declare themselves powerless in the face of a stronghold of Sunni guerrillas and terrorism like Falluja, worse still was the possibility of an armed opposition among Shia that would first divide them and subsequently drive them to a head-on clash with the international troops. If things came to that, the American government would be at a loose end, even if the uprising were not coordinated with that of the radical Sunni. But it would be absolutely disastrous if, even without armed attacks, a wave of demonstrations in protest against the occupation were to spread. Anything that turned the Shia camp against the Americans could signify a truly insuperable catastrophe for the latter.

At first the revolt spread through several cities in the south, where it was subdued relatively easily; in the end it was confined to Najaf, where American soldiers and marines did not have much difficulty inflicting a harsh punishment on the keen but inexperienced warriors of Mehd Army, the name of the militia who follow Moqtada Sadr. The important thing to note is that, although Sadr's impassioned radicalism has secured it a sizeable power base, particularly among Baghdad's unemployed, poor Shia, it has not taken root among the rest of the religious community, which continues to view it with mistrust, much preferring the moral leadership of Sistani and the political leadership of the traditional parties that respect the guidelines of the great patriarch.

Following this first defeat, Sadr sought vengeance in August, entrenching himself in the mosque of Imam Ali in Najaf—rather like the Shia equi-

valent of St Peter's Basilica—and again suffered a military defeat that was dealt with as much care as possible under the circumstances, given the extreme sensitivity of the religious feelings at stake, which Sadr aimed to mobilise in his favour. The political defusing was carried out with the skilful mediation of Sistani, who again managed to keep his majority united and in doing so cleared the most dangerous stumbling block from the Americans' path, enabling them to continue doing the dirty work of clashing with the terrorists of the rival Sunni side who, in the following months, sought increasingly openly to provoke a civil war with their rival brethren, whom they intensely despise as they consider them heretics and now, to make matters worse, collaborators.

### *Elections*

By then powers had been transferred to an interim government at the end of June. Its decision-making capacity was significantly greater than that of its predecessor, the so-called Governing Council, though its dependence on the international troops to fight against the guerrilla was practically the same. However, the programmes to train Iraqi security forces had been speeded up and these forces played a useful role at Najaf in August. They became the primary target of terrorist attacks but, despite the huge death toll, they have never had problems of recruitment since then. They played a bigger part in the major operation to clean up Falluja immediately after the American elections and their big break came on 30 January when, despite the bad losses they have progressively suffered, they managed to provide security at most of the country's polling stations.

The success of the elections can be considered resounding, since preventing them was the strategic goal of all the components of the Sunni insurgency. For the Americans and most of the Iraqis eager for them to be held, it marks an encouraging victory but not the end of anything. Although terrorists and guerrillas were dealt a harsh blow, their capabilities and intentions remain intact. Now their aim is to prevent the new institutions from functioning. For the Bush Administration, which had set for itself a final success as the only «exit strategy», that is, a political system accountable to its people and capable of defending itself, the available options are scanty. As of early February, everything would appear to indicate that the emphasis is going to be on stepping up the training of local troops, guards and police in the hope that some 15,000 US troops can be withdrawn towards the end of the year, bringing the number down to about 120,000. By then, if everything goes according to schedule, the Iraqis will have gone

to the polls twice: once in October to approve the new constitution—if it is ready on time—and later to elect an ordinary legislative assembly. In view of the difficulties of 30 January, the challenge seems Cyclopean.

## **Afghanistan**

Iraq is the focus of most of America's military energies and influences the whole of its foreign policy, but it is not the only war in which the United States is involved. The forces of the Taliban and Al Qaeda remained south of Afghanistan and around the border with Pakistan, continually attempting to destabilise the Kabul government that is backed by America and the international community. Many countries that opposed the Iraq war have lent their military support to Karzai's government as a means of proclaiming the difference between a legal war—that is, endorsed by the United Nations Security Council—and one that is not. This support likewise serves to draw a distinction between indiscriminate anti-Americanism, with which they do not wish to identify, and repudiation of a unilateral and unilateralist policy. Everything suggests that, were they not set on proving this to themselves and to the whole world, international commitment to Afghan reconstruction would flag considerably. As it is, this may represent the maximum efficiency that multilateralism is capable of mustering, and amounts to assuring, albeit imperfectly, a city for three years.

Other factors need to be considered. The division of labour carried out in Afghanistan is more or less in keeping with the not very glorious motto of «we do the cooking, you do the washing up». There is no need to explain who does each of the jobs. The Americans have not provided any forces for the blue helmets, whose mission has been practically directed by NATO. Their forces have concentrated on hounding the remains of the Taliban and Al Qaeda in remote villages and rugged mountains. In total some 18,000 men and women, almost all belonging to special units, with some additions from other countries, particularly Anglo-Saxon. Their modus operandi has worsened some problems while attempting to solve others. The logic of the conflict has led them to forge unscrupulous alliances with warlords, who are one of the main reasons for the country's ungovernability.

Nonetheless, it seems that the task of wiping out armed enemies has come a fairly long way. As a result, the postponed elections of 6 October were a great success, foreshadowing those of Iraq. Indeed, both displayed the same combination of circumstances: greater weakness of the violent

parties than was attributed to them; greater than expected efficiency of the various American, international and local forces of order and, above all, the firm will of the Afghan people to determine their own destiny, facing up to countless risks and hardships, on top of the pessimistic expectations that seemed reasonable. As commented of Iraq, the Afghan elections are not an overnight solution to the huge problems of a backward, ruined and ethnically fragmented country. Failure would have plunged the country into chaos. Success enables it to forge ahead. The danger lies in the fact that the huge moral triumph, which signifies only a small improvement in practice, could push the country out of the international radar range, causing it to fall into oblivion at a time when the not particularly generous foreign assistance continues to be essential to its progress. Fortunately, this did not appear to happen at the beginning of 2005; indeed, following the Iraq elections international commitments were renewed to the Central Asian country—a scanty aid that will enable it to continue limping ahead.

## **Iran and North Korea**

America's strategic priority since 11 September, the «war on terror», has not only led the major power to embark on classical wars and episodes of problematic occupation and costly reconstruction but has increased the already huge importance Washington has long attached to nuclear non-proliferation. Indeed, it has even designated by name potential candidates for a preventive war, should other methods fail to convince them to renounce the forbidden weapons. These are the countries included in the «axis of evil» referred to in the 2002 State of the Union Address. With Iraq out of the picture, Iran and North Korea remain. Throughout the past year the United States and, to an extent, the international community, became further entangled in a crisis with both of them that dates from a long time ago and continues into the future but merely worsened in 2004, as if the final outcome were near.

Partly because of the very nature of each of the problems, partly as an adaptation to the international reaction against unilateralism and partly because its military power is bogged down in the Iraqi mire, Washington has taken multilateral approaches to both questions. However, it is the plural and privileged sides of that polyhedral diplomatic equipment which, contrary to America's wishes, have shown opposition to turning to the sancta sanctorum of universal multilateralism, the United Nations Security Council, in particular with respect to Iran.

## *North Korea*

North Korea has been playing openly with all its neighbours, which share the same concern about the dangerousness of the match in which they are involved. It not only violated the Nuclear Non-Proliferation Treaty, to which it was a signatory and from which it finally withdrew in order to carry on doing the same, only without the treaty, but also bilateral commitments entered into with the United States and backed by Japan and South Korea. First it secretly developed a programme for the acquisition of plutonium, then for enriched uranium, both ingredients for making bombs—which it finally admitted to owning, as suspected, though we cannot be absolutely certain it is telling the truth since it has never allowed the inspectors from the International Atomic Energy Agency to perform their work without restrictions. Saddam Hussein denied possessing the materials or programmes to develop them but did everything to convince all and sundry that the truth was exactly the opposite. Is Kim-Jong-Il also bluffing?

As the countries under the greatest threat from the dangerous Korean roulette are its closest neighbours, all powerful countries in varying degrees, American diplomacy has focused on shying away from the bilateral relationship that the communists of the north of the peninsula want, forcing them to enter into a round of talks with the two direct antagonists plus Russia, China, Japan and South Korea. North Korea has entered, blocked, withdrawn provisionally and threatened to break off the talks permanently, subsequently resuming them and progressively magnifying the revelations about its arsenal and potential without ever showing any real evidence. It seeks assurance of the survival of what is possibly the most abominable regime on earth and a means of feeding its citizens. That is what the conservative Bush is up against; and he is attempting to get the parties most directly involved to pull their weight in finding a solution. With Pyongyang's blatant confession, this promises to be a hot issue in 2005. For the time being the United States has not considered any alternative to the sextipartite talks.

## *Iran*

Iran has never pulled out of the Non-Proliferation Treaty and claims not to have breached it at any point. What is more, it claims not to aspire to have bombs at all. It is just that it is running a uranium enrichment programme that is highly suspicious, it conceals many of its installations, and the facilities given to agents from the United Nations International Atomic

Agency for carrying out the inspections provided for under the treaty leave much to be desired. Iran has made the most of the legal loopholes in the treaty. The question everyone is asking is why a country that is swimming in oil and natural gas needs such an aggressive nuclear programme. For merely technological reasons, reply the leaders of the Islamic regime. To put itself on a par with the most advanced nations in such an important field of present knowledge. As innocent as that. But other, much richer and more advanced nations renounce this, whereas Iran, by concentrating its limited resources on this sector, is turning its back on others that are much more conducive to scientific progress and modern development.

The main players in the diplomatic game are the European big three: France, Germany and the United Kingdom. This is a complicated game in which not everything is what it seems and many aspects are not visible on the surface. We should note, first and foremost, that it is not the European Union but its three tenors, two of which always claim to put group before national interests. This time England is playing at sticking close to its most important European pals, which is not the same as sticking close to the Union; this is helping it to heal wounds from the Iraq crisis and to attempt to keep its main partner in the latter from embarking on a fresh adventure that would result in the exhausted Blair being torn between options.

What the trio is offering is economic advantages in return for renouncing the nuclear fuel enrichment programme. It seems little compared to the extra power to be had from acquiring nuclear weapons. The ayatollahs seek security for their country in an unstable environment with dangers constantly lying in wait, with many nuclear powers within missile range: Israel, Russia, Pakistan, India and, until only recently, supposedly, Iraq. In future, who knows. The fact is that having wiped the Taliban from its eastern flank and Saddam from the south, the American interventions have had the virtue of substantially improving the Persians' security at the uncomfortable cost of having stationed nearby, at least for the time being, the very troops of the Great American Satan, who have one foot on all the cardinal points of Iran's surroundings. Teheran's leaders also aim to be in a position to assert their aspirations to regional hegemony, to which they believe they are entitled on historical and geographical grounds.

But above all their chief aim is the same as that of the North Korean communists: the survival of a regime threatened by the deep-seated discontentment of its own population. In this respect the economic incentives offered by Europeans are not inconsiderable, since one reason for the

people's dissatisfaction is the inability of the Islamic regime to offer encouraging prospects with its handling of the economy. But it appears that they continue to attach greater value to the nuclear guarantee. The game, in addition to dangerous, is highly complex and hard to unravel. Do the Khomeinists really believe that they can hold out to the end or do they merely wish to keep this card up their sleeves until later in the negotiations, when other, more substantial prizes will be offered? And do the Europeans really believe that they are going to alter the will of a regime that feels threatened from within with only economic baits?

The great complexity lies in what is not being discussed, at least openly and with the European triumvirate—who knows whether talks are going on in the backroom—with the Americans, through intermediaries. For Iraq is a substantial part of the equation. What happens in Iraq is of vital interest to the Iranian regime. It must dream of exerting its influence there through its local colleagues, though the latter's enthusiasm for democracy and nationalist spirit may prove a threat to them. The swords are brandished. The tug of war may break the rope at any moment. The Americans do not have the option of invading, at least not unless Iraq improves radically, and that would take years. But they are absolutely clear about two things: it is totally unacceptable to have ayatollahs with bombs; and, second, the option of bombing installations associated with nuclear programmes always remains open. Time is short. It will be a while before answers are found to the Iraqi issues, but Iran is about to achieve the technological autonomy required to enable it to continue to develop its programmes without depending on the outside world. This is what the Americans—and Israelis—regard as the point of no return and are willing to prevent Iran from reaching.

Washington wants to put the issue before the United Nations Security Council in order to multilateralise the sanctions that it has so far been imposing on its own, at great expense to its own economic interests and handing major advantages to its European competitors that are proving to be fervent converts to trilateralism, with a firm preference for leaving the New York organisation out of it in this case.

### **The Israeli-Palestinian conflict**

The so-called Middle East conflict, that is, the Israeli-Palestinian dispute, is in principle marginal to the «war on terror». Indeed, in the early days of the Bush Administration, before this war was launched following

11 September, the new White House tenants viewed it as both impossible to address and unrelated to the United States' direct interests and therefore a matter in which the country should not become deeply involved. Such a sudden reversal of traditional policy sounds a bit naïve; the vicissitudes of the «war on terror» made it unfeasible anyway. The conflict lies at the heart of the whole Middle East and Arab question, simply because that is how the Arabs perceive it and wish it to be.

The absolute demonisation of terrorism in all its forms following the Al Qaeda attacks has been a godsend for Sharon and detrimental to the policy associated with Arafat. Furthermore, there appeared to be no possibility of giving the Middle East a dose of democracy without tackling the Palestinian problem. Earlier on, in the crisis that preceded the invasion of Iraq, Bush hinted at a certain quid pro quo, insinuating that the overthrow of the tyrant of Baghdad would have positive repercussions for the Palestinian cause and, despite all his support for Sharon while terrorism remains in the picture, he is the first American president to have proposed the creation of a Palestinian state. But Arafat was unable or unwilling to curb terrorism and Bush looked on impassively while the wall progressed, dashing hopes of a mediating attitude. Arafat's death has brought opportunities that the second Bush Administration has proved quick to seize, and at the beginning of 2005 we are witnessing how a major piece on the Middle Eastern chessboard could be moved during the year after remaining motionless for five years.

## **THE HOME FRONT**

The emphasis President Bush has placed on the «war on terrorism» and his particular concept of it, with the related military interventions, has sparked a controversy that is as tense at home as internationally. The difficulties and failures in this vast endeavour have been reflected in the swings in George Bush's popularity, which has not ceased to fade since reaching an abnormal height the days that followed the terrorist attacks in New York and Washington. In particular, popular support for the Iraq war has continuously waned and dipped to below 50 percent at various points.

### **Elections and war**

In these circumstances it is hardly surprising that the Democrats should have chosen the handling of the war as the centrepiece of their campaign

to overthrow the acting president, who meanwhile attempted to divert public attention away from Iraq and towards the phenomenon as a whole, the global fight against terrorism, in which he scored better with the public. In one way or another, the war dominated the whole campaign—something that had not been witnessed since Vietnam—drowning out specific domestic-policy issues, which were not attributed much significance until the final stage. But since the American public does not question the need to engage in a vigorous fight against the terrorist threat using all means, the question that was debated throughout the year was how well each candidate was placed to undertake this fight as effectively as possible.

John Kerry believed he had a substantial advantage: his role in Vietnam and the three medals he earned there while George Bush was doing military service in the Armed Forces National Guard, without setting foot outside the country. Therefore, in the initial stage of the campaign, the war that dominated the propagandistic effort was that of forty years ago as opposed to the current one. Choosing this battleground proved to be a huge strategic error on the part of the Democrats. Kerry's bitter criticism of the earlier war as soon as he ended his military service, with serious accusations levelled at those who fought in it, was not forgiven by many of his former colleagues, while his long parliamentary record appeared to attest to a systematic bias against the use of force, that was only interrupted when the interests of his political career were at stake. *Flip-flopper* was the accusation most insistently flung at him by the Republican camp, who portrayed a double image of him as leftist and opportunist. In the end, Bush managed to convince a greater number of indecisive voters that his credentials as commander in chief were greater than those that Kerry could come up with. A victory with a three-percent margin depends on many things, but this factor played a decisive role.

The campaign attempted to silence the war and led to the postponement of some decisions whose effects could have unfavourable repercussions on the electorate, such as extirpating the Falluja abscess. The strategy chosen by the Republican party, but also, no doubt, the president's personality, led to a declaratory policy that minimised recognition of the difficulties and incessantly reaffirmed the final goals. In the heat of the battle for re-election and under fire from implacable political rivals, it was considered not to be a good time for admitting mistakes. The Republicans' response to the Democrats' criticisms was to stick to their guns, while the president repeated time and time again his unwavering conviction that democracy is a universal value to which all peoples adhere if given the

opportunity and the objective pursued by his country in Iraq should be nothing less. Categorical sentences and paragraphs of this sort were rattled off throughout the year in all the addresses and statements in which foreign policy was addressed.

### **The question of intelligence on Iraq**

This position, both in principle and as an electoral convenience, was also due to another of the constant features that dominated the American political and strategic scene in 2004. The government as a whole and the president as candidate were continually harassed by the debate on the intelligence on weapons of mass destruction in Iraq and how it was used by the Administration at the start of the war.

In fact, as of the beginning of the year, few doubts remain that the troublesome weapons may have existed on Iraqi territory, but a whole host of questions spring to mind as to what happened to them. Although these questions will never all be answered, many have been clarified by the thorough work of the Iraq Survey Group, which was organised after the military failed in their initial search for the weapons that were so important in triggering the war. The absolutely improvised nature of those early enquiries can be considered one of the many and serious planning errors immediately after the war. So much was it taken for granted that they would be visible at first sight that it did not occur to anyone to prepare a professional and thorough search. This also explains why such little importance was given to the many deficiencies of the related reports from the espionage agencies. Politicians and military and almost certainly the civil servants of those agencies had blind faith in the idea that reality would immediately provide the missing facts. It would be a question of arriving and spotting them, and hardly any searching would be needed.

As the searches organised by military groups in the first weeks after the war went from disappointment to disappointment, a large group of technical experts specialising in very different areas was organised. It was directed by the scientist David Kay, a former United Nations weapons inspector in Saddam's Iraq. In October 2003 he submitted an initial provisional report pointing out his scepticism about the possibility of finding the weapons. In January he resigned, recommending that the work continue and that an independent commission be set up to investigate pre-war intelligence, since the gathering and assessment errors had been so great

that it would probably be necessary to overhaul the whole intelligence system. One of the statements he made to the Senate Armed Forces Committee became famous: «It turns out that we were all wrong, probably in my judgement, and that is most disturbing». Indeed, «we were all wrong» proved to be the most exact description of what happened to the pre-war certainties and suspicions, and nothing has since been found to prove the opposite.

But Kay's words, which went round the world many times, underwent an instant, extraordinary change in important sectors. The very precise «we were all wrong» was transformed, as if by magic, into the devastatingly accusing «they lied». It can be said that this tiny inversion of meaning or, rather, radical distortion of a short phrase, constituted a basic ingredient of the political climate and strategic landscape of 2004. In the United States and many other parts the diverse oppositions fervently seized upon it and used it vigorously with conviction and insistence, though with varying fortunes, against the occupying forces who had supported Saddam's overthrow, contributing considerably to envelop everything that occurred in Iraq in an atmosphere of mistrust and discredit, and creating states of opinion that did not simply reflect events but powerfully influenced them.

In addition to this humble statement, which was converted into its devastating opposite, the Kay report contained highly revealing conclusions. Iraq had attempted to launch its nuclear programme in 2001 and 2002, after expelling the United Nations inspectors at the end of 1998, though it did not manage to get further than a very rudimentary level. Kay's people even discovered that some scientists had been developing fictitious programmes in order to continue to benefit from the budgetary allocations. This extraordinary fact raises equally extraordinary questions. To carry on a bluff of this magnitude in Saddam's Iraq literally amounted to risking one's neck and it was impossible to do so without the conviction of the security forces closest to the dictator, who supervised all the technical and scientific programmes relating to weapons of mass destruction. Many things have been learnt about the mysterious court of the Baghdad despot, but the enigma of who was deceiving whom, how, in what way and when has yet to be fully solved. The clamour of the heated accusations of lying has tended to eclipse the relevant questions.

Following Kay's resignation, his second-in-command, Charles Duelfer, also a former United Nations inspector, took over the Group and the work

continued. Tens of thousands of documents that survived the extensive destructions carried out by the Baathist regime were examined and hundreds of people related in some way to the forbidden weapons were questioned. In October Deulfer submitted his final 900-page report, which added many details to what was more or less known. According to his report, Baghdad was confident that the sanctions, which had recently been violated in many ways, would eventually collapse rather than be formally lifted and had taken measures to preserve its ability to resume the programmes to develop weapons of mass destruction within the shortest possible time.

Between the publication of these two reports, other equally important ones on related issues were completed around July and not only in the United States. That of the commission to investigate the origins of 11 September proved to be a mammoth work and well-deserved best-seller as it was published in book form, and many parts read almost like a mystery novel. The most significant chapters include the recommendations for reforming America's intelligence-gathering system, many of which had already become law by the end of the year or beginning of 2005, despite initial scepticism about putting them into practice.

The report of the Senate Intelligence Committee, which was precisely limited to studying pre-war intelligence on Iraq, shared the same conclusions. Both were very critical of the American intelligence community's methods and practices, though neither substantiated the accusations of government manipulation of intelligence. The same can be said of the Butler report in Britain and the similar Australian reports. However, the second part of the work of the commission springing from the Senate Intelligence Committee is still under way and precisely addresses the use the government made of the intelligence. Although no sensational revelations are expected, there may be a few surprises and it is to be presumed that important details and clarifications will emerge.

The criticism of the Bush government's handling of the situation during the long lead-up to the war ultimately boiled down to accusations of falsifying the information provided by the intelligence services and purposely lying about weapons of mass destruction. This has become the central dogma of anti-Bushism, a factor of ideological mobilisation that powerfully and effectively shaped the strategic atmosphere or environment in which the United States conducted its worldwide action in 2004.

This accusatory conviction has been fed by all kinds of sources, some of which, such as the previously quoted words of David Kay, stated prac-

tically the opposite. A major role in this war of words was played by a series of books of memoirs published in the United States during the course of 2004. The authors originally held posts in the Bush Administration and subsequently turned into more or less fierce critics of it. The most notorious are that of the previous treasury secretary Paul O'Neill, that of the former counterterrorism «tsar» Richard Clark and the one brought out at the end of the year, under the pseudonym «Anonymous», by the former CIA counterterrorism expert who headed the Al Qaeda unit. They all added fuel to the fire, though none furnished proof that the government distorted intelligence information or acted against its convictions. However they all helped maintain a climate that influences reality because it affects the available options and creates influential states of opinion that constitute one of the facets of the strategic reality.

### **Human rights and war on terrorism**

This mental reality, which has so many practical implications, has also contributed to another important controversy that was very much alive throughout 2004. We are referring to respect for human rights in the fight against terror. The criticism of the Patriot Act, which increases the power of the public authorities to the detriment of the rights of those suspected of being connected with terrorism, has subsided somewhat, though it is still heard (in view of the fact that it was obvious that except in very specific cases its application was not encroaching on citizens' rights and the whole host of ferociously anti-Bush literature that was cited as proof). The question of the Guantanamo detainees remained a topical international issue and, although the American courts have not invalidated the Administration's doctrine that the prisoners are not covered by the Geneva conventions as they are not «regular combatants», the judiciary has begun to undermine the Administration's ability to act arbitrarily in this area. We should therefore expect major changes in 2005.

The other significant issue that has greatly harmed the United States' international image is the treatment of Iraqi inmates at Abu Ghraib, near Baghdad, the site of one of Saddam's regime's biggest prisons that was promptly used by the Americans after the invasion. The ill-treatment and torture inflicted by those in charge of supervising the prisoners was detected at the end of 2003 by the army, which immediately put a stop to these criminal practices, arrested those directly responsible and set about bringing them to military justice. Although this was done discreetly, and

treated like an internal affair of an army at war, as is normal in a democracy it soon reached the media spotlight and triggered a huge public scandal that has provided all the variations of the anti-hegemonic or anti-Bush movement with larger calibre ammunition.

The details leaked out during the year, in addition to others from Afghanistan. One particular incident that belongs to the same chapter of horrors of war and had major media repercussions for 10-12 days in November occurred when, during the Falluja operations, a marine fired at an unarmed insurgent after invading a room in a mosque.

### **The military and economic fundamentals of American power**

At the beginning of this article we stated that perhaps the most significant fact of the United States' strategic position in the world in 2004 is that its action came up against the limits of its power. The United States may be a hyper-power but by no means is it omnipotent. Iraq and the anti-hegemonic coalition were the biggest stumbling blocks standing in its way. Iran and North Korea are difficult hurdles to clear. The second Bush Administration—and in this respect it would not have differed substantially from Kerry—will have its hands full overcoming the obstacles, correcting the shortcomings and progressively broadening the margins of this power. As the anti-hegemonic opposition is largely structural, it is to be assumed that the possibilities of progress in the diplomatic field will be limited, at least unless the increases in power in other sectors enable the hegemon to shift the balance of positive and negative stimuli to be distributed between friends, neutral states and hostile countries. These increases are necessary in many sectors, since power is multifaceted, though two of them are of key importance: economic and military.

If the military effort leaves the nation exhausted, it will be undermining the foundations of its power and encouraging the start of a decline due to overload or overstretching, as has happened to so many empires in history. The United States, with a defence budget that accounts for four percent of its GNP, is very far from such a scenario. It should be borne in mind that a good part of this investment may act as a stimulus to the economy as a whole and any research into cutting-edge technology is highly productive. The immediate problem is that its defence effort is insufficient compared to the worldwide tasks that its military apparatus must undertake.

It is true that the amount the United States spends on the armed forces is huge and equivalent to the total expenditure of the next fourteen powers ranked precisely according to this type of expense. But it is equally true that its army and marine infantry practically have their hands tied dealing with some 20,000 terrorists and guerrilla fighters equipped with fairly elementary military assets, mostly explosives, apart from, naturally, a certain number of missions, commitments and tasks that are permanent and cannot be withdrawn from.

Without endangering the country's economic health, America could solve the military problems of being a hyper-power—or, put another way, have armed forces proportional to its status, if it aims to maintain it—by boosting defence expenditure by 50 percent, bringing the figure up to six percent of GNP, which is a lot for peacetime but perfectly normal or even fairly low in wartime. Here we run into the most serious contradiction and biggest weakness of the «war on terrorism». Immediately after 11 September, Bush gave it this name to raise the country's awareness of the magnitude of the undertaking on which it was embarking. However, he has never dared ask his people to make the related economic sacrifices. Indeed, on the contrary, guided by economic and electoral logic, he has introduced tax cuts that are quite astounding in the throes of a war. It is not that the two logics, that of money and that of weapons, are inherently incompatible. If tax cuts give impetus to the economy and make it grow, the same percentage of greater wealth will lead to bigger figures for defence spending. But this cannot be immediate.

In the short term, the cutbacks made in the armed forces in the 90s as peace dividends are now proving to be a tragic burden. The army was slashed from 16 divisions to 10. It would need to regain those six divisions but there are insufficient economic resources to do so. In the following defence budget all the armed services underwent cutbacks in their arms acquisition programmes. Only the army has received an increase for personnel, but not enough to solve the problem.

Apart from the immediate problems, there is currently a debate between economists on the sustainability of the American economy. The major problem discussed is the size of internal and external debt, the so-called twin deficits, fiscal and current account. To put it more bluntly, the American economy's dependence on foreign capital. The fall of the dollar against the euro throughout the year is a further cause for concern that is leading foreign investors to hesitate as to continue investing in a currency

whose value is slipping. On the whole the criticisms do not point to a weak or fragile economy but rather to a potentially explosive situation, though there are powder kegs that never explode. The question is whether the world could eventually lose interest in continuing to finance America's high degree of consumption, which translates into imports that drive world growth, and in investing in the American economy, keeping the machinery running at a good pace so that investments remain profitable. Many economists believe that the theoretical danger of the flow being suddenly interrupted is not a real threat, precisely because the machinery is very well oiled, growth is considerable, the technological advantage continues and so does the business advantage. Under these conditions there is no danger that investing in the United States will cease to be interesting. No doubt the debate will continue throughout the whole of 2005.

## **OUTLOOK**

The American elections have merely sparked a debate concerning the next four years. The question of what Kerry would have done has been superseded, though it is still interesting as it underlines the different assessments of the continuity factors imposed by the inexorable strategic interests and highlights the potential significance of ideological and personality differences in handling those objective conditioning factors.

What matters now is the orientation of Bush's second mandate. As intentions often come crashing into reality, which always holds surprises in store, predictions have very large margins of error. What we do know for sure is what the intentions are. The message conveyed by the president through the most solemn declarations in the investiture ceremony and State of the Union Address, and the de facto message transmitted by his appointments, is not just one of continuity but even of a deepening of the themes and goals that have dominated his thinking since the fateful 11 September 2001. The democratisation of the Middle East has been expanded to the point of becoming the dissemination of «human freedom» on a universal scale as the guiding force behind all American foreign policy. The American president regards the holding of the Iraqi elections against all odds and their results as a confirmation of his principles and the appropriateness of his policy. The intentions are thus clear. The unknown element is how he will overcome or get round the aforementioned power limitations.

**CHAPTER FIVE**  
**LATIN AMERICA**

## LATIN AMERICA

By Carlos Malamud Rikles

The victory of Tabaré Vázquez, Uruguay's Broad Front-Progressive Encounter candidate, would appear to confirm a certain leftward, or centre-leftward, swing in Latin American public opinion, reflected in the political colour of some governments. Uruguay thus joins Brazil, Chile, Paraguay, Argentina and Venezuela, whose governments already belong to that side of the political spectrum. According to some analysts, this picture will be completed in 2006, when Mexico chooses Vicente Fox's successor. In a sense, this sweep, which we will go on to analyse in detail, may be due the failure of the economic policies based on the so-called *Washington Consensus*, which are usually defined as neo-liberal, and to people's growing dissatisfaction with their governments, as shown yet again by the thorough survey conducted by the Latinobarometer and a detailed report by the UNDP (*Democracy in Latin America. Towards a citizens' democracy*). This article stresses the extremely unequal nature of the Latin American societies, which continue to have difficulty reducing current poverty levels—which are extremely high by international standards.

However, 2004 also brought good economic news. After the «lost half-decade» (1997-2002), to quote José Antonio Ocampo, former executive secretary of the ECLAC (United Nations Economic Commission for Latin America and the Caribbean), the region has begun to grow again, driven largely by the upsurge in Chinese demand and performance of other Asian countries. But that is not all: more importantly, for the first time since 1980, all the countries in the region except Haiti are growing simultaneously. This undoubtedly good news for the continent could soon cease to be so unless measures are taken to prepare for the lean years—something that very few countries are doing. Perhaps the chief exception is Chile, the most consistent country from a medium- and long-term perspective as far

as the implementation of economic policy is concerned. However, despite the economic growth witnessed over the past year, the structural difficulties remain, owing largely to the weakness of the Latin American states and, consequently, to the impossibility of initiating the necessary fiscal reforms to provide governments with genuine resources to finance their economic reactivation and social promotion projects.

So far, the result of the presidential elections in the United States has scarcely brought any changes in relations between the Bush Administration and the Latin American governments other than the usual rhetorical messages. One of the results of the 11 September attacks in New York and Washington was that Latin America disappeared from the United States' agenda and, it must be said, also from that of the European Union. This is yet another of the major paradoxes of Latin America, a peaceful continent with hardly any border or religious conflicts, no challenging radical nationalism or secessionist ethnic movements, at least for the time being, and no serious threats from Islamic terrorism.

Meanwhile, the need is being stressed to deepen the regional integration processes, albeit with little success, despite the great hopes pinned on the establishment of the South American Union in Cuzco in early December 2004. This initiative is powerfully backed by Brazil, which also has to address the serious turmoil that is currently gripping Mercosur as a result of disagreements with Argentina and the temporary failure of negotiations between this regional bloc and the EU, though the Treaty of Association between the two blocs is expected to be signed in 2005. Finally, as for Ibero-American affairs, the 14<sup>th</sup> summit held in San José, Costa Rica, set up the secretariat general, though the organisational structure will not be put in place nor will the new secretary general be appointed until the middle of 2005. It is fairly likely that this will be Enrique Iglesias, currently chairman of the IADB. At any rate, everything would indicate that the foundations for a renewed Ibero-American system will be laid at the forthcoming Salamanca summit.

## **POLITICAL SITUATION AND PUBLIC OPINION**

The latest Uruguayan presidential elections held in October 2004 (see the election calendar in the accompanying chart) were won by the left-wing Progressive Encounter-Broad Front coalition, which secured 50.76 percent of the valid votes, just enough to make a second round unneces-

sary. In March 2005 its candidate Tabaré Vázquez will therefore become Uruguay's president, the first to belong to a left-wing party in the history of the country, which has previously been governed by politicians from the National (or White) and Colorado parties, which were the major losers in these elections, particularly the latter, to which President Jorge Batlle belongs.

### **Election calendar for Latin America, 2004**

<b>DATE</b>	<b>COUNTRY</b>	<b>TYPE OF ELECTION</b>
21/III	El Salvador	Presidential elections (1 <sup>st</sup> round)
2/V	Panama	Presidential and legislative elections
16/V	Dominican Rep.	Presidential elections
27/VI	Uruguay	Political parties' internal elections
18/VII	Bolivia	Referendum on energy policy
15/VIII	Venezuela	Recall referendum
3/X	Brazil	Municipal elections (1 <sup>st</sup> round)
17/X	Ecuador	Sectional elections
31/X	Uruguay	Presidential elections (1 <sup>st</sup> round) and legislative elections
31/X	Brazil	Municipal elections (2 <sup>nd</sup> round)
31/X	Chile	Municipal elections
31/X	Venezuela	Regional elections
7/XI	Nicaragua	Municipal elections
5/XII	Bolivia	Municipal elections

Source: <http://www.observatorioelectoral.org>

The magnitude of the Broad Front's election victory is even greater if we consider that it also obtained an absolute majority in Congress and the Senate, which will make the country more governable. The Broad Front is a coalition of various left-wing and centre-left parties that has been around for over 30 years, enjoys a presence in the country's public life and administration, and controls the council or municipality of Montevideo, the capital of the republic. Like Brazil's Workers' Party (PT), it is a very well established organisation in Uruguay's political system. The former guerrilla movement Tupamaros is the biggest party in the coalition, so much so that its leader, Senator José Mujica, will be farming and agriculture minister in Vázquez's government. Following in Lula's wake, the new cabinet's economy minister will be Danilo Astori, a reliable professional respected by the

markets. Uruguay thus appears to confirm a certain leftward or centre-leftward sweep in some Latin American countries.

A centre-left coalition formed by Socialists and Christian Democrats has governed Chile for nearly 15 years. The current president, Ricardo Lagos, is a Socialist—something that was unthinkable only a few years ago, particularly bearing in mind the abrupt end to Salvador Allende's government in 1973 and General Pinochet's long, bloody dictatorship that ensued. In today's Chile Pinochet is a political corpse in the hands of justice, whose popularity plummeted after the existence of current accounts under his name with a balance of several million dollars came to light. In 2004, following a detailed report on the tortures committed during the dictatorship, the army apologised for the crimes committed, though not all the armed forces reacted in the same way. At the same time, substantial progress was made in reforming the most conflictive points of the Constitution, which will enable us to cease to refer to Chile's democracy as a «guarded democracy».

In the Chilean municipal elections of 31 October, the Concertación or Coalition of Parties for Democracy, the governing coalition that brings together the Christian Democratic Party (PCD), Socialist Party (PS), the Party for Democracy (PPD) and the Social Democratic Radical Party, won 44.78 percent of the votes for mayors and 47.95 percent for councillors and secured 199 mayorships, double the 98 won by the Alliance for Chile. With 38.68 percent of votes for mayors and 37.69 percent for councillors, the Alliance, a coalition of right-wing parties made up of the Independent Democratic Union (UDI) and the National Renewal Party (PRN), fell far short of its hopes of securing between 45 and 47 percent of the vote, which would have signified presidential possibilities. The triumphant attitude of the Alliance's presidential candidate Joaquín Lavín turned into disappointment when the election results were known, as he was hoping for a «technical draw» with the Concertación. The governing party, headed by President Ricardo Lagos, the grand victor of the elections, is thus excellently poised for the forthcoming presidential election in March 2006, which could result in Chile's first female president.

Brazil is another country governed by the Left following the victory of the PT, though the president, Lula, performs his work in alliance with various left- and right-wing parties. The second round of the municipal elections proved more disappointing than encouraging for the governing PT, despite its good results in the first round. Although the PT obtained the

highest number of valid votes, 17.2 percent, and secured more mayors in cities with over 150,000 inhabitants, it also suffered some resounding defeats. The biggest blow was its candidate Marta Suplicy's loss of the mayorship of Sao Paulo to José Serra of the PSDB (Brazilian Social Democratic Party). It is important to recall that Serra had stood for president representing the former governing party headed by Fernando Henrique Cardoso and was defeated by Luis Inácio Lula da Silva on that occasion. The PT also lost in other important capitals and cities such as Belém, Goiânia, Curitiba, Caxias do Sul and Santos. One of the major consequences of the election is perhaps its effect on Brazil's political scene, as it has established an unusual bi-party system marked by the centrality of two parties, the left-wing PT and the centre-left PSDB, and has trimmed the excessive number of secondary parties involved in the political struggle. Since the elections Lula appears to have become more independent of his party's wishes, attempting to act as the arbiter of the complex and difficult Brazilian political system.

El Salvador and the Dominican Republic were two atypical cases in this apparently widespread leftward shift. In El Salvador, the candidate of the governing ARENA (Nationalist Republican Alliance) dealt the FMLN (Farabundo Martí National Liberation Front) a crushing defeat and secured his party its fourth consecutive term. The result of the March elections speaks for itself. ARENA received 1,314,436 or 57.71 percent of the valid votes, whereas the FMLN obtained a mere 812,519 or 35.68 percent. These elections have three obvious consequences: first, a triumphant, legitimised and stronger Right; second, a defeated, frustrated Left divided by an intense internal crisis; and lastly, a non-existent centre. The FMLN's problems were evident in its choice of a presidential candidate. Until then, the Front had enjoyed a comfortable lead over ARENA in the opinion polls—a trend that confirmed its excellent results in the 2003 legislative elections—but once it was announced that the left-wing candidate would be Shafik Hándal things took a turn for the worse. Hándal stood for old Stalinism and the orthodox Left that was friendly with the Cuban Revolution and Hugo Chávez and paid little attention to the air of renewal in his party. The Salvadorian electorate accordingly turned its back on this alternative that was firmly rooted in the past. The problems remain, as Hándal and his followers are highly reluctant to agree to the slightest possibility of renewal in the party.

There were no surprises in the presidential election of 16 May in the Dominican Republic with respect to the polls: the former president Leonel Fernández of the Dominican Liberation Party (which governed from 1996

to 2000) beat the then president, Hipólito Mejía, of the Dominican Revolutionary Party in the first round. The figures were categorical: 56 percent versus 34 percent. At the time of the election the country was in a complicated situation, perhaps the most delicate since the return of democracy, owing to the previous government's disastrous and irresponsible administration. A serious financial and monetary crisis was combined with a sizeable deficit in the electricity sector, which high oil prices are only tending to worsen. It should be remembered that in 2003 the value of the Dominican peso slid substantially against the dollar from 20 to 50 per dollar in less than a year, while inflation soared to 42.6 percent. Things have started to improve and inflation is expected to amount to 32 percent in 2004, whereas the dollar has fallen to 30 pesos.

In Panama, Martín Torrijos Espino of the New Nation Alliance won the presidential elections of 2 May 2004, beating the former president, Guillermo Endara, of Solidarity. Torrijos secured 708,780 or 47.4 percent of votes compared to Endara's 461,092 or 30.9 percent. The problem of many Latin American political parties is their lack of political and ideological definition, as they are generally coalitions or groups that are formed ad hoc for a particular election, and headed by some prominent public or political figure. Accordingly, a number of questions have been raised about the administration of the government of 40-year-old Torrijos, which began on 1 September 2004, apart from its resumption of diplomatic relations with Cuba. The main speculations concern relations with the United States, particularly the autonomous administration of the Canal and economic policy, though many analysts reckon that, in general, the new government will generally pursue similar policies to the previous one, with some marginal changes.

In addition to the aforementioned cases of left-wing governments there are others that are more difficult to classify, such as those of Argentina, Paraguay and Venezuela, which are closer to populism than to social democracy. In Argentina, the Peronist Néstor Kirchner became president after winning the elections with only 22 percent of the vote, having defeated two other Peronist candidates in the first round. The problem is how does one define as left-wing a member of the Peronist party, a populist party that produces characters like the former president Carlos Menem, who was long hailed as the prototype of a neo-liberal government? Actually Menem is not much of a liberal and not very new either. Kirchner, as an individual, may be more of a leftist than many other Peronists, but most of his party and its leadership are not. As witnessed with Menem, the

party's political orientation is maintained as long as there is a certain leadership, while a new leader marks the establishment of a new political direction, which can even clearly contradict the previous one. Paraguay is a similar case. The current president, Nicanor Duarte Frutos, belongs to the Colorado Party or National Republican Association, the same party as former dictator Stroessner and the same party that has governed the country for nearly six decades since its establishment in 1887.

The last case to consider is that of the Bolivarian commander Hugo Chávez, whom many people call a leftist although he is best defined as a populist. Venezuela's public expenditure is set to rise by 50 percent in 2005, owing largely to high oil prices, though everything indicates that poverty will not be significantly diminished. Indeed, Venezuela is one of the countries in the region where poverty has grown the most in recent years and this cannot be blamed on a legacy from the past. As predicted by most of the opinion polls, Hugo Chávez won the recall referendum held on 15 August with 59.25 percent of the vote, whereas the opposition secured only 40.74 percent. The electorate voted on the continuation of the president's tenure and the turnout was high by Venezuelan standards, with an abstention rate of just over 30 percent. Despite the opposition's accusations of fraud, the results benefited the government, which, just as it did after the confusing events of 11 April 2002, has emerged strengthened, both by its own wise moves and by the mistakes of its opponents, who had the wind knocked out of their sails, as evidenced by their lamentable performance in the following regional elections. Spurred on by their election results and the disaster and paralysis with which the opposition is stricken, the Bolivarian government has promoted some controversial projects, such as the «gag law» to control the media, particularly television, and the decree to speed up the agricultural reform based on the 2001 Land Act.

Does all this mean that Latin America will swing leftwards in the near future? Actually it is very complicated to speak of Latin America as a unit. The various countries and regions are very diverse, despite forming a unitary whole and despite their common historical, cultural and linguistic tradition. Therefore, it is not the same to speak of Brazil as it is Honduras, of Mexico as it is Paraguay, or of Argentina as it is Ecuador. According to the polls, the Left, represented by Andrés Manuel López Obrador of the Democratic Revolution Party (PRD), stands a serious chance of coming to power in Mexico, particularly in view of the people's discontentment with the administration of Vicente Fox, the first Mexican president not to hail

from the PRI since the party was established in 1946. However, the Mexican political scene is in great turmoil owing to the forthcoming presidential elections in 2006. If anything became apparent in 2004, it was the constant quarrels within the three leading parties, PAN, PRI and PRD, over the appointment of the next presidential candidates, in what promises to be a bitter fight, both within the parties and between them. In addition there is the row between President Fox and López Obrador over the political initiative.

Nicaragua is another country where the Left could win the next presidential elections to be held in 2006, if the results of the municipal elections of 7 November 2004 are anything to go by. In the latter the Sandinists secured nearly 40 percent of the vote and won the mayorships of the main cities, including Managua. This was possible because in all cities the anti-Sandinists were divided between the candidates of the Constitutionalist Liberal Party (PLC) governed by the former President Arnoldo Alemán, who is still imprisoned on corruption charges, and the candidates of the Alliance for the Republic party (APRE) led by the current president Enrique Bolaños, also a liberal. The possibilities of the FSLN (Sandinista National Liberation Front) depend on whether this rift continues between its opponents, but also on who its next candidate is. Considering Daniel Ortega's defeat in the last three elections in 1990, 1997 and 2001, a new face would help, though this is not likely.

In Chile, the governing alliance could be re-elected if the popularity of the right-wing candidate Joaquín Lavín continues to wane. In this country there is a good chance of a woman being chosen as the alliance's candidate: either Soledad Alvear, a Christian Democrat and former foreign minister, or Michelle Bachelet, a Socialist and former defence minister, who would make an excellent candidate, and not only because the polls say so. Bolivia, in the throes of a serious crisis, is another country that could witness major political changes to judge from the results of the December 2004 municipal elections. These results highlighted the weakness of the traditional parties, particularly the MNR (National Revolutionary Movement), which fared its worst ever. It has lost out to an emerging mass of «citizens' groups» and «indigenous peoples», among them the MAS (Movement towards Socialism) led by the «cocalero» leader (of the coca growers) Evo Morales, a great friend of Hugo Chávez's. The MAS has become established as the country's main political party and it would not be unusual if Evo Morales were to win the next presidential elections. However, the picture is different in Colombia, Peru, the Dominican Repub-

lic and a good part of Central America, except for Panama.

It is now appropriate to ask what has made such a change possible. First and foremost, we should point out that, for the first time in many years, there are governments which, with varying reservations, can be defined as democratic, the only exceptions being Cuba and Haiti. This is an important factor, particularly bearing in mind that, since gaining their independence, the new countries have been mostly republics, except for Mexico and Brazil. But they all had representative systems based on elections at a time, the first half of the 19<sup>th</sup> century, when people voted in very few countries in the world. The point is that the idea of democracy in Latin America is in no way foreign to its tradition and history. Therefore, democracy ought to be stressed as one of the assets the regions should preserve.

Since the beginning of the transitions to democracy in the 1980s, the Latin American political systems have been relatively stable and characterised by the effectiveness of the democratic institutions and the almost total absence, except for isolated cases, of attempted coups d'état. However, in February 2004 we witnessed the latest episode of what one analyst has called «people's coups», that is, a president being overthrown as a result of street skirmishes or violent social protests. As occurred in Bolivia in 2003, in Argentina in 2001 and in Ecuador in 2000, the Haitian president, Jean-Bertrand Aristide, was forced to resign. Actions of this kind put a spoke in the wheel of democracy, as their promoters have sufficient power to force a president to step down yet lack the social and political backing to provide alternative policies for running the country.

However, the major optimism that prevailed in the region in the late 80s and early 90s has given way to a period of certain discontentment. This discontentment can be largely explained by the continuing poverty and inequality. Latin America is the most unequal region in the world and has the worst income distribution rates. According to the 2002 figures, the richest 20 percent of the population accounts for 54.24 percent of national income, whereas the poorest 20 percent accounts for a mere 4.71 percent. Today it is obvious that the economic policies of the 90s, defined as neo-liberal and based on the Washington Consensus, have failed, though there is no widespread opinion on the cause for this failure. This is not the place to discuss whether the reasons stem from failure to deepen the reforms or from a mistaken approach that tended towards the disappear-

ance of the State. Whatever the case, both questions have been raised. On the one hand, it can be said that Chile, a country with a totally open economy, is the nation that has made the greatest progress in reducing poverty, as we shall see further on. On the other, the State is alarmingly weak, if not non-existent, in the region. And without a State there is nobody to implement the necessary public policies that guarantee growth. Admittedly, the elephantine size of the Latin American States in the late 80s needed to be trimmed down, but a small State is not necessarily a weak State. Latin America needs small but strong States, States capable, among other things, of combating corruption and organised crime. It also needs strong States able to collect taxes, but this is the region's major pending task. As long as fiscal pressure continues to be scandalously low, any redistributive policy is merely an illusion.

The other factor that explains the leftward swing is the low level of satisfaction with democracy expressed by public opinion in various countries. According to the *Latinobarometro*, a survey that has been conducted in 16 countries of the region since 1996, citizens' disappointment with democracy is high (65 percent are dissatisfied with democracy). However, this does not mean to say that their complaint lies with democracy itself, since 53 percent support democracy and believe it to be the best of the possible political systems. Dissatisfaction with democracy is related to the low level of interpersonal confidence, around 16 percent, which makes it very difficult to build democratic institutions. At the same time, as regards confidence in the institutions, the political parties (18 percent), Parliament (24 percent), the government (30 percent), the judiciary (32 percent) and the police (37 percent) are the worst valued institutions, while those that are most highly considered, though some have slid considerably over the past year, are the Church (71 percent) and television (38 percent). The president (37 percent)—Latin America has presidentialist regimes—and the armed forces (40 percent) fare moderately. It is obvious that corruption plays a very important role here.

Regardless of their political colour, a good many countries in the region have established presidential re-election, so much so that seven of the 10 constitutional reforms carried out in recent years permit this. In 2004 the lengthy procedure to allow re-election in Colombia was practically completed after some procedural failures in 2003. Current regional legislation favours re-election, as it is allowed in 13 countries, though with substantial differences. In five countries (Argentina, Brazil, Peru, Venezuela and the Dominican Republic) consecutive re-election is possible, whereas in the

other eight (Bolivia, Costa Rica, Chile, Ecuador, El Salvador, Nicaragua, Panama and Uruguay) it is necessary to wait at least one mandate. In five countries (Colombia, Guatemala, Honduras, Mexico and Paraguay), so far, re-election is forbidden, though its introduction is being discussed in Colombia. All the recent reforms, particularly those authorising consecutive re-election, were personal initiatives that benefited the leader at the time: Menem in Argentina, Cardoso in Brazil, Fujimori in Peru, Chávez in Venezuela, Mejía in the Dominican Republic and Arias in Costa Rica. Costa Rica was the only country where alternate as opposed to consecutive re-election was approved. In all the others the acting president sought his own re-election—which was what occurred in all cases, except for the Dominican Republic, where Mejía failed to achieve his aim of being re-elected in 2004.

## **ECONOMIC GROWTH AND COMBATING POVERTY**

According to the 2004 Preliminary Overview of the Economies drawn up by the Economic Commission for Latin American and the Caribbean (ECLAC), following regional growth of only 1.9 percent in 2003, in 2004 the continent achieved its biggest expansion in 24 years, since 1980. But the most important fact is that this growth is global, with the exception of Haiti, and all the countries—headed by Venezuela with 18 percent and Uruguay with 12 percent—recorded positive figures in this period. Argentina (8.2 percent), Brazil (5.2 percent), Chile (5.8 percent), Ecuador (6.3 percent) and Panama (6 percent) make up a second group with growth rates of over five percent. The recovery of the region's economies exceeded the most optimistic forecasts that had put it between four and 4.5 percent. The ECLAC underlines trade as one of the keys to this recovery. According to the report, in 2004 trade performed excellently and exports rose by 22.4 percent (10.8 percent in volume and 4.7 percent in prices). Meanwhile, inflation continued to climb and reached 7.7 percent. Furthermore, for the third year running a positive figure was recorded in the balance of goods, from US \$20 billion per year in 2002 to 61.875 billion in 2004. Forecasts for 2005 point to a growth of four percent, as although the world economy will fare well, it will not do quite as well as 2004 (world growth is expected to be around three percent), as the cooling down of the US economy and effects of high oil prices will put the damper on regional growth. Though four percent is not bad, it is not enough to reduce unemployment and poverty.

Economic recovery has been paralleled by a change in the trend of foreign direct investment (FDI), which initial estimations put at \$69 billion in 2004. This figure is 35 percent higher than the 51 billion received in 2003, which marked a low compared to the 88 billion in 2001 and 53 billion in 2003. However, three countries alone account for just under 60 percent of this foreign investment: Mexico 26 percent, Brazil 23 percent and Chile nine percent. Although still modest amounts, these figures reflect growing Asian interest, particularly Chinese, in the region—something that the foreign trade figures are also confirming. Spain remains interested in the region as a whole and has become the second biggest investor in many countries, after the United States. However, owing to the economic crisis and Néstor Kirchner's government's obtusely stubborn refusal to negotiate with the foreign companies, there has been a shift in the preferences of Spanish investors. Whereas certain disinvestments are taking place in Argentina, Brazil is now sought after, and importance is being attached to the need to progress in the strategic alliance with this country. Another worrying issue is the trend in public debt, which amounts to 55 percent of GDP in the region as a whole, well above the figure at the end of the 1990s.

Poverty levels fell slightly from 44.4 percent of the population in 2003 to 42.9 percent in 2004. According to the ECLAC, this was due to a slight reduction in unemployment and incipient rise in wages. The same can be said of unemployment. There is no doubt that Chile is the country that performed the best in these aspects, although it is not showing any progress in distribution of income. The number of poor Chileans slumped from five million in 1990 to three million in 2000, from 39 percent of the population to 21 percent ten years later. Chile is the only Latin American country that fulfilled the millennium goals by reducing the percentage of poor to 18 percent in 2004. More important still is the reduction in extreme poverty, from 1,600,000 people in 1990 to 850,000 in 2000. In relative terms, the poorest sector now accounts for 5.7 percent of the population instead of 13 percent.

According to the ECLAC, in 2004 the inhabitants of the region living in inhuman conditions will number 224 million in 2004, a figure similar to that of 2001 and one percent lower than in 2003. Of these people, 98 million are destitute. After Chile, the countries that have made the most headway in reducing poverty are Brazil, Ecuador, Mexico, Panama and Uruguay, whereas the levels of abject poverty in Argentina, Paraguay and Venezuela are similar to those of 1990. The process of eradicating poverty has been stuck in a rut since 1997 and even worsened slightly in 2003. However,

owing to the higher economic growth projected for 2004, many countries are expected to be in a position to achieve the goal of halving extreme poverty by 2015, provided the current growth rate is maintained. As for income distribution, Latin America continues to be the region with the worst indicators, and that is further exacerbated by the fact that income is becoming even more concentrated in some countries.

## **INTERNATIONAL RELATIONS**

Despite the high-sounding declarations on Latin American unity, the continental integration process is still at an early stage as, owing to the fierce nationalism that prevails in the region, no country wishes to cede sovereignty to supranational institutions as in Europe. This can be perfectly seen in the Andean Community of Nations (CAN) and Mercosur. In the CAN not even Hugo Chávez, the self-proclaimed champion of regional integration, has achieved significant progress in this area. In Mercosur, misgivings between Brazil and Argentina and the difficulty of harmonising two economies that are rivals in many aspects have hindered progress despite the integrationist rhetoric bandied about by the two presidents. The failure of the negotiations with the EU on the signing of a partnership and free-trade agreement should be attributed to this situation, though there are other major stumbling blocks such as the EU's Common Agricultural Policy (CAP). Even so, the difficulties are not insuperable and the new European Commission will probably be in a position to sign the treaty in 2005.

The problems of integration can be clearly seen in the setting in motion of the South American Union, an ambitious regional integration project promoted by Brazil that excludes Mexico and the Central American and Caribbean countries. According to the official statements, 2005 will see the project consolidated, though little headway has been made beyond the grandiloquent words of the Cuzco declaration. What is more, circles close to several of the region's foreign ministries and also that of Mexico are pessimistic about the future of an initiative that is rather sparse in content and has not made any significant steps towards institution building, owing in part to the deep mistrust between the region's various presidents.

In a meeting held in San Salvador in December 2004, the Central American leaders agreed to carry out some reforms of the regional Parliament and Court of Justice and promote joint actions to step up security in the

region, as well as measures to foster progress towards the regional customs union. The reforms of the Central American Parliament (PARLACEN) include establishing a minimum of three and maximum of 20 deputies for each member country; El Salvador, Guatemala, Honduras, Nicaragua and Panama currently have 20 or so each. It was also agreed that former presidents and vice-presidents would not automatically join this institution; this measure is linked to cases of corruption such as those that have recently dealt a harsh blow to Costa Rica, or to the former Nicaraguan president, Arnoldo Alemán, who, as stated earlier, has been imprisoned on several charges of corruption. As for the customs union, duties on 94 percent of products were harmonised in 2004. This progress, still tentative as regards integration, has boosted regional trade by 8.5 percent over the past six years and has created some two million jobs.

As for international relations, 2004 was characterised by an increase in anti-Americanism and by the landing of China. The latter was clearly evidenced by Chinese President Hu Jintao's tour of several countries of the continent (Brazil, Chile, Argentina and Cuba) between 11 and 23 November, during which he signed many commitments to invest in various fields over the next decade, particularly energy, raw material production, tourism and trade, to name a few. This visit was preceded by a trip to Beijing made by Lula, Kirchner and Chávez, who have repeatedly stressed China's growing interest in the Latin American market. China's presence was especially felt in Brazil. While China is now the second biggest market for Brazilian exports, Brazil is China's largest trade partner in the region. In 2003 trade exchanges amounted to \$6.68 billion and totalled over \$2.1 billion in the first quarter of 2004. Brazilian exports to China rose by 153 percent in 2003 and were expected to reach \$5 billion by 2004. *Companhia Vale do Rio Doce*, the world's largest iron producer, increased its sales to China by 33 percent annually between 1998 and 2002, and in 2004 set up a joint venture with the *Shanghai Baosteel Group Corp.* to build two steelworks in the state of Maranhao in Brazil with a capacity to produce four million tonnes of steel per year. This will involve an investment of \$2 billion dollars.

Relations between the United States and Latin America were marked by Washington's neglect of the region and nothing suggests that the new Bush Administration is going to change its attitude, particularly in view of the appointment of Condoleezza Rice to the Department of State. Nor is the European Union intent on substantially improving its relationship with the Latin American countries. It stresses the need to negotiate association

and trade agreements with subregional blocs rather than with individual countries, like Mexico and Chile, the only two with which negotiations have proved successful.

As for Cuba, in 2003, following the executions and trials of dissidents in April that year, the European Union reinforced its Common Position issued in 1996. The advent of the new Spanish government raised the possibility of unblocking the situation, as stated in the address delivered by the new Spanish ambassador to Havana, Carlos Alonso Zaldívar, on the 12 October feast day. Although his address was criticised by some sectors of the Cuban opposition, it sparked a debate on the need for the EU to reconsider its attitude towards Cuba, which eventually translated into the normalisation by Castro's government of relations between all the EU Member States. It is obvious that the passage of time is speeding up the start of the transition, which should begin when Fidel Castro dies. In this connection, the «Bastion 2004» military exercises conducted in December on the pretext of an utterly impossible invasion of the island by the United States were mainly aimed at reinforcing the role of Raúl Castro, the most likely successor of the Chief of the Revolution.

The 14<sup>th</sup> Ibero-American Summit of Heads of State and Government took place in San José, Costa Rica, on 19 and 20 November. The «San José Declaration» focused on education and work was begun on the Argentine proposal to exchange external debt for investments in education. The summit sparked some controversy owing to the low participation, which has been interpreted as a symptom that the summit mechanism has exhausted its usefulness, though there were several coinciding factors, beginning with the Asia-Pacific Economic Cooperation (APEC) forum in Santiago de Chile. Perhaps the greatest achievement of the Costa Rica summit is the establishment of the Ibero-American Secretariat General (SEGIB), although it will not be effective until the middle of 2005, which is when the new Secretary General, quite possibly Enrique Iglesias, chairman of the Inter-American Development Bank (IADB), will take up his post. This ought to instil fresh life into the summit system starting with the next conference due to take place in Salamanca in 2005. One of the doubts that arose related to the presence of newcomer José Luis Rodríguez Zapatero at these meetings and the rapport that could be established with the region's left and centre-left governments as a result of the new political environment. The result was more than acceptable, as evidenced by his tour of Brazil, Argentina and Chile in January 2005.

## DEFENCE AND SECURITY

Over the past two decades Latin America has made considerable progress in international security and has become a peaceful area of the world. The continuity of the democratic governments has made it possible to develop measures to foster mutual confidence, military cooperation, the non-proliferation of nuclear, chemical and biological weapons and the destruction of anti-personnel mines, all of which has minimised the possibility of clashes between neighbouring countries which, until only recently, was one of the chief sources of potential conflict between the area's armies. Even so, the so-called «new threats» such as drug trafficking, terrorism and organised crime are present in most of the countries in the region.

Islamic terrorism is regarded as a distant rather than potential threat in the region. At most, there have been reports of the presence of terrorist cells or financial networks at the triple border between Paraguay, Brazil and Argentina, or on Isla Margarita in Venezuela. In the case of the former, the Brazilian intelligence services and, to a lesser extent, those of Argentina, have repeatedly denied such accusations, despite the precedent of the car bomb attacks on the Israeli Embassy in Buenos Aires in March 1992 and on the premises of the AMIA Jewish community centre (Asociación Mutual Israelita Argentina) in July 1994, and despite serious assumptions about the Iranian connection, though with considerable domestic complicity.

Public order has become one of the main concerns of citizens in many countries. In Brazil, for example, the drug trafficking groups are omnipresent in the principal cities, beginning with Rio and Sao Paulo, where they permanently terrorise the population. In Central America the gangs of youths, the famous «maras», have become murder and crime machines. Such problems are difficult to solve and, like inflation, which has plagued Latin America in past decades, strike poor people more than the rich, who are able to afford private protection. The suspicions of police corruption do little to help solve an increasingly complicated state of affairs, particularly in the large cities that compete with each other for the highest rate of kidnappings, murders and thefts. Whichever the lucky city happens to be—and many aspire to first place—Latin American crime figures are much higher than those in other parts of the world.

The Central American presidents recently launched the «Secure Central America» plan which is aimed at coordinating the effort to crack down

on youth gangs and programmes to rehabilitate and reintegrate them into society. The leaders also agreed on measures to combat the illegal trafficking in people for the purpose of forced migration and prostitution and a regional plan to fight organised crime. The brutal attack on a bus in San Pedro Sula, in northern Honduras, by the bloodiest gang in the country, the Mara Salvatrucha, which fired at a bus indiscriminately, killing 28 and wounding another 21, shortly before Christmas 2004 is significant. It was clearly in retaliation for President Ricardo Maduro's policy of a tougher line with the maras. Guatemala, for its part, also needs to address its own delicate public order situation that has largely been inherited from the widespread corruption that characterised the previous government and has converted the country into a drug trafficking haven and the point of entry for cocaine bound for the United States.

The conflict in Colombia has reached significant proportions, since to the threat of the guerrilla should be added that of the so-called paramilitaries or United Self-Defence Forces of Colombia (AUC), which are currently beginning a demobilisation; we shall have to wait and see how it ends. This is a complicated process that is putting the credibility of Álvaro Uribe's government and its fight against all forms of terrorism to the test. However, President Uribe's «democratic security» policy has begun to reap fruit. The FARC are being dealt harsh blows by the Patriot Plan in the south of the country and the paramilitaries have begun to negotiate their future. The problem hovering in the background is the funding of the war, which is proving very expensive, and the difficulty of securing genuine resources. To cap it all, the future of the country's income from oil is not very promising. However, Colombia's problem has ceased to be a strictly Colombian phenomenon and has become a regional problem that basically affects all Colombia's neighbours—indeed, not only the latter but the whole of the continent, something that Latin Americans are still loath to admit.

The «Balance Militar de América del Sur» (Military Balance of South America») published by the Buenos Aires-based Centro de Estudios Nueva Mayoría reports that this region allocates the lowest percentage of its budget to defence in the world. It also compares military expenditure in 1985 with that of 2002. Whereas this expenditure slumped by 28.05 per cent from 5.4 per cent of GDP to 2.6 per cent worldwide, in Latin America it slid from 3.1 of GDP to 1.6 per cent. As for the 2004 budgets, Brazil accounts for 52.4 per cent of total defence spending in South America, followed by Chile with 11.12 per cent and, in third place, Colombia with 10.33

percent, despite its major outlay in weapons to combat terrorism and drug trafficking, the two main scourges that plague the country. The rest of the countries each account for less than 10 percent. As for personnel, there are over a million soldiers in South America, signifying an average of 14 soldiers per 1,000 inhabitants and five per 100 square kilometres. Brazil accounts for 31 percent of the total, Colombia 21 percent, Peru 11 percent and Chile 8 percent. Sixty-nine percent of the military belong to the air force, while 10 percent are officers, 30 percent NCOs and 60 soldiers.

Finally, 2004 saw the fruition of an important Ibero-American security and defence initiative. This was Spain's participation in the multinational force based in Haiti and made up, among other countries, by Argentina, Chile and Brazil. The initiative behind the creation of this force and Spain's participation in it was hatched by Presidents Lula and Lagos and went down very well with President Rodríguez Zapatero's government. The only precedent in military cooperation is the Plus Ultra Brigade in Iraq, although the framework for the operation will foster greater understanding between the Ibero-American countries in this area.

## **CONCLUSIONS**

Some claim that Latin America's future prospects are not very encouraging. Both the study by the United States' National Intelligence Council (NIC) «Latin America in 2020» and an article by Rolf Linkohr, chairman of the European Parliament's South America delegation, point out that the gap between the region and the most advanced nations will grow, with the exception of Chile and Brazil. The situation of many countries, the resurgence of nationalist and populist impulses and an assessment of privatisations appear to back these opinions.

If we look more closely at the performance of 2004, we find a number of ups and downs, though our final judgement is not overly optimistic. Although the economic results of 2004 are good and expected to continue that way in 2005, it is not known how long this upward trend will last. This explains the importance attached to failure to put into practice policies to make allowances for more difficult times. In order to avert a catastrophist scenario the pending reforms—economic, political and institutional—need to be carried forward over the next few years.

The leftward swing witnessed in many countries in the region and the United States' neglect ought to put paid to all the excuses given by those

who are set on attributing responsibility for the region's unfavourable performance to endogenous agents or the malpractice of their governing elites. Therefore, the battle waged between democracy and populism in coming years will be a determining factor. The region's Left, which has a golden opportunity to become consolidated as a true option for change, should make a serious and systematic effort to complete its renewal in areas where this has not been carried out and to dissociate that which is a genuine progressive alternative from traditional Latin American populism, which only tends to reinforce statist and authoritarian structures.

## **CHAPTER SIX**

### **MIDDLE EAST AND MAGHREB:**

- THE ISRAELI-PALESTINIAN CONFLICT**
- POLITICAL REFORM IN THE ARAB AND ISLAMIC WORLD**
- STABILITY PROBLEMS IN THE MAGHREB**

## THE ISRAELI-PALESTINIAN CONFLICT

By Pedro López Aguirrebengoa

### OVERVIEW OF THE SITUATION

At the start of 2005 the Middle East peace process (MEPP) appears keen to recover from its near brain-death. Throughout 2004, the only significant impetus was the Israeli prime minister Ariel Sharon's Disengagement Plan (Israeli evacuation of Gaza and four settlements in the north of the West Bank), which was endorsed with very different conditions by the United States and the EU, as well as by Egypt and other international players. This occurred during an endless cycle of mutual violence that began with the second Palestinian Intifada, the wasted opportunity of the Camp David and Taba negotiations in 2000 and the arrival in power of Prime Minister Sharon in February 2001, shortly after President Bush took up office.

However, in the past months several coinciding factors have sparked reasonable hope of a fresh opportunity for the MEPP: President Bush's second election victory; the new situation in Palestine after the death of President Yasser Arafat and the presidential elections of 9 January 2005, which evidenced the firm backing for Abu Mazen; signs of greater flexibility on the part of Syria; and the influence of all these factors on the domestic environment in Israel, where Sharon has managed to weather the crisis of the previous cabinet stemming from divisions within the Likud and other parties over the Disengagement Plan, with a coalition that includes the Labour party headed by Simon Peres and the United Torah Judaism.

All this may weaken or annul Sharon's justification of being forced to limit his approach to unilateral measured focused on security until a «good Palestinian» who meets his requirements appears in order to progress

towards a negotiated peace through the Roadmap drawn up by the international Quartet and endorsed by the UN Security Council.

Almost everyone agrees—though the parties do so with their own reservations, like their regional neighbours—that this «window of opportunity» must not be wasted and that it is necessary to implement the Roadmap, of which the Disengagement Plan should be the first step, with the ultimate goal of creating an independent Palestinian state that coexists with Israel in peace and security. Sharon is showing himself to be more open, but is reiterating his requirement that Arafat's successors be the first to demonstrate that a new stage is dawning in bilateral relations and fulfil their obligations deriving from the first part of the Roadmap before Israel considers changing its policy towards final negotiations.

However, more than a few are wary of Sharon's true intentions, even though they are adopting possibilistic attitudes. They fear that Sharon, who has openly rejected the approaches of the Oslo, Camp David and Taba peace talks in the past, is attempting to continue with his skilful and so far beneficial strategy to put an end to Palestinian violence and that, once his Disengagement Plan has been implemented, he intends to manoeuvre with the negotiation process to gain time and a long period of peaceful coexistence that will enable him to consolidate his policy with respect to the rest of the West Bank and Jerusalem, leaving Palestinian national demands as a future possibility, like President Bush's «vision». This is what Sharon said in one of the first declarations made when taking up office in 2001 and he has not since denied it; indeed, one of his virtues is that he is usually sincere and consistent.

It is not clear whether the Israeli prime minister is going to implement the Roadmap-based commitments fully and in parallel with Palestinian demands. The question is what those «painful concessions» are that he generally says he is willing to make at the end of the process to achieve peace and a solution to the conflict. For the time being, he has managed to consolidate new «facts on the ground» to Israel's advantage springing from the occupation and colonisation of the Palestinian territories, the diversion of its natural resources and the creation of security zones in the West Bank which in fact divide it into enclaves.

The «separation wall» between Israel and the West Bank largely continues beyond the pre-1967 occupation «green line» well into Palestinian territory and encompasses the main Israeli settlements. The partitioning of the territory is completed by the roads that link the latter. Israeli's propos-

al to construct a network of tunnels and bridges linking the various Palestinian areas of the West Bank, funded by the champions of the peace process, would seem to indicate his objectives. And then there is the project for a second wall which, linking up with the first in the north, would extend parallel to the border with Jordan, creating a security strip several kilometres wide encompassing the Jordan Valley settlements that Israel would want to keep under its jurisdiction or even annex in any final settlement. The question remains as to what percentage of Palestinian territory Israel aims to annex in the West Bank—it has gone from the four to six percent envisaged at Camp David and Taba to over 40 percent according to some plans.

What is clear is that the attitudes of the Likud and the Zionist-religious nationalists to Jerusalem as the undivided capital of Israel will remain unchanged. This was highlighted during the Palestinian presidential elections. Although, after considerable pressure, Sharon agreed to apply the same formula as the 1996 elections in Jerusalem—that is Palestinians could vote at post offices—many constraints and irregularities were witnessed, even in connection with the electoral census, which could only be drawn up after 21 December. Indeed, only 5,637 of the over 124,000 Palestinians residing in Jerusalem were allowed to vote in the city. As for the rest, those able to do so had to leave the city to cast their votes.

The new «realities on the ground» mentioned by President Bush in his address of 14 April 2004 as a component-conditioning factor to be taken into account in any final settlement are increasingly undermining the feasibility of an independent Palestinian state and eventual return of its diaspora of refugees. Many think that this continues to be the underlying goal of Sharon's electorate, in keeping with their view of the «Eretz Yisrael» as a «Jewish State». The future of Jerusalem's Arabs and possibly the fate of the 1.3 million «Israeli Arabs» also hinges on this. Jordan, the majority of whose population is now of Palestinian origin, feels particularly threatened by any demographic movements triggered by the peace process. Lebanon is keen for a solution to be found for its Palestinian refugees.

The essence of the conflict has been defined as «two peoples for one land», and these two peoples, despite having come around somewhat to the idea of sharing a space as neighbours, have not fully shed the part of their nationalist and historical-religious mythologies that is incompatible with a fair understanding. They are both under the effects of the syndrome of a threat to their existence and identity. In addition, the past years have

seen the confluence, favoured by a set of known international and regional circumstances, of two types of fundamentalism: the radical, secular or religious Zionism of the Likud, some of its government partners and the Israeli settlers; and the greater influence of the US neo-Conservatives and «Bible Belt». Both of these in turn coincide with an increase in Islamic fundamentalism which, in the case of the Palestinians, is intensified by the continued occupation and lack of a clear prospect of peace. The resulting radicalisation is inevitable.

After Sharon came to power in 2001, his requirement of the end of terrorism and Palestinian resistance and the dismantlement of its radical factions as conditions for resumption of negotiations, omitting the earlier political outlook of the Camp David and Taba talks, made it impossible to implement the obligations recommended in parallel and in various stages by the Mitchell Report and Tenet Plan—which represented the feelings of the international community—as a means of achieving an end to violence and putting negotiations back on track. However, the Roadmap refers explicitly to these documents as part of its initial stages.

Both sides have their share of the blame. Both formally accepted the content of all three documents—Israel with its well-known 14 reservations on the Roadmap—but interpreted them very differently and attempted, each in its own way, to impose subsequent conditions on, and set their own pace for, the successive phases envisaged. The intention, a more or less balanced *do ut des*—based on the imbalance inherent in the occupier-occupied situation that has never allowed negotiations on an equal footing—particularly on the part of Israel, turned into a pattern of imposed negotiation according to its own convenience and the parameters deriving from its domestic policy.

At the same time, the USA visibly distanced itself from the process, even though contacts and diplomatic initiatives continued. This became more palpable as the US presidential elections drew near.

With President Yasser Arafat confined to the Muqata and rejected as an interlocutor by Israel and the US, despite being democratically legitimated by the 1996 elections, the PNA found itself increasingly harassed and weakened internationally and internally by the situation in the Palestinian territories and with little or no capacity to control security and reach an agreement with the radical movements to refrain from terrorist actions and armed resistance to occupation. Israel's policy and action in the Palestinian territories, which was increasingly centred on and justified by its right to

self-defence, whether preventive or repressive, was at times disproportionate, while the practices associated with occupation continued. There was no balance of reciprocity in the scant gestures of rapprochement that were witnessed. Israel made the democratic reform of the PNA, its control of security and the emergence of a new Palestinian leadership that would adapt to its negotiation requirements a growing *sine qua non*, which at the time was difficult to achieve given the deteriorated Palestinian situation.

## **DEVELOPMENTS IN 2004**

The beginning of 2004 marked the worst situation since the Oslo accords. Violence continued in waves of intensity. Both sides threatened to take unilateral measures: Israel, the Disengagement Plan; and the Palestinian radicals, new confrontation strategies, though for many the Intifada and its continuation were already proving to be a mistake, as Abu Mazen pointed out, among others. President Bush proposed his «vision of the two states» and the formation of the international Quartet kept alive the basic principles for the peace process incorporated into the Roadmap, but no progress was made in implementing them.

Arguing the need for security and right to self-defence, Israel implemented a series of harsh preventive and repressive measures: extrajudicial executions of Palestinian activists; constant military incursions into the territories; destruction of homes and crops; closings and other security measures; economic retaliation and a long list of etceteras. These measures progressively stifled Palestinian life. Many thought that deep down Sharon's government was seeking to return to the pre-Oslo situation, or even the situation before the Madrid Conference in 1991, when Israel did not recognise the PLO or envisage more than a limited Palestinian autonomy and attempted to disregard Palestinians' national rights as a people.

The PNA, weakened and with internal rifts, including Arafat's resistance to reforms and to sharing power, was approaching a situation that was not exempt from risks of dissolution or inter-Palestinian confrontation. The damage to Palestine's economy was growing. The flow of humanitarian aid had in fact diminished as a result of the difficulties encountered by the United Nations Relief and Works Agency (UNRWA) and other organisations in distributing it.

The political difficulties in arranging a ministerial level meeting of the Quartet and giving greater content and political drive to its action were

also visible. It was hoped that a rapprochement between the parties would eventually take place, allowing the foundations to be laid for a relaunch of the Roadmap, but the dynamics of the situation prevented the process from moving forward. Things changed slightly with the successive appointment of two Palestinian prime ministers: Abu Mazen, who ended up resigning, and the current Abu Ala (Qurei).

In short, the situation was characterised by overall pessimism, growing frustration and irritation in the Arab and Islamic world and concern about the region's future, with a sensation of approaching the edge of the precipice.

It was in this context that Prime Minister Sharon drew up his «Disengagement Plan» that was later endorsed by the USA. America even ended up agreeing to a more restrictive version than the initial one, with limited Israeli commitments regarding the dismantling of the illegal population centres and the freezing of settlement activity and new concessions on the so-called «final status» issues. The USA appeared to open the door to Israeli annexation of the major West Bank settlements. That was, at least, how Sharon himself has interpreted his agreement with President Bush. The US Administration's indifference to the Israeli government's announcement in August of two tenders for the construction of more housing in the Jewish colonies on the West Bank seems to confirm this.

For its part, the European Union has clung to its position of not recognising any unilateral changes in the pre-1967 lines unless they arise from negotiations between the two sides and maintains that the Israeli policy of colonising and building settlements in the occupied territories is contrary to international law, undermines the solution of «two States», is a fundamental cause of confrontation, fuels the position of the Palestinian radicals and has a negative effect on the opportunity provided by the Disengagement Plan.

Greatly concerned about the situation, Egypt, Jordan and the EU (with their five known conditions) took a possibilistic approach to the «Disengagement Plan», but laying down precise limits, and regarded Sharon's initiative not as «Gaza first and Gaza last» but as an initial step towards the establishment of the conditions necessary for subsequently relaunching the peace process on the basis of the Roadmap. The Arab countries in general and most of the international players have also taken this stance.

On the positive side, the most salient feature of 2004 was Egypt's continued efforts, through the so-called Cairo dialogue, to get the Palestinian factions to agree to a Hudna or lasting ceasefire, the internal reforms

envisaged in the Roadmap and required by Israel and a Palestinian national platform for addressing negotiations with Israel. Egypt's action was subsequently extended to an initiative relating to the implementation of Prime Minister Sharon's Disengagement Plan, in which it acted as a facilitator between the two sides. Mention should also be made of the conclusions of the Arab summit in Tunis, which reiterated the peace offer of the Beirut Summit that had been ignored by the premier, Sharon.

An event with considerable regional repercussions as well as on the Israeli-Palestinian process was the G-8 meeting on Sea Island, which approved two documents under the «*Broader Middle East and North Africa Initiative (BMENAI)*»: a Declaration entitled «*Partnership for Progress and a Common Future with the Region of the Broader Middle East and North Africa*», and an accompanying document entitled «*G-8 Plan of Support for Reform*», listing areas in which action was under way and projects being developed at various levels. The Declaration stated that «*support for reform in the region will go hand in hand with [its] support for a just, comprehensive, and lasting settlement to the Arab-Israeli conflict*». The BMENAI envisaged the establishment of a «*Forum of the Future*», whose first meeting took place in Rabat in December, to discuss its implementation. This is a long-term process which needs to be based on collaboration and not on imposition and must be adapted to each specific context.

The Initiative was the result of the one previously announced by President Bush in November 2003, when he stated that the USA had adopted a new «*forward strategy for freedom in the Middle East*». The initiative took the form of a plan called «*Greater Middle East Initiative (GMEI)*» aimed at promoting economic reform in that region in cooperation with the G-8.

The US initiative spurred the Arab governments to give fresh impetus to their reform and democratic opening processes: they were not keen to be perceived internally as insensitive to the demands for change originating from within and stimulated externally by the Initiative, nor could they allow it to follow its course internationally without having a certain amount of control over its content and timeframe. A host of seminars and conferences were organised on this theme. Egypt and Jordan, among others, took the lead in reviving the issue of individual and collective reform that had been discussed by the Arab League. After much debate and reflection, at its 22 May summit the League eventually approved the so-called «*Tunis Declaration*» expressing the commitment to move ahead progressively with reforms.

In contrast to the unilateral and imposing tone of the GMEI, the BME-NAI, owing in part to the influence of the European Union and Arab demands, is more cooperative and closer to the spirit of the Barcelona Declaration of 1995 that gave rise to the Euro-Mediterranean Process. The latter, whose specificity vis-à-vis the BMENAI and Istanbul Declaration of the NATO summit is maintained by the Mediterranean Europeans, takes a much more global—political, security, economic, cultural, social and human—multilateral approach, which complements the bilateral relationship of the Association Agreements. To this should also be added the initiative for a «*Strategic Partnership with the Mediterranean and Middle East*» drawn up on the basis of the mandate of the December 2003 European Council and approved by the June 2004 Council. The latter reinforces the principle of ownership and envisages the centrality of the Middle East peace process. It aims to build upon existing structures and advocates a pragmatic, long-term approach, but is still at an early stage.

The Knesset approved the Disengagement Plan on 26 October 2004. However, its implementation is a complex process, beginning with the passing of the laws accompanying the plan. This will be followed by the decision to evacuate the settlements, which, according to the envisaged schedule, should be approved by the government in March 2005 and ratified by the Knesset, in order to be completed in June that year. Mention should also be made of a number of equally important aspects, including the security arrangements, some of which depend on Egyptian and international initiative and involvement in Gaza and on an understanding with the Palestinians: the future of the «Philadelphia road» and control of the border between Egypt and Gaza, and functioning of the port and airport. According to the Plan, the air space over Gaza, the adjacent waters, the fishing area and the entry and exit of goods will remain under Israeli control. Would this be acceptable to the Palestinians and international community? Will it make Gaza an unfeasible ghetto, a «Gaza first and Gaza last» that does not help move forward with the Roadmap? In their talks with Israel the Egyptians called for full Israeli withdrawal from Gaza, including the «Philadelphia road», and demanded that the unity of Gaza and the West Bank be maintained as provided in the Interim Agreement (Oslo II) with «safe passages» between both territories. It would seem that Prime Minister Sharon is now more inclined to take Egypt's demands into consideration.

Another salient aspect of the Disengagement Plan is that it has openly addressed the Israeli domestic problem of the Israeli-Palestinian conflict.

It has brought to the surface the old, pending existential question of the future of «Eretz Yisrael», the «Jewish State for the Jews», their identity and future.

If it goes hand in hand with a de-escalation in conflict levels, the Disengagement Plan could be a means of returning to an overall peace process through the Roadmap. The Israelis maintain this at government level, provided, one understands, there is a valid Palestinian interlocutor—that is, the «good Palestinian» who accepts Israel's essential parameters and conditions for peace—who has proved he wishes to guarantee Israel's security by putting an end to violence.

The bad thing is that the parties are not conveying clear messages and the historical gap in mutual confidence is very difficult to bridge. Ambiguity is by no means new as regards positions in the peace process. It has existed since the beginning of the conflict and, in my view, is one of the main causes of its going astray. The case of the interpretations of UNSC Resolution 242, which Henry Kissinger described as «constructive ambiguity», is paradigmatic. However, this ambiguity often sends out the wrong messages and impairs the building of a mutually accepted and stable peace between neighbours.

Therefore, in parallel with the progress made by Israel in the Disengagement Plan, it is necessary for the Egyptian initiative and the work of the Quartet members and other facilitators with Palestinians and Israelis to continue in order to clarify with both exactly how the Plan fits in with the Roadmap. The problem lies in convincing Israel to accept this balanced path, with reciprocal steps and not the prerequisites that so far have proved not to be realistic. This is not easy in a continued context in which the peace process has always been dependent, primarily, on Israeli domestic politics and, by extension, US domestic politics. Will it be possible to break this Gordian knot? The direction and pace that Sharon manages to give to the Disengagement Plan will be a new testing ground. The preparation of what comes afterwards in Gaza will be too, in order that the Palestinians, with the help of their champions, may assume their responsibilities there.

As it did previously and assures that it will continue to do, the European Union has performed very important work to prevent the process from straying off the track for good, and the assistance it has provided to the Palestinians and the PNA has been essential. In its declarations, the European Union has coherently reiterated its principles, concerns and appeals

to the parties to steer the situation back on course. The EU has worked with other international and regional players and is attempting to spur the USA to relaunch the peace process. However, the divisive nature of the conflict and its influence on the Member States has not always enabled it to achieve the desirable sway.

## **PROSPECTS AND SUGGESTIONS**

The premier Sharon's Disengagement Plan still looks like an Israeli unilateral initiative, though the door appears to be opening towards coordination with the Palestinians, Egypt and other international players for its implementation. However, Sharon has made it clear that for the time being he does not envisage going beyond the implementation of Phases I (end of Palestinian violence, security and restoration of confidence) and II (Palestinian State with provisional borders) of the Roadmap, and that is only if the Disengagement Plan is satisfactorily completed. Phase III of the Roadmap, final-status negotiations and the peace agreement putting an end to the conflict, would be left for later. President Bush's declarations made following his election victory referred to the creation of the Palestinian State before the end of his second tenure, that is, four years later than initially envisaged in the Roadmap.

There are currently three variables-unknown factors that can influence the future approach to some degree:

- Developments in Palestinian internal affairs.

So far the institutional precautions regarding Arafat's succession have functioned correctly. The Palestinian leadership—with Abu Mazen as president of the PNA; Abu Ala as prime minister; Rawhi Fattouh as chairman of the PNC; Kaddoumi (in Tunisia) as chairman of Fatah's Central Committee—appears to want to act coherently, effectively and with a sense of national unity, although all these members of the old guard are aware that they are a transitional leadership. The presidential elections of 9 January 2005 are part of a whole process—local and legislative elections—that is expected to take place democratically and to reinforce internal unity. Their wish to continue with the internal forms seems clear. However, doubts remain as to the contribution of Hamas, Jihad and other radical groups. If, as Egypt's mediation aims for, a moderate line is pursued and a unified Palestinian platform is achieved, and the radical movements renounce the use of terrorism and armed resis-

tance to the occupation in favour of a political fight as a means of achieving Palestinian national objectives—an independent State—its negotiating position vis-à-vis Israel will be strengthened and it will be difficult for Sharon to continue to argue that he has no interlocutor.

- Repercussions on Israeli domestic politics of this new Palestinian situation and the Disengagement Plan.

On 10 January Sharon's new coalition government won the approval of the Knesset by 58 votes to 56 and six abstentions. In principle, counting the 13 «rebel» members of the Likud, it has a majority of 66 of the 120 deputies in the Chamber but its soundness has yet to be seen. It is a government formed to implement the Disengagement Plan, but its first testing ground will be the Budget. It may end up continuing in power, though a new government, a new, more lasting coalition or new elections are equally possible. This question does not appear to have been settled. The settlers and their defenders will put up fierce resistance. It remains to be seen whether a sufficiently sound and stable domestic environment will take shape that is capable of addressing a return to the peace process on the basis of regional and international feasibility and globality. It is therefore crucial to help foster the creation of circumstances that will steer Israel's internal discourse and, consequently, its regional strategy, away from the progressive radicalisation witnessed and back to approaches that are compatible with a solution to the pending conflicts, resulting in regional coexistence in peace, security and cooperation.

- The role of President Bush's new Administration

President Bush has confirmed the wish of the new US Administration to become more firmly involved in the peace process, but we will have to wait and see what changes are made in the government team and in what direction. Many analysts, including Arabs, agree that whatever the results of the presidential elections had been, the US will not substantially modify the basis of its policy and strategy regarding the Middle East and, in this context, references to the Israeli-Palestinian conflict. Notwithstanding the importance of other regional and global components of the US's strategic vision, the basic position will continue to be marked by domestic-policy considerations and, in this context, by its special commitment to Israel within what are well-known political and mental-religious parameters. This has been a constant feature, albeit of varying intensity,

that the rest of the Middle East countries perceive as a persistent double yardstick. This contrasts with the logic of the US's important and strategic relations with the Arab-Islamic world. The latter is demanding a US policy that will allay its mistrust and frustration. It is therefore thought that sooner or later the US will unavoidably have to reconsider its attitude and action in the Israeli-Palestinian conflict owing both to its negative effects on the advancement of its regional policy as a whole and to the threat that Israel's domestic situation could eventually have a damaging effect on its main ally in the area.

These three variables are linked and, with the necessary confluence of positive wishes, could give rise to a new favourable environment more conducive to putting an end to violence and fostering the relaunch of Israeli-Palestinian negotiations on the basis of a progressive, reciprocal and balanced implementation of the commitments agreed to by both parties with respect to the Roadmap. All this requires the combined support of the Quartet and other international and regional actors. What is urgently needed is to take advantage of the new window of opportunity and rescue both Israelis and Palestinians from a situation that they have proven incapable of resolving by themselves in the past.

In this respect the European Union, owing to its relations with and proximity to the Mediterranean region and Middle East, has a growing challenge and responsibility to assume in collaboration with the parties, the US and other international players who are directly involved and affected. The EU can find ways of playing the role that befits it. This has been clearly stated, once again, in the recent Councils' Middle East declarations.

In order to take advantage of the window of opportunity, there is a need for a coordinated strategy that entails:

- Immediate keys: calming the situation; achieving a ceasefire; restoring confidence between the parties; relaunching their dialogue; empowering the Palestinian Authority to fulfil its obligations and achieve mutual and mutually satisfactory security. Israeli-Palestinian cooperation in security matters should be resumed immediately on the basis of the mechanisms laid down in the Tenet Plan.
- On the Palestinian side, efforts should be centred on finalising the reform of the PNA, improving the economic situation and the elec-

tion process—following the presidential elections of 9 January, the local and parliamentary elections. It should be attempted to incorporate the Palestinian political process into all sectors that accept a democratic approach, including the Islamists, as the Egyptian initiative aims for. It is vital for the EU to continue to lend assistance to the PNA as its main financial contributor.

- Israel should help create appropriate conditions for the development of the process. The European Union respects Israel's right to security and to defend its citizens from terrorism, provided it does so within the framework of international law and keeping things in proportion.
- Another fundamental aspect is to agree on a clear overall timescale in order to progress in the implementation of both sides' obligations and for this to translate gradually into tangible achievements that can have a positive influence on their clashing opinions.
- All the parties need to confirm their acceptance of the political outlook on the ultimate aim of the process, that is, the «vision of the two States», originating 57 years ago from UNGA Resolution 181.
- It is important to endeavour not to miss the future opportunity to link up with the conceptual progress of Camp David and Taba, which have given rise to informal initiatives spearheaded by civil society, such as that of Geneva (Yossi Beilin-Abed Rabbo) and that of Ayalon-Nuissebeh. The Israeli governmental sector rejects them and some media consider them to be offences against the state, but this is the approach that has come closest to achieving a solution.
- The reference parameter should continue to be the ceasefire lines prior to the 1967 Israeli occupation, whose layout and conversion into definitive and recognised borders should be negotiated by the sides in an agreement that envisages, if necessary, as in Taba, exchanges and balanced territorial compensations.
- As for the question of the Palestinian refugees and their right of «return» or economic compensation, Israel has always rejected this right of «return» as it considers, and not without reason, that this could pose a threat to its own existence as a «Jewish State»—which is how it was created and recognised by the UN when admitted as a member—but in previous negotiations and plans there has always been some leeway for finding an acceptable solution that would not alter its nature or undermine mutual security. This should continue to be explored in good faith.

- As for the future of Jerusalem, irrespective of the question of sovereignty, over which the parties are now more at loggerheads than at Camp David and Taba, where a functional division of the city was discussed but without physical borders that break its unity, there are many proposals and formulas that should lead to a rapprochement, though for the time being the Israeli position is largely exclusivist. In any event, the status of the Holy Places of the three monotheistic religions should be sufficiently guaranteed by everyone and for everyone. Otherwise it will be a constant source of tension.
- The long drawn-out conflict evidences that it will be difficult for the parties to reach an agreement on their own. That peace should prevail is a challenge to everyone. Despite attempts to give an essentially bilateral context to the solution to the conflict, it transcends the bilateral framework. The bilateral approach was predominant in the Oslo accords and the contribution of the Madrid conference—the combination of a bilateral approach and a multilateral approach and international cover—was largely lost. Oslo, essentially a provisional agreement, lacked sufficient political perspectives of the final outcome and the scanty guiding role of the international community was one of the reasons for its failure.
- The firm involvement of the international community is therefore essential. It is the international community, through the Quartet, which should encourage and supervise the process on the basis of the Roadmap. The definitive solution that is eventually achieved by the parties on the final status must be accompanied by international and UN endorsement and guarantees, with specific and appropriate instruments, whether bilateral or multilateral, and significant regional cooperation. The Barcelona Process, to which both parties belong, is not intended to be a framework for resolving the conflict but, as the 1995 Declaration states, it does aim to help create the conditions to make this possible and, once peace is achieved, help consolidate it. Other initiatives such as the BMENAI can make a similar contribution.
- There is a new possibility for peace. Progress in the Middle East has been and still is very negatively influenced by the continuity of the Palestinian conflict. This is one of the factors that have most eroded the United Nations system. It is also necessary to solve the conflict in order to address other serious problems and tensions in the area with international repercussions and to be able to move for-

ward in the region's democratic and socio-economic development. Both peoples, Israelis and Palestinians, are entitled to peace with security and most desire this, though each still does so on its own terms. Therefore, they both need help, encouragement, confidence building, persuasion and conviction in order to find their respective compensations peace can offer and their future path as neighbours.

- An imposed peace would be short lived. Peace must be assumed by the peoples involved or affected. However, there have been many conflicts, probably of lesser global significance, that the international community has addressed and is addressing under Chapter VII of the United Nations Charter. This has never occurred in the Arab-Israeli conflict, despite the several wars to which it has given rise. Perhaps for this reason, the resolutions issued in this connection by the UNSC have lacked the necessary weight to be implemented. If the international community wishes to be coherent and really help the parties, it is difficult to avoid the need for subsequent reflection given the situation we are facing.

## POLITICAL REFORM IN THE ARAB AND ISLAMIC WORLD

By Gema Martín Muñoz

During the course of 2004 the promotion of democracy in the North African and Middle Eastern countries has become increasingly prominent in international diplomacy. This topic was the centrepiece of the agenda of the G-8 summit on 9 June, through the US initiative entitled «*Partnership for Progress and a Common Future with the Region of the Broader Middle East and North Africa*», and of that of the European Council of 17-18 June, which approved the latest version of the European Neighbourhood Policy and Strategic Partnership for the Mediterranean and Middle East. In both cases, the need to promote democracy was a major issue, though the points of view differed.

Nonetheless, before going on to analyse these initiatives, their common features and differences, and the reaction they have triggered among the governments concerned in the Arab and Islamic region, it is necessary to examine the causes of the authoritarianism and factors that have so far hindered political and economic reform in these countries.

Two shocking figures in themselves highlight the great complexity and difficulties of the North African and Middle Eastern countries: according to the ILO, it has the highest unemployment rate in the world after sub-Saharan Africa (over 20 million jobless); also, according to the UN, this region accounts for 47.2 percent of all the refugees in the world.

These facts evidence a deep internal crisis and point to the intensity and length of the conflicts in this region. This is affecting not only the socio-political aspects of life in those countries but also the development of education, culture and the arts.

The experience of history is also a weighty factor in socio-political analysis and, in this case, helps understand a good many of the original

causes of authoritarianism. The nation-state emerged as a result of decolonisation and, therefore, the historical legitimacy of the governors gave rise to a patrimonial political culture that has sought to perpetuate itself to the present day. The nationalist leaders who achieved independence established themselves as the «fathers of the homeland» who built the modern state. They freed the country and shaped the nation; therefore it belongs to them and is inherited by their successors. This political culture has impaired the integration of political systems allowing alternation in power. The leaders furthermore developed a patriarchal view of citizenship, hence the adoption of protective and distributive socioeconomic models. Power is the incontestable authority that, in turn, promises to guarantee citizens' socioeconomic well-being through subsidies and protective social policies. This model worked well for the first post-colonial generation, because it was underpinned by a system of values with which most of those citizens identified: nationalism, pan-Arabism and anti-imperialism (centred on the fight against Israel) provided those societies of the sixties and seventies with ideals.

At the end of the seventies, this whole system of values was plunged into a crisis as a result of accumulated failures: the protective economic model went bankrupt; development was weighed down by unproductive jobs, an oversized public sector and a state bourgeoisie that promoted a system based on patronage networks; pan-Arabism failed in all its attempts at materialisation; and the anti-imperialism directed against Israel was shattered by the defeat in the Six-Day War of 1967.

This deep transformation furthermore took place in conjunction with a demographic factor that greatly influenced the shaping of the current situation. Owing to certain birth-rate policies tied to the model of post-colonial protective and developmentalist state and to a whole host of socioeconomic changes that have prolonged adolescence, a huge demographic growth took place as a result of which the social category of «young person» (under 25) now accounts for 65 percent of these countries' population. In addition to this, as a result of the intensive process of urbanisation and the spread of education, the profile of most of this generation is a young urban dweller with some degree of education. It has fallen to this new generation to experience a period of acute economic crisis. In the eighties, the economic collapse of the protective model led the respective governments to seek the assistance of the major economic institutions, which forced them to implement strict programmes of structural adjustment that caused their social indicators to slide dramatically. As it has

grown, unemployment has become more discriminatory and affects more women than men, more young people than adults and, significantly, people with qualifications and university degrees (57 percent of the Arab population are educated to secondary or higher level, compared to 37 percent in 1984) (1).

To all this must be added the burden of the endemic conflicts in the Middle East, which have greatly undermined the confidence of foreign investors in this area and have driven the respective governments to allocate a large portion of their budgets to defence and military expenditure to the detriment of social and educational spending. The permanent Israeli occupation of the Palestinian territories, the war between Iraq and Iran in the eighties, the Gulf War in 1991 and the US military invasion of Iraq in 2003 have undoubtedly contributed to limiting the region's possibilities of democratic and economic take-off.

Furthermore, people do not identify ideologically with their rulers. Ever since the value system that mobilised the first post-colonial generation slid into crisis, it has not been renewed or replaced by a new project that mobilises the current generation. On the contrary, all we find is a system of strategies for surviving in power that inevitably involves an increasing number of policies of coercion and repression. As a result there is a huge political and cultural gap between this new generation and its rulers, so much so that it can be described as a «rupture of the consensus between State and society». According to sociological surveys carried out (2), these populations, particularly the young people, are highly dissatisfied with their lives, hardly identify at all with the political discourse and feel disappointed with the society they belong to because it does not inspire sufficient feelings of identification. On the contrary, in their pursuit of a new system of values to represent them, many of these populations have inclined towards a discourse that asserts «ownness» and retrieves endogenous experience. This explains the popularity of a discourse based on «Muslim identity» and «Islamic authenticity». However, this should not be understood as a wish to return to and become entrenched

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(1) ISMAIL SIRAGELDIN (ed): «*Human Capital. Population Economics in the Middle East*». American University in Cairo Press, 2002.

(2) MONA BENNANI-CHRAIBI (ed): «*Resistencia y protesta en las sociedades musulmanas*». Barcelona, Ed. Bellaterra, 2003. MEKKI BENTAHAR: «*La jenneuse arabe à la recherche de son identité*». Rabat, Al Kalam, sd. GEMA MARTÍN MUÑOZ: «*Generational Change, Identity and Democratic Crises in the Middle East*» in R. MEIJER (ed): «*Alienation or Integration of Arab Youth*». Curzon Press, Richmond, 2000.

in the past but rather as a re-adaptation and new interpretation with which they aim to achieve renovation, development and independence. It should be borne in mind that, in addition to the question of modernisation and democratisation, the Arab-Muslim societies also need to address major deficits of confidence, among other things, in order to overcome the perception that development and modernity are fruits of the experience of the «Other».

Therefore, the concept of cultural authenticity is a substantial criterion of credibility for a good part of these societies, which are divided between newly valuing that which is «autochthonous» and negating that which is «imported». The new generation of reformist Islamism does not rule out seeking to reconcile modern values and Islamic legitimacy and is a political player that needs to be part of the democratising political reform, as we shall point out later on.

Another factor responsible for driving a wedge between governors and governed in North Africa and the Middle East and which stems from this crisis is the growing tendency towards regional fragmentation and division, which is impeding the possibilities of creating political, economic and security cooperation and integration structures among the countries in this region. What is more, whereas a marked trend towards enhanced regionalism (EU, MERCOSUR, NAFTA) has been witnessed in all parts of the world, these countries have neither been capable of reinforcing the existing regional multilateral structures at regional and sub-regional level nor of establishing new ones as a means of joining forces to address the new challenges and opportunities arising from globalisation. Lack of economic compatibility and deep political differences between the various States are a determining factor, combined with their reluctance to open up their borders to the free movement of people and goods owing to the iron-fisted political and social control required by authoritarianism in order to survive. From this stems their difficulty to act as a regional whole and influence the international community to defend «Arab causes», such as finding a fair solution for the Palestinians or having prevented the invasion of Iraq, which is further undermining their legitimacy in the eyes of their societies.

Nonetheless, there are other reasons for this failure to build common integration and cooperation structures, such as the role played by the US, particularly with respect to security issues. Since the Gulf War the Arab countries have been more divided than ever, while the United

States' hegemonic position in the region has never been so well guaranteed, either by most of the region's military and economic dependence on the US or because, despite trade competition, the European Union countries do not provide any political challenge and in this area Russia is particularly interested in strengthening its ties with Israel as a means of access to the American and European markets. What is more, Russia prefers to compete with the US in the Caucasus and Central Asian region, which, since the end of the past century, has been emerging as a leading energy producer that is competing with the Middle East in strategic importance.

The American vision and action in the Middle East with respect to security and stability has tended to impede any movement towards the formation of multilateral institutions that could place allies at a disadvantage and provide real or potential rivals with strategic and commercial benefits. As a result, the option has been to promote the creation of strategic axes and bilateral alliances. The influence of the conception of regional security entertained by Israel, an unconditional American ally, is responsible for many of these contradictions and, more seriously, has decisive repercussions on the endemic fragmentation of the area. This privileged relationship with Israel explains why, in 1995, the United States allowed it to shun the pressure to sign the Nuclear Non-Proliferation Treaty, despite the crisis this triggered with Egypt, and why in 1996 the American-inspired Turkish-Israeli military strategic axis emerged aimed at weakening Syria in the region. Similarly, the US opposed the institutionalisation of multilateral working groups forming a decisive part of the Arab-Israeli peace process. Furthermore, Washington had been militarising the Gulf States since 1991 on the pretext that they needed to be protected from Saddam Hussein's Iraq, which is no longer a danger. Now it is sticking to the principle of the threat posed by Iran, even though relations between Teheran, Saudi Arabia and the Gulf States have been normalised and have improved considerably in recent years (in April 2001 Riyadh and Teheran signed a security pact; trade relations and cooperation with Kuwait and the Arab Emirates are growing; and, as its neighbours are well aware, Iran is no longer the military power it once was). These countries' citizens' growing awareness that the threat is no longer real, combined with a burgeoning nationalist sentiment that is against US military presence (which also entails a huge military expenditure that is undermining the state of providence they enjoyed) is spawning an internal opposition that is placing their rulers in a very tricky situation and is a likely source of future instability and reactions, even violent.

## THE FIGHT AGAINST TERRORISM AND THE RULE OF LAW

Since the 11 September attacks, Washington's allies in the US-made so-called «war on terror» in the Arab and Islamic area have generally fully adhered to the parameters established by Washington in the concern that this «war» should be part of an action whose unequivocal reference is the rule of law. As a result, those countries' antiterrorist laws define the crimes of terrorism too ambiguously and broadly, deny the right to freedom of opinion and expression and peaceful democratic opposition under the pretext of terrorism, and encroach upon citizens' rights to personal freedom and security, annulling many judicial guarantees. All these countries have progressively submitted their legislation to the UN Security Council pursuant to Resolution 1373, adopted on 28 September 2001, which set up a Counterterrorism Committee and called on all member States to submit a report on the measures in force or those that could be established to combat terrorism. The acceptance of these abusive jurisdictions has acted as a mechanism for legitimising laws that would hitherto never have been considered acceptable in the framework of the rule of law. That is, we now have a situation in which the «war on terrorism» as it is being waged not only overrides the concern for and promotion of democracy and respect for human rights, but has enabled the region's governments to bolster their authoritarianism and repressive rule. All this attests to a considerable contradiction and, above all, the need for a new approach that combines promoting democracy and the rule of law with combating terrorism, in order both to lend credibility to the discourse on the defence of democratic values and to restore confidence among the Arab and Muslim civilian populations in favour of the fight against terrorism.

Added to this, the invasion and military occupation of Iraq since March 2003 on the pretext of terrorism and democracy has further discredited the US pro-democracy and antiterrorism policy in the eyes of all the Arab and Muslim populations. It is very interesting to note the results of the opinion polls conducted in the Middle East countries on these populations' democratic aspiration and the credibility they give to fighting terrorism and to international politics in general. The surveys carried out by the *Pew Research Center for the People and the Press* in seven Arab countries and Turkey show that since 2002 the Washington-led counterterrorism efforts have lost enormous credit in these countries: less than a quarter of those polled support them today. That is, the «war on terrorism» in its current form has no social support in much of the part of the world where this «war» needs to be waged successfully. A particularly worrying factor is the

also growing discredit of the United Nations among these citizens. This feeling is probably not unrelated to the progressive disillusionment experienced by these populations on seeing the organisation incapable of enforcing its resolutions in Israel; to the fact that the embargo which plunged Iraqi society into a humanitarian disaster for 12 years was imposed by the UN; and to the fact that Resolution 1511 has given rise to an ambiguous situation between the UN and the US occupation of Iraq.

But it is very important to point out that these contrary opinions on the USA and international community stem from strictly political assessments. Indeed, far from returning to «culturalist» attitudes, Arab and Muslim citizens show a «keen appetite for democratic freedoms... and attach great value to freedom of expression, of the press, multi-party systems and the principle of equality before the law». Even though many of them advocate a prominent role for Islam in political life, «this does not diminish their support for a system of government that guarantees the same civil freedoms and political rights that democracies enjoy». Even more significant is the fact that «those in favour of a larger role for Islam in politics are those who express a greater interest in freedoms and free and competitive elections». This highlights the existence of a huge social yearning to enjoy freedoms, to be governed by the rule of law and control their own destiny, while mistrusting the international players, particularly the USA, and defending the compatibility of Islam and democracy.

## **DEMOCRATIC REFORM AND THE ISLAMIST PARTIES**

All this leads us to raise two important questions. One, the need to build a credible political process that meets the Middle Eastern populations' aspirations of democracy and the rule of law, bearing in mind that their frustrations in this connection entail huge risks of radicalisation and identification with extremist options, particularly in the case of young people. And two, the involvement of the Islamist parties in these democratisation processes. Here it is necessary to clarify that political Islamism, a political thinking that has been present throughout the contemporary history of the Middle East, is mainly represented by reformist parties that are respectful of legality and explicitly opposed to violence.

For a long time the problem lay in the fact that the predominant view of Islam has been based on the highlighting and playing up by the media of either the advocates of the most fundamentalist discourse or the most

radical and extremist sectors. The tendency to largely apply these criteria when selecting Islamic players has masked or covered up the fact that the majority Islamist parties have reformist leanings and are positioned in the huge, normally concealed middle ground between fundamentalists and violent activists.

However, the track record and development of the reformist Islamist political parties have differed greatly from those of the fundamentalist and extremist branches. This reformist Islamism represents the emergence of a new political generation that is also part of the modernisation process experienced; and as such, it is linked to the social and political changes today's Muslim societies are witnessing. Indeed, observation of the conduct stemming from the assertion of Islam in the political field shows three interdependent features that are regarded by the social sciences as modern: autonomisation of the individual; individualisation of the social players; and the incorporation of women into the public arena. This is a far cry from the ahistoricist visions of Islam as a timeless system that encourages immobilism. On the contrary, the reformist Islamists form a trend greatly concerned with socio-educational elements and with the pursuit of references of their own in order to retrieve a positive and assertive image of themselves. They expect to be treated with recognition and respect by the West, but do not seek to revive «Islam versus the West». What they do question is the fact that the specificity of Western cultural universe has been arbitrarily established as an absolute universal reference. Therefore, when this Islamist discourse sometimes expresses criticism of the West, it is not because it despises the Western values of progress and development or the public freedoms it enjoys; rather, these criticisms are directed at its occasional arrogance and double moral standards when defending human rights or democracy.

In terms of political action, we can currently say that we are witnessing the third generation of Islamists and that this generation is anchored to the territorial framework of the nation-state (as opposed to pan-Islamic visions) and displays a growing political maturity that has led it to favour a culture of consensus with socio-political projects other than Islamism in the framework of party, electoral and governmental pluralism. Acceptance of a multi-party system and power sharing, and reinforcement of its participation in the state institutions, as corroborated by the parliamentary representation of the Muslim Brothers in Egypt and Jordan, the Hezbollah in Lebanon and recently the Justice and Development Party (PJD) in Morocco, and clearly exemplified by Turkey where an Islamist government

is undertaking a huge democratic reform, attest to its adaptation to pluralism and democratic principles, whereas the government policies in favour of its exclusion are linked to more dictatorial experiences (3).

These reformist Islamist parties should be regarded as political players destined to take part together with the other parties in the democratic transition, among other reasons because they enjoy significant credibility and social sway, and without their participation the democratic process would not be credible. Their adaptation to representative government has been proven and, as for their reference to faith, if we stop regarding everything relating to Islam as «exceptional», we would realise that they are not very far removed from the ambit of the Christian Democratic parties found throughout the Western world. The influential Islamist thinker Yusuf Qaradawi asked why the Europeans accept parties that are Christian in name and spirit yet deny the Muslims this right.

In conclusion, not only can the extremist Islamists not be placed in the same category as the reformists (all the reformist parties have denounced the violence and condemned the terrorist attacks), but—more importantly—the marginalisation or repression of the reformists plays into the hands of the extremists. In times of tension and risks, as the present, they can play a role as intermediaries and moderators of societies that are nervous and very weary of the authoritarianism and socioeconomic marginalisation to which they are subjected.

What is more, we should bear in mind that the role of reformist Islamism is even more of a deciding factor, because its political and social influence can do much to delegitimise and isolate the extremist groups. Indeed, reformist Islamism is the worst social enemy of the advocates of extremism and violence. This lends them even greater current value as social stabilisers. On the contrary, any policy based on harassment, the discontinuation of integrating policies or the repression of the reformist Islamists will only benefit the extremist recruiters of frustrated and disenchanted young people who find themselves forced to adopt radical stances on finding that the democratic way fails to be officially recognised as a feasible alternative within their countries' political system.

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(3) GEMA MARTÍN MUÑOZ: «*El Estado Árabe. Crisis de legitimidad y contestación islamista*». Barcelona, Ed. Bellaterra, 2000. JAMES PISCATORI: «*Islam, Islamists, and the Electoral Principle in the Middle East*». ISIM Papers, no. 1, 2000. NAJIB GHADBIAN: «*Democratization and the Islamist Challenge in the Arab World*». Boulder, Westview Press, 1997. MAHER AL-CHARIF & SALAM KAWAKIBI (eds): «*Le courant réformiste musulman et sa réception dans les sociétés arabes*». Damascus, IFPO, 2003.

## **WHICH SHOULD COME FIRST—ECONOMIC DEVELOPMENT OR DEMOCRACY?**

The predominant idea that has prevailed for some time now and which some theorists and technocrats still uphold is that the first step to be taken is economic reform in order to carry out the structural changes that will allow democracy to emerge. However, evidence that this «vicious circle» does not achieve the desired results has gradually given rise to increasingly widespread beliefs that political reform and democratisation are the main driving forces of change and economic development.

Authoritarianism in the North African and Middle Eastern countries has triggered patronage and clientelism and major networks of corruption. In this situation the countries have sought to combine economic liberalisation with strategies to guarantee continued political domination, resulting in very imperfect and incomplete liberalisation processes, as the EU has noted in recent years. Proper liberalisation, which would entail making the economic actors independent of their political counterparts, competition, transparency and the suppression of rent-seeking and monopolistic conduct, comes up against major stumbling blocks. Nor has privatisation been very ambitious, among other reasons because the rulers responsible for liberalisation seek to protect themselves from transparency and the emergence of new autonomous elites that could pose a political challenge.

As a result, states are reluctant to introduce the necessary legal changes (since the 90s the World Bank has been insisting, albeit with little success, that fiscal reform and transparency are keys to ensuring that market reforms take root in the region) and the governing elites are attempting to preserve the economic role of the State while the private sector grows, leading to a worrying bifurcation of economic policies. This is even the case of the self-proclaimed free-market economies (Egypt, Jordan, Lebanon), where the private sector has a parasitic relationship with the public sector or is limited to select and not very productive sectors of the economy (trade, construction, clothing). The State thus holds on to its power and autonomy while selectively shifting the burden of decision making to a protected market. As a result, even if some macroeconomic indicators improve, the benefits are not distributed among the population. The number of people who live on one or two dollars a day or below the poverty line has increased worryingly since the nineties in the southern Mediterranean. Furthermore, during the same period the average income of each social sector has dropped considerably and, since the rise in poverty is

accompanied by a rise in GDP per inhabitant, there can be no doubt that there has been an increase in the inequality in the distribution of wealth and that part of the population is growing much richer while the rest, the largest part, is becoming much poorer (4).

The combination of demographic growth and political totalitarianism and inequality in the distribution of wealth is likewise leading to a vicious circle of political alienation and economic marginality that is increasingly conducive to violent opposition. This potential instability deters foreign private capital from investing in this region (the southern Mediterranean countries account for only five percent of European investments and 1.5 percent of world investments in emerging countries). This reflects the misgivings about this area, which is characterised by lack of social cohesion, precarious political systems, lack of transparency and legal certainty, inflexible labour markets and illiteracy, among other things... and in which the «primacy of the political» in security management has tended to be supplanted by the «primacy of the military».

## **EUROPE AND THE USA VIS-À-VIS THE POLITICAL REFORM OF THE ARAB AND MUSLIM WORLD**

The European Union, at least since the establishment of the Barcelona Process in 1995 (Euro-Mediterranean Partnership Agreement), has upheld the view that the progress of democratisation and respect for human rights are a substantial factor in managing to establish an area of peace and stability in the Mediterranean region. This region is of great strategic value to Europeans for four main reasons: emigration, energy dependence (half of its imports come from this region), the economy (the EU is the biggest trade partner of all the countries in this region, except Jordan) and security, with particular emphasis on counterterrorism.

Nonetheless, the EU has not translated its discourse on the promotion of democracy into concrete action, and nor has the US. In general, it has kept a very low profile when addressing this issue, giving preference to its view of the economy. Similarly, the MEDA funds have been chiefly allocated to government programmes and only one percent has been earmarked to political reform. Priority has not been attached to relations with the Arab NGOs, and funding has mainly been given to decidedly lay, pro-Western

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(4) C.M. HENRY & R. SPRINGBORG: «*Globalization and the Politics of Development in the Middle East*». Cambridge University Press, 2003.

or apolitical movements. And the specific MEDA democracy programme ended up being cancelled in 2001.

In truth, the lack of efficiency of the Euro-Mediterranean Partnership Agreement in promoting political reform stems from various factors. Priority has been given to short-term stability and maintenance of the status quo, focusing on peaceful promotion of relationships between governments and shunning the potential instability or temporary uncertainty that change entails. In addition, the southern and northern European countries do not share the same interests with respect to this issue. The former, given their proximity, have always been more in favour of not addressing risks or uncertainties, whereas the latter's distance allows them to be more intransigent about compliance with the provisions on human-rights and democratisations in the Agreements. In other words, the EU finds it difficult to act in a concerted and consensual manner with respect to political reform. As a result, there has been considerable reluctance to use conditionality, and clauses requiring respect for human rights in order to be implemented have been systematically avoided in the free-trade agreements. Only Tunisia had its MEDA aid reduced when the country's authorities hindered the EU's work with a Tunisian human-rights group. However, in general, no relationship has been established between progress in reform and receipt of financial assistance.

Since March 2003 the EU's new Neighbourhood Policy, the latest version of which was adopted in June 2004, has provided a new relationship framework for the countries surrounding the EU and with which it wishes to establish privileged relations based on shared democratic values, respect for human rights and the rule of law, in exchange for which the countries would be offered access to the internal market and, ultimately, enjoy the free movement of goods, people, services and capital that its members enjoy. For this to occur it will be necessary to carry out substantial political, institutional and economic reforms. The first Euro-Mediterranean Partnership countries to be selected are Tunisia, Jordan, Morocco, Palestine and Israel, with which consultations are taking place to set in motion the first action plans.

This new perspective undoubtedly provides a substantial action plan for promoting democracy and human rights; however, there is no assurance it will be achieved unless the EU and its members individually show a sustained commitment to the use of conditionality as an instrument of reform and renounce the preservation of the status quo at any cost.

For its part, the USA announced its initiative for a «*Partnership for Progress and a Common Future with the Region of the Broader Middle East and North Africa*» at the G-8 summit on 9 June. The proposal had been revised following the reactions sparked by the leaking of the first draft in which the US initiative was presented as a unilateral act—which was perceived as an intrusion that riled the Arab regimes—and independent of any cooperation with Europe. The new wording emphasised the importance of dialogue, consultation and multilateral cooperation. Nonetheless, there are major gaps in this initiative. The USA, like Europe, states that promotion of democracy is crucial to regional security and stability but does not establish a clear strategy for its implementation. It is up to governments to carry out the reforms. Given the voluntary nature of the plan proposed for reform, it is unclear how governments will be encouraged to implement this reform.

Admittedly, the public presentation of the American proposal has had the positive effect of opening the debate and discussions on democratisation in the countries concerned, and many statements and opinions on the need for reform have been voiced publicly, both by governments and by non-governmental institutions and the media. And various political parties, including the Muslim Brothers, have published articles or set up platforms presenting the elements they consider essential to reforming their respective states. Similarly, although the Arab regimes and, more explicitly, Egypt and Saudi Arabia, reacted against the plan, initially calling it an imposition of Western values and perspectives, the question was raised and the principle of reform was adopted at the Arab League summit on 22-23 May 2004, though using the argument of «home grown democracy» in a very instrumental manner. In other words, the ruling elites do not reject the idea of reform in principle, but want it to be implemented in a limited, gradual and controllable manner so as to boost the visibility of civil society, allow the press some margin of freedom, increase the number of parties and improve their image vis-à-vis the outside world but without integrating power sharing mechanisms. At most they would progress towards a «liberal authoritarianism» with signs of representation but not competition.

The US initiative establishes three priority courses of action: fostering democracy and good governance, building a knowledge society and broadening economic improvements by paying great attention to micro-credits. This initiative is presented as pioneering and innovative, yet all its elements (fostering women's rights, literacy, legal aid, civil society, educa-

tional reform, reform of the financial sector, etc.) have long been part of the USA's aid programmes in the region and have not amounted to a true promotion of democracy and the rule of law.

Another important issue stems from the monolithic view of the Arab and Muslim world that this initiative presents. It is based on a common template for a vast region stretching from Morocco to Pakistan in which a diverse range of internal situations and, accordingly, different initiatives that need to be adopted in each case, are a substantial ingredient. In actual fact, although it is intended to be a response to the «clash of civilisations», it smacks of a sort of «positive Huntingtonism», as, like Huntington, it interprets the Islamic world as a monolithic and closed unity and Islam as an absolute and abstract whole that unifies everyone. However, what is really needed is policies that reflect specific circumstances in different states and regions, bearing in mind that democracy is based above all on national realities and depends primarily on internal factors.

This initiative is actually intended to be a response to a huge challenge—the growing anti-American sentiment in the Arab and Muslim region—and to remedy the concerning situation of insecurity and anarchy stemming from the military intervention in Iraq. That is, the essence of the initiative lies more in its function than in its content. For the content raises a huge dilemma that is slowing down, if not bringing to a halt, the achievement of success in promoting democracy: how to boost the deep transformation the region needs bearing in mind that it would mean renouncing the benefits Washington derives from its relations with the authoritarian governments in that region. The dilemma lies in the fact that submissive authoritarian regimes are more useful than independent democracies.

In order to implement its initiative, the US would similarly have to address the problem of its credibility in the region. Not only are the chaos and violence that dominate the Iraqi scene, the scandal of the tortures at Abu Ghraib and Guantanamo and its complacent passivity with Israel in the Palestinian conflict a continual source of anti-American sentiments but, unless it changes its policy, it is unrealistic to think it can play an active and credible role in promoting democracy in the Arab and Muslim world.

Finally, any effort to promote democracy in this region requires cooperation between Europe and the US, but clashing views and language differences have encumbered this possible synergy. Europeans prefer concepts such as «transform» and «pacify», whereas the Americans speak of «yielding» and «toughening»; as opposed to the imposition of «ostracism»

that the USA is advocating for what it considers «rogue states» or «bastard» states, the Europeans are more in favour of establishing a «critical dialogue»; the Europeans prefer «cooperation» to the «coercion» that the Americans call for. Even the imposition of sanctions, on which they do not always agree, is viewed differently. For the USA it is a punishment and for Europe an instrument of pressure for achieving rehabilitation. That is, Europe defends the use of «soft power» whereas the US favours coercive policies such as sanctions and even military action to defend its conception of a «change of regime». This explains the deep disagreement over the military action against Iraq, the discrepancies as to how to treat Iran and Syria, or as to the priority Europeans attach to settling the Palestinian-Israeli conflict in order to address any process of democratic stability in the region, and America's marked tendency to identify individuals as «leaders» of democratic change or reform, whereas Europeans are wary of this policy of selecting people and prefer to focus on structures, just as they maintain that reform should not be based on «the same measure for everyone» but on the principle of «different speeds» and different approaches for different countries. For the time being, these differences are limiting the possibilities of working on a joint or coordinated project, even though, without this collaboration, it will be truly difficult to achieve success in promoting democracy in the Arab and Islamic region.

## **WHAT CHANGES ARE NEEDED?**

It is generally agreed that problems, tensions and conflicts accumulate in the North Africa and Middle East region. The populations are highly politicised and public opinion persistently calls for freedoms and the rule of law. There is an obvious need to find political responses to what goes on in that part of the world, including in connection with the fight against terrorism. Democratisation is an essential requisite for surmounting this critical situation. There is no doubt that democracy cannot be imposed; however, its progressive emergence can be encouraged. It is therefore necessary to modify certain parameters that have been applied up until now and assume the commitment of non-negotiable principles.

We should shun the traditional idea that democratisation will be an inevitable result of economic liberalisation and accept that the regional status quo cannot be maintained for the sake of short-term benefits or individual interests. A new view needs to be adopted based on long-term results and the consideration that reform and development cannot be

addressed globally but on the basis of specific national characteristics. Positive conditionality as an incentive to reform and democratic progress should be used more widely. A more determined and demanding political will is also required to settle the Palestinian-Israeli conflict owing to its relevance to other regional factors such as militarisation, authoritarianism and radicalisation.... and bearing in mind that the credibility of both the USA and Europe depends on achieving a fair solution to this conflict.

It is likewise of paramount importance to harmonise counterterrorism policies and those directed at promoting democracy, in a framework of firm respect for the rule of law. We must be aware that contradictory messages have been conveyed. Cooperation in security and intelligence matters with the governments of this region in the fight against terrorism is applauded, though this fight often leads to human-rights violations and an increase in repressive conduct and, at the same time, the need to democratise the region is proclaimed and advocated. Therefore, a policy for promoting democracy should address the crucial issue of how to foster civil society, freedoms and the rule of law while guarding against violent extremism. And in this connection, respect for human rights should be regarded as a non-negotiable issue. Neither Europe nor the USA can demand democratic governments if they use or support authoritarian methods to achieve their own aims, just as neither can they expect the rule of law to be developed if they seek to put an end to violence by consenting to the abuse and use of arbitrary methods.

Finally, any initiative to promote democracy needs to take into account reformist Islamism, one of the most powerful forces of change in the region. Reform is rightly considered a powerful antidote to extremism, yet insufficient consideration has been given to the decisive role the moderate Islamists can play. Any credible reformist process should be inclusive and its proper progress calls for a renewed vision that effectively involves the reformist Islamists.

## STABILITY PROBLEMS IN THE MAGHREB

By Carlos Fernández-Arias Minuesa

### INTRODUCTION

North Africa, unlike other southern Mediterranean regions, is characterised by an absence of armed conflict ever since the ceasefire was established in the Western Sahara at the end of the 80s. Furthermore, until only recently the terrorist phenomenon had been limited, and largely confined, to Algeria. However, this does not mean to say that the Maghreb is free of challenges that pose a threat to the stability of what is a priority region for Spain.

The Maghreb is undergoing deep political, economic and social transformation processes. However, the democratic reforms and economic liberalisation promoted by the region's governments do not appear to be progressing at the desired pace or, indeed, to be meeting their societies' needs. Demographic pressure will double the current population, estimated at some 70 million, in under 15 years. The youngest and most numerous sectors of the population are failing to have their basic aspirations met and lack future prospects. This is translating into a growing discontentment and scepticism about the public powers and institutions. The rift between North African societies and their rulers is greater than ever and, despite the existence of more and better channels of democratic participation, people's contribution to the processes of reform continues to be scanty.

Illegal immigration is evident both in the flows from the coasts of North Africa to Europe and in the increasingly mass arrivals of sub-Saharan immigrants who settle indefinitely in these countries with the intention either of moving on to Europe or of staying there.

Finally, the influence of international Jihaddism has been felt in the region in recent years. The Salafism already present in Algeria has now been joined by Al Qaeda, which considers countries like Morocco a strategic objective owing to their geographical proximity to Europe, their special ties with the United States, and the existence of a large immigrant community—over two million—in the West.

All these phenomena have witnessed developments over the past year and will continue to be the main challenge to the stability of the Maghreb and its neighbouring countries, including Spain.

## **CHANGES IN THE MAGHREB**

All the countries of the Maghreb—this regional concept includes the five members of the Arab Maghreb Union (Algeria, Libya, Morocco, Mauritania and Tunisia)—are immersed in a process of political change to some degree. In each case the main stumbling block the reform processes are coming up against is the traditional power structures' huge resistance to change. Be it the Makhzen in the case of Morocco, the army or FLN in the case of Algeria and Mauritania, the existing influence of tribal rivalry or the simple reluctance of rulers to relinquish power in systems such as Tunisia and evidently Libya, all these countries are characterised by rigid structures that have led to stagnant situations and huge political immobility.

This does not mean that new legal and political reforms have not been finalised and democratic processes have not developed in recent years and also over the past year. However, in Algeria, Tunis or Mauritania, countries that have held elections in the past year, there is evidence of a clear lack of enthusiasm on the part of the electorate that some have interpreted as disillusionment or lack of credibility of the political system.

In Mauritania, for example, we find the paradox that the further opening up of the regime of President Taya, who organised elections with international observers that were publicly recognised as the most transparent in the country's history, was blighted by at least two attempted coups that involved both the traditional opposition forces and part of the army, as well as possible Islamist forces or tribal rivalry. The greater the possibility of democratic opening, the less the opposition's use of the institutions.

The opposite situation is found in Tunisia, where President Ben Ali used his comfortably broad parliamentary majority to amend the Constitution

and guarantee his re-election in polls held in October, in which there was no real opposition and he secured over 95 percent of the votes cast.

The Algerian presidential elections in April were carefully prepared by President Bouteflika, who succeeded in commanding the support of different groups from the eradicators to the moderate Islamists and made an effort to weaken his rival, former Prime Minister Ali Benflis, using methods that may be considered of dubious ethical nature in a democracy. Although Bouteflika achieved a clear victory with a majority 85 percent of the vote, the abstention rate of over 40 percent—much higher in the capital and Kabilia region—is cause for concern.

Admittedly, encouraging signs such as the reform of the law on parties or family code in Morocco have been seen. However, we are far from being able to speak of a real strengthening of democracy in the Maghreb region.

Much of the same can be said of economic reforms. Except for Tunisia, the Maghreb economies have so far been unable to shed the dependence that characterises their productive systems. Libya and Algeria, which enjoyed the advantage of a considerable rise in their income during the year thanks to the increase in crude oil prices, continue to experience huge difficulties in modernising their economies, which are burdened by the excessive weight of a subsidised economy, and the greater influx of foreign currency has translated into an increase in foreign purchases rather than in productive investment that could generate wealth. In any event, the different pace of economic and demographic growth is continuing to impede economic take-off.

It is true that the Maghreb countries have recently recorded a dip in demographic growth. However, according to the World Bank and UNDP statistics, these countries ought to be capable of creating over 20 million net jobs in the next 15 years to prevent the unemployment rate from rising—that is, to maintain current levels, which average 25 percent (30 percent in Morocco). We should not forget that over half of these countries' populations are aged under 15. This job creation would require constant economic growth in the region of eight percent, according to the same World Bank sources—a figure that not even the Southeast Asian economies were able to maintain at the height of their boom.

Although foreign investment has continued to grow in countries like Tunisia, Algeria and Morocco in recent years, this investment has been driven by the relocation of industries such as the textile and manufacturing

sectors, which creates local jobs but contributes little to the markets and to the generation of wealth.

The main impediment to healthy economic growth in these countries continues to be lack of regional markets. The Maghreb countries conduct a mere seven percent of their trade regionally. In the case of Tunisia, the EU accounts for over 90 percent of its trade. More seriously, neither the local economic operators nor the authorities appear to be clearly aware of the benefits a single Maghreb market would bring.

As the European countries become more and more interested in the Maghreb, the cost of a non-Maghreb is becoming clearer. Meanwhile, the most serious underlying economic problems leave little room for optimism in the short term. Shortage of housing and poor basic infrastructures are the closest indications to these societies that their governments' economic policies have failed to achieve concrete results.

The Maghreb countries rank at the lower end of the scale of 177 countries (Morocco 125<sup>th</sup>, Algeria 108<sup>th</sup> and Tunisia 92<sup>nd</sup>) in the UNDP Human Development Report (2004). Illiteracy rates remain high, even for the Arab world (90 percent in Morocco, 30 percent in Algeria and 27 percent in Tunisia).

## **THE CHALLENGES OF THE MAGHREB**

The aforementioned political and socioeconomic situation is largely responsible for the main new challenges that have emerged in the Maghreb. They should be regarded as challenges to the North African countries, irrespective of how they may be perceived in Europe. They are chiefly the resurgence of terrorism, Islamism as a political alternative and illegal immigration. To these phenomena should be added two issues that continue to carry significant weight in the region and whose prospects of a solution continue to be uncertain: the Western Sahara question and regional integration.

### **The resurgence of terrorism**

There can be no doubt that Al Qaeda has considered North Africa to be an objective for its activities for years. In this respect, the Casablanca attacks marked a before and after in North Africa, just as the 11 March attacks in Madrid can be said to have led to a necessary reconsideration of Spain's and Europe's relations with the region.

The presence of terrorist cells in Morocco is particularly worrying. This country holds plenty of attractions for an international Jihad seeking to step up its activities there. Its geographical proximity to Europe, its privileged relations with the EU and the existence of a group of immigrants, mainly in Europe, who currently number over two million, make Morocco an attractive destination for Islamic international terrorism.

The Casablanca attacks dealt an extremely harsh psychological blow to Moroccan society. The enemy was inside, living side by side the flourishing middle classes in the same cities. No country in particular could be accused of exporting terrorism to Morocco: the suicide bombers had been recruited from among the young people living in the worst slums of Casablanca, areas where civil coexistence is organised according to a different political and religious order from that of the state. It was discovered that there are areas where not even the police dare tread foot and, more seriously, in a country where the king is also the Prince of the Faithful and leading religious authority, there is a real challenge to that authority.

This characteristic, which Morocco has always presented to the West as a guarantee against radical Islam, has not prevented the rise in religious extremism in a country considered safe from this phenomenon.

### **Islamism as a political alternative**

The Islamist parties have become consolidated as an alternative to power in North Africa. In the 2002 elections in Morocco the Justice and Development Party (JDP) became the third biggest political force with 42 deputies (compared to just nine seats in the previous elections held in 1997) and the main opposition party, even though this political force only stood in half of the 91 constituencies. It is hazardous to guess what would have happened had they stood in all the constituencies. However, this party has become the only grass roots political force in Morocco with a modern structure, democratic internal system and immense closeness to its electorate. This does not prevent its political discourses from being highly ambiguous, calling for equitable economic and social development and, at the same time, regarding the tragedy of the recent tidal wave in Asia as a divine punishment.

In Algeria the «Islah» party is also the main opposition party. Although it holds fewer seats than its Moroccan counterpart, it so happens that in Algeria much of the Islamic vote was secured by the presidential coalition

that supported Bouteflika both through the Movement of the Society for Peace (MSP) and Ennahda and with the most Islamist section of the FLN, which have been drawn together by the current minister of foreign affairs and recently elected secretary general of the FLN, Mr Beljadem.

In any event, in these two countries where democracy is more established and citizens' participation better represented, the moderate Islamist forces are emerging with greater force. There is no doubt that popular support for this political alternative is a vote of protest against the traditional, Western-style parties who lack grass-roots support and have proved incapable of satisfying citizens' real concerns.

The West needs to accept this reality and engage in a constructive dialogue with these parties, which are set to play a political role, if not one of power, in the region.

### **Illegal immigration**

The problem is two-sided. North Africa has gone from being a region that mainly exported labour to one that is also the destination of migratory flows from sub-Saharan Africa. The worst consequences of the migratory phenomenon in North Africa stem from these flows.

Migratory pressure in countries like Libya has reached dimensions that are liable to trigger a national crisis. Illegal sub-Saharan immigrants are reckoned to number two million in a population of less than five million inhabitants. Also in Morocco and, to an extent, in Algeria, illegal immigrants of sub-Saharan origin are the cause of the main problems of overpopulation in the suburbs of the big cities.

Although these immigrants reach North Africa with the ultimate aim of heading for Europe, the increasingly tight surveillance of the Strait of Gibraltar and Italian coastline is making it difficult for them to continue northwards. They are therefore tending to remain in the countries of transit where living conditions are much better than in their countries of origin.

### **THE WESTERN SAHARA CONFLICT**

No substantial headway was made in 2004 towards a political solution to this question. The most salient event of the year was the resignation of the United Nations secretary general's special envoy and former US sec-

retary of state, James Baker. By stepping down, James Baker expressed his tiredness and disappointment at the parties' lack of political will in negotiating the so-called Baker Plan that envisaged a political solution halfway between integration and independence.

Following Baker's resignation, the parties to the conflict, Morocco and the Polisario Front, and Algeria, which holds a particular interest, returned to their maximalist positions and deployed fresh diplomatic offensives that even shattered the traditional consensus that had been respected for almost 15 years on the adoption of UN General Assembly Resolutions on this question.

In addition, for different reasons, the main players in the conflict, France and the USA, showed diminished interest and diplomatic activity following Baker's resignation. France continued to support Morocco's stance, and the USA put the matter on hold until the new Administration was formed. Only the Spanish government was keen to keep alive the idea of negotiation as the basis of a political solution.

There is nothing to suggest that we will witness a change of attitude in 2005. Morocco continues to blame Algeria for the lack of political will and to continue to support Polisario in what it officially terms an «artificial conflict» that violates what it regards as its territorial integrity. For its part, Algeria continues to deny it has any responsibility in the dispute, even though a good many of its diplomatic efforts are pinned on this. Polisario considers it has made more than enough concessions by accepting the principles of the Baker Plan and fears that any new move will go against it.

The most damaging consequence of this standstill is Algeria's and Rabat's use of the conflict as a political pretext for failing to progress in settling the differences over which the two countries continue to clash and which continue to prevent regional integration. For the time being, neither of the two countries seems willing to isolate the Sahara conflict from the rest of their differences in an effort to overcome their bilateral quarrels.

## **Regional integration**

Despite a number of technical meetings and well-meaning declarations on the part of the various states, the development of the Arab Maghreb Union (UMA) continues to be a political illusion. Lack of faith in a subre-

gional union is not as serious as failure to perceive the benefits that economic integration would bring.

The causes must be sought in fear of change, the traditional economic actors' fear of a loss of privileges and the mistaken belief of each of these countries that privileged bilateral relations with the European Union or United States are sufficient assurance of economic development. Once again, the cost of a non-Maghreb is only perceived by certain sectors of the still sparse class of Maghreban entrepreneurs and by the main European partners, and the region's governments, with the exception of Tunisia and, to a lesser degree, Morocco, have no political awareness.

This question is not unimportant and is possibly one of the key issues which, unless solved, are likely to prevent the coherent adoption of effective responses to the aforementioned challenges.

## **CONCLUSIONS: FUTURE OUTLOOK**

At the start of 2005 there is nothing to suggest that solutions are going to be found in the short term to the main challenges the Maghreb faces. From the political viewpoint, we will witness a strengthening of the most change-resistant tendencies, which are tempted to use coercive instruments to address everything that endangers political stability, from terrorism, and religious fundamentalism to the phenomenon of uncontrolled immigration. The struggle for stability will involve the difficult task of striking a balance between progress in democratic reforms and respect for human rights.

At the same time, the Maghreb governments will look outwards, specifically to the EU and the USA, for solutions to many of their problems. On the one hand, the trend will continue to be witnessed to replace domestic legitimacy, which is becoming increasingly weakened by lack of credibility vis-à-vis citizens, with an external legitimacy provided by the support of the major Western powers willing to support moderate Arab regimes in North Africa that oppose fanaticism and are determined to fight terrorism.

The role of the USA and Europe will continue to be essential in supporting regional stability. Once again we find that North African strategies differ from one side of the Atlantic to the other. The USA will continue to back Morocco politically and reward its democratic efforts. However, Washington's interest in Algeria and Libya will grow significantly. In the first

case, owing to the bigger role as a regional leader that President Bouteflika is seeking and achieving, both in Africa and in the Mediterranean. In the case of Libya, because the USA can use it as an example of how the right combination of diplomacy and military pressure can transform politically a regime that supported terrorism and developed weapons of mass destruction into one that has renounced its past and decided to become a normal member of the international community.

Something Washington may leave off its political agenda is support for regional integration. In the view of the EU, and particularly that of Spain, only a more united Maghreb can guarantee a more stable Maghreb. Successful measures directed at the major challenges threatening North Africa and the region to which Spain belongs are unconceivable without the proper inter-Maghreb coordination. North-South aid flows will continue to be essential, but it is still necessary to encourage South-South investments, satisfactory economic exchanges and single markets that enable productive investment to flourish.

The response to the challenges faced by the Maghreb cannot come only from the countries in the region. Cooperation will continue to be the key to addressing these challenges. These countries' appeals to the European partners must be answered, but it is also necessary for the Maghreb countries to overcome their deep-seated belief that the solutions to their problems must come from the North. It is necessary to foster the idea of a common perception of the challenges and joint responsibility in tackling them.

Terrorism, the rise of fundamentalist movements, immigration and economic and social differences are challenges that affect the Maghreb and its closest European neighbours. Only appropriate cooperation will be able to provide effective responses.

## **CHAPTER SEVEN**

### **IRAQ**

## IRAQ

By José Luis Calvo Albero

The Iraq conflict continued to be one of the central events in international politics in 2004. The pace of developments was uneven, with some encouraging moments and others that were decidedly negative. The general impression is pessimistic, though there are a few signs of a certain political stabilisation, which are unfortunately still very weak.

The differences that emerged within the international community during the lead-up to the conflict have eased slightly, but largely remain. The Bush Administration has often found itself in difficulties over the events in Iraq, although in the end these did not have the expected negative effect on the presidential elections. The situation on the ground has worsened in some areas, particularly those with a large Sunni population, but it has improved in others, especially the Shia south and northern areas under Kurdish control. The transfer of authority in June brought into the picture an interim Iraqi government whose provisional legitimacy has generally been internationally recognised and which has taken the reins with a firmer and more efficient hand than initially expected. Finally, the legislative elections of 30 January 2005 took place in a climate of extreme violence and extremely tight security measures, but the mere fact they were held is a sign that much of Iraqi society wishes for normalisation.

At the time of writing this article the conflict is at a very important, if not decisive, stage, following the holding of the legislative elections. Violence is spreading throughout the whole of the central and northern part of the country and states with forces deployed on the ground are beginning to show signs of growing weariness. The foreseeable victory of the Shia parties and the reaction of the rest of the ethnic and religious groups will mark the start of a new, perhaps definitive, stage in the conflict.

But the aim of this chapter is to address the Iraqi problem from the point of view of military strategy, analysing in particular the strategic and operational approaches of the Coalition forces and the success or failure of their operations vis-à-vis an insurgency that has not ceased to grow stronger and has proved to be mercilessly efficient.

## **THE STRATEGIC PROBLEMS IN THE PRE-CONFLICT STAGE**

As soon as the possibility of attacking Iraq was discussed, controversies arose in the Pentagon over how to address the problem. It became evident during the months preceding the conflict that it was very unlikely to progress according to the classical tenets of the *Powell Doctrine*, the theoretic reference for American politicians and military for the use of armed forces abroad. But this was not viewed with particular concern by many of the senior Pentagon officials, especially the defence secretary Donald Rumsfeld, who regarded the *Powell Doctrine* as excessively cautious and restrictive and liable to take up huge resources.

The truth is that most of the approaches to the conflict in the making could not be more opposite to the requirements of the *Powell Doctrine*. It had not been possible to establish a sound international military alliance to undertake the operation; Iraq's neighbours, except for Kuwait, were not willing to support the intervention, whose legitimacy was furthermore the subject of heated international controversies; nor was anybody, except the British and Australians, prepared to lend economic support this time, unlike in 1990 when Saudi Arabia, Japan and Germany provided backing. The only respite came from the American public, which, although divided, generally backed the operation, which was presented as the logical continuation of the war on terrorism.

But perhaps the most serious shortcoming related to the objectives of the campaign. The *Powell Doctrine* emphasised the need for clear, well-defined goals that were understandable to public opinion. The initial objective was very clear: to do away with Saddam Hussein's regime; but the subsequent objectives were vague, basically because the lack of international support and even the open hostility of some Arab states raised some worrying uncertainties about the post-Saddam situation.

This uncertainty led the planning of the campaign to be focused mainly on the first phase, that is, on defeating the regular Iraqi forces, and only very general guidelines were established for the subsequent phases. But

even in this first phase, the military campaign gave the planners a number of headaches. First, the Pentagon was unable to agree on the design of the force needed to undertake the operation. The defence secretary, Rumsfeld, was in favour of a small force that would make the most of its technological superiority, cohesion and aggressiveness to bring about a fast collapse of the Iraqi forces. Some more conservative military, such as General Eric Shinseki, the army chief of staff, voiced their concern that too small a force could find itself in trouble if the hostilities dragged on; in addition, in their opinion, the need to control a country like Iraq, with 25 million inhabitants and a considerable size, called for a larger force.

The debate on the design of the force became very heated on occasions. In the end, the commander in chief of the Central Command and person in charge of directing the campaign, General Tommy Franks, managed to reach a compromise solution consisting of a larger and heavier force than Rumsfeld had initially envisaged but smaller than the 300,000 ground soldiers that Shinseki considered essential.

Another worrying issue was the lack of operational bases adjacent to Iraq where forces could be stationed and from which to launch the operation. Iraq's only neighbour willing to accept the presence of American forces on its soil was Kuwait. Jordan would only allow a very limited deployment and Turkey was a major unknown factor. On this occasion the government of this traditional, loyal ally did not approve of an attack on a Muslim neighbour, which it feared could furthermore destabilise the sensitive Turkish-Iraqi border and play into the hands of Kurdish groups in Iraq.

The Pentagon had initially counted on Turkey's cooperation. In fact, the ground operation was based on the rapid advance of two mechanised divisions, one from Turkey and the other from Kuwait, which would converge on Baghdad. The Turkish parliament's decision to refuse the American forces right of passage, only days before the attack, was a serious setback to the military operation. Indeed, the possibility of only using Kuwait as a starting point made the operations more predictable and diminished the likelihood of a rapid collapse. Furthermore, the need to redirect to Kuwait the division that was supposed to be positioned in Turkey (the 4th Mechanized) prevented it from entering into action until weeks after the offensive was launched.

And so, despite the almost ruinous state of the Iraqi army, the operation did not look set to be easy. America was short of allies, it was short of operational bases, the long-term objectives were not very clear and there

was no agreement on the design of the force required. These initial strategic hitches were to exert a very negative influence on the subsequent development of the conflict.

### **THE CONVENTIONAL OPERATIONS (MARCH-APRIL 2003)**

The military operations finally began in March 2003. The 4<sup>th</sup> Division was still being redirected to Kuwait, but waiting for it to arrive would have meant a further month's delay. Now that access from the north had been ruled out, the only option was a rapid advance towards Baghdad from the south, supported by secondary action on the country's second most important city, Basra. A few small-scale operations in the west were also planned to eliminate the potential launching areas of Scud missiles directed at Israel. The operation had been designed in such a way that a mass attack with thousands of intelligent weapons launched from ships and aircraft would cripple Iraq's command system and even its political power structure, enabling the 3<sup>rd</sup> Mechanized Division to make an impressive advance to the outskirts of Baghdad. It was hoped that this overwhelming demonstration of military might would lead to the immediate collapse of the regime.

Actually, on the surface of it, things did not turn out very differently from expected, but the collapse of the regime was delayed. The distance from Kuwait to Baghdad was some 600 km, too far to be covered safely in only a few days. The attacks carried out by the irregular units formed by Saddam's regime as a last resort were uncoordinated and not very effective, but extremely alarming to the American commands with long and vulnerable communication lines.

Concern about the vulnerability of the rearguard led to a brief pause in the operations. It enabled the communication lines to be bolstered, though this required the use of the 101<sup>st</sup> Air Assault Division, and a Brigade belonging to the 82<sup>nd</sup> Airborne Division, the chief of the ground forces' only reserve. Meanwhile, the British contingent managed to encircle Basra fairly easily and the 1<sup>st</sup> Marine Expedition Force began to approach Baghdad via the east of the country.

With these measures the advance was resumed more safely, but the forces available for entering Baghdad were considerably reduced. It was then, when the marines and first units of the 3<sup>rd</sup> Division were entering the capital, that the expected collapse occurred. The regime folded under like

a castle of playing cards; the Republican Guard units broke up and, worst of all, the civil administration also appeared to completely collapse. The problem the American forces faced was that scarcely the equivalent of two brigades was in a position to control the city, with its four million inhabitants, and even these units needed to act with caution given the uncertain situation and remaining pockets of resistance. But there were no more forces available; the rest were scattered among the long advance routes, many dealing with resistance at the rear.

As a result chaos took hold of the capital. Sacking and disorder became widespread and the American forces were unable to do much to prevent it. It is not yet known to what extent the disorder was instigated by Saddam's own regime as a means of concealing his flight, discrediting the occupation forces and creating an environment conducive to the organisation of a rebel movement. This is a likely hypothesis which, if certain, was greatly helped by the scarcity of Coalition forces available.

But the shortage of forces had even more serious consequences north and east of Baghdad. This was the area where the regime enjoyed the greatest support among the Sunni Arab population, which has traditionally monopolised political power in Iraq. The irregular forces were particularly strong and motivated in that region as it was; however, as the 4<sup>th</sup> Division was unable to enter Iraq from Turkey, they practically remained intact, further reinforced by the remnants of the Republican Guard, the special forces and the regime's intelligence services, whose members mainly belonged to the local tribes.

Had the 4<sup>th</sup> Division crossed these areas when advancing towards Baghdad, the irregular forces would undoubtedly have caused it serious problems. However, nor is there any doubt that these forces would have been devastated by American firepower and largely disbanded, making the subsequent organisation of the insurgency much more difficult. But the fact is that by the time the first Coalition forces reached the area, Baghdad had fallen and the regime's followers were aware that open confrontation would be suicidal, and that resistance would have to be organised underground.

The American forces did not completely abandon the northern front and sent part of a parachutist brigade to the area controlled by the Kurdish guerrillas and attacked the home territory of the *Ansar al Islam* organisation that is related to *Al Qaeda*. But both the American parachutists and the Kurdish *peshmergas* were too weak to do anything more than control

the oilfields around Mosul and encircle both this major city and Kirkuk, which finally negotiated their surrender.

The six weeks of conventional operations satisfied almost all those involved. President Bush had achieved his goals in a record time and with very few American, civil and even enemy casualties; defence secretary Rumsfeld found cause to reinforce his idea of fast and aggressive operations conducted by a small number of technologically superior forces; and meanwhile the more conventional military gazed proudly at the classic images of armoured columns advancing, flanked by fighter-bombers and assault helicopters.

On 1 May the president triumphantly announced the end of the main operations. However, the pre-conflict strategic problems and the manner in which they had influenced the conventional operations were already triggering many problems on the ground.

### **THE ATTEMPTS AT STABILISATION AND THE CONSOLIDATION OF THE REBEL FORCES (MAY 2003- MARCH 2004)**

The fall of Baghdad was followed by the widespread collapse of the resistance across the country. However, the small-scale hostile actions directed at the Coalition forces never ceased. They were generally carried out by remnants of the regime's militiamen and by some foreign combatants, mostly Jihaddists who had come to fight the USA.

But more serious than these sporadic attacks was the sabotaging of infrastructures, which evidenced a more elaborate and methodical plan. Indeed, before disintegrating, the regime cut off the electricity supplies to the country's main cities, though what with the American air strikes, the looters and the saboteurs, it was hard to say who was responsible for what. For much of the population it was easier to blame the occupying forces, both for the destruction of infrastructure and for the delay in repairs. The sabotaging was not limited to public utilities. Many plant facilities and company premises were also destroyed, depriving a good number of Iraqis of their means of support. Many of the technicians who attempted to collaborate with the Coalition forces in restoring some services were murdered.

The American forces showed little foresight vis-à-vis this planned sabotage campaign. The transition from conventional operations stage to sta-

bilisation was not smooth. Most of the military units continued to display a totally bellicose attitude following the obvious collapse of the regime.

The fact is that military control was slow and weak, the population was angered by the lack of basic services and by certain attitudes of the Coalition forces, and the plans for a transition to a stabilisation operation, like the resources allocated to reconstruction, proved to be clearly insufficient. However, during this period between late April and mid-June, the Coalition forces, particularly the Americans, had an extraordinary opportunity to reasonably stabilise the country and nip insurgency in the bud. The elements that later made up the rebel groups were still weak, their coordination rudimentary and they were partly disconcerted by the toppling of the regime. The majority of the population was willing to accept the Coalition as liberators, provided they brought with them the tranquillity and prosperity the Iraqis had not enjoyed for decades. But the extraordinary effort made during the military campaign was not continued during the first months of the post-war period.

The reasons for this were diverse. From the military point of view, the available forces continued to be scanty, despite the incorporation of the 4<sup>th</sup> Division in mid-April. Many cities and most of the rural areas scarcely felt the sporadic presence of the Coalition troops. Some suicide attacks directed against the American troops had a powerful influence on the conduct of the soldiers, who were suspicious of anyone who approached them and sometimes too quick to use their weapons. American military culture itself, which fosters a view of war that is excessively oriented to open confrontation, was damaging to the image the soldiers conveyed to the civilian population.

In the south the British forces, who were more accustomed to struggling for the control of foreign societies and cultures, were more successful. This was also partly due to the fact that the situation was more favourable, with a majority Shia population who, despite showing little enthusiasm towards the new arrivals, did generally not oppose them violently. Even so, the British suffered a few attacks by Iraqis who were irritated by the presence of foreign troops and by what they considered to be affronts to their social and religious customs.

But, although the conduct of the military forces on the ground was far from brilliant, the most negative events continued to be political and strategic in nature. The military victory and collapse of the regime called for the creation of a provisional authority capable of running the country

until power was transferred to a new Iraqi government. This government needed to be created practically out of thin air, as the USA was not capable of promoting an Iraqi government in exile with certain legitimacy, which was a major lack of diplomatic foresight.

The plan was to establish a provisional Coalition authority commanded by the retired general, Jay Garner, a man linked to defence secretary Rumsfeld. Garner soon realised that the situation was fairly chaotic, the state of Iraq's infrastructures and state administration much worse than expected and the resources to address this situation scanty. As if that were not enough, his suitability was soon questioned, as the appointment of a former general met with international disapproval, and he was furthermore accused of inaction. Garner's coup de grace finally came with the internal struggles between the secretary of state and defence secretary, which resulted in a new head of the Coalition Provisional Authority (CPA), the diplomat Paul Bremer.

In theory, Bremer was close to the State Department and to Colin Powell, but he actually reported directly to Rumsfeld. The appointment of two heads of the CPA in a month, during what was a particularly critical period of the conflict, once again pointed to lack of foresight and added confusion to the military actions on the ground.

Although the hasty removal from office of the first administrator of the CPA was in itself negative, the subsequent development of the conflict was most influenced by Bremer's first decisions. Continuing to regard the Baathist regime as an enemy to be beaten, he decided to completely ban members of the Baath party from government jobs and dissolve the armed forces.

His decision was far too radical. Many grass-roots members of the *Baath* who were familiar with the state structures and willing to collaborate with the CPA were removed from their posts, causing the administration to collapse even further. The dissolution of the armed forces deprived the American forces of the use of one of the most effective instruments for controlling the country. Many officers and soldiers who ended up at home without wages decided to join the resistance movement, whereas others staged huge public demonstrations and some headed straight for crime.

While inside the country the Americans were depriving themselves of elements that could have enabled them to make up for the shortage of military forces, the situation was not much better outside the country. The

USA attempted to add to the Coalition, encouraging states that had supported the military operation in some way to send forces to the country. On this occasion it had the backing of UN Security Council Resolution 1483, which called for collaboration with the occupying powers in stabilising the country. Although the results were seemingly significant (over 30 states responded by sending military contingents), the allied military presence was very relative in practice.

Most of the military contingents were very small, some merely symbolic; they were equipped and mentally prepared for a peace support operation but not for combating an increasingly aggressive insurgency movement. In many of the countries which sent forces, a significant portion of public opinion was against this involvement, and this restricted enormously the use of units on the ground. In addition, the countries which were culturally close to Iraq and could have sent large, reasonably well trained contingents that could have afforded to incur a considerable number of casualties failed to cooperate. Some, such as Egypt or Pakistan, because they did not wish to participate in an operation that was widely criticised in the Muslim world and others, like Turkey, because their intervention would have heightened inter-ethnic tensions in Iraq.

Even so two multinational divisions were formed and entrusted with the majority Shia and initially more stable central-southern region of the country. The Multinational Division South-East was organised under British command, and that of the Centre-South was headed by Poland.

Spain also cooperated, initially by sending a joint force to the port of Um Qasar in the south to perform humanitarian tasks. This force, some 900-strong, based on the Navy *Galicia* ship, carried out infrastructure rebuilding work, de-mining, humanitarian assistance and ensuring supplies to the population of the area between 9 April and 21 June 2003. It was subsequently decided to send a Spanish contingent of some 1,300 to the Centre-South Multinational Division. Together with other contingents from El Salvador, Honduras, the Dominican Republic and Nicaragua, they in turn made up a Multinational Brigade, the *Plus Ultra*. This brigade deployed in the provinces of An Nayaf and Al Qadisiya, establishing its headquarters in the capital of the latter, Diwaniya. It remained in the area until May 2004, the date the contingents were withdrawn expect for that of El Salvador.

Meanwhile, the insurgency movement gained strength slowly but inexorably. Systematic sabotages of oil refineries began in June and attacks

on the Coalition were stepped up, numbering more than 20 per day on average. That month 16 American soldiers were killed by the rebels and the figure rose to 27 in July. In August, the major suicide bombings of the Jordanian embassy and, above all, of the United Nations headquarters in Baghdad, which resulted in a death toll of 24, including the special envoy Sergio Vieira de Melho and the Spanish navy captain Manuel Martín Oar, evidenced the insurgents' new targets and revived the spectre of the international *Jihaddists* and *Al Qaeda*, which began to hover over Iraqi soil.

The American army attempted to react to the growing activity of the rebel groups using a classical counterinsurgency strategy, but soon realised it lacked elements to be able to implement it effectively. The most important shortage was intelligence, particularly from human sources. The units deployed in Iraq found it impossible to unravel the ins and outs of Iraqi society, owing partly to the logical linguistic and cultural differences and partly because they lacked reliable local collaborators.

Before the war, thousands of Iraqi exiles were trained to act as army interpreters and advisers, but most had been living outside Iraq for a long time and had lost contact with everyday reality. Nor did the Americans devote much effort to developing intelligence teams capable of blending in with the civilian population. With their information gathering system in this precarious state, they had to confront an insurgency movement that was mainly made up of former members of the secret services and Saddam's special forces. The insurgents evidently did not have much difficulty temporarily «blinding» American intelligence by neutralising exiles, doing away with those willing to collaborate and generally instilling fear in the population to prevent them supplying information to the Coalition.

Another serious shortcoming was the volume of available forces. This proved to be a particular problem when attempting to seal Iraq's huge borders to prevent the arrival of foreign combatants, weapons and currencies for the insurgents. The belief that this could be carried out with a combination of helicopters, unmanned aerial vehicles (UAVs) and surveillance satellites soon turned out to be excessively optimistic. The borders were highly permeable with much movement. Smuggling routes, which abounded in an Iraq subjected to an embargo for years, facilitated movement. The mass pilgrimages from Iran to the Shia holy places camouflaged people and goods of any kind. The physical occupation of the border passes would have required tens of thousands of troops. And the Iraqi army, the only force capable of providing them, had been dissolved.

As a result, American military action between May and October 2003 was not very effective. America lost the initiative, as it generally concentrated on responding to the rebels' attacks. And on many occasions the troops lashed out blindly, searching and arresting many Iraqis who were totally unrelated to the insurgents—which at times encouraged them to collaborate with the rebels. As if this were not enough, the searches were sometimes fairly violent and were frequently filmed and broadcast by the American army, though it is difficult to understand for what purpose. Images of terrified women and children on their knees in the middle of the night while soldiers searched their homes aroused the indignation of much of the Arab world and failed to achieve any positive results.

But not all aspects of the post-war period were negative. The former leaders of the Baath party, some linked to the insurgency, were mostly captured by the Coalition. The death of Saddam's sons, Udai and Qusai, in July brought home to many Iraqis the fact that the regime had indeed been toppled. The insurgency continued to grow stronger, but its chief activities were limited to the central-northern region of the country, the famous Sunni triangle delimited by Baghdad to the east, Ramadi to the west and Tikrit to the north. The Shia majority was not particularly friendly but remained relatively calm, aware that the new situation was potentially much more favourable than Saddam's regime. Part of the police were reinstated to their posts and trained by the Coalition forces. This helped stem the looting and restore a certain appearance of normality to the main cities.

On the political front, an embryonic governing body, the so-called Iraqi Governing Council, had been established in July. It was made up of 25 representatives in keeping with the ethnic and religious composition of the Iraqi population, all opponents of the previous regime. Its attributions were scarce, and its prestige greatly questioned by the Iraqis, who were unfamiliar with its members, whom they branded as puppets in the occupiers' hands. The conduct of some of them was not particularly exemplary and the work to prepare for the political transition progressed very slowly owing to the disparate interests of the representatives.

The situation took a considerable turn for the worse in October. The advent of Ramadan coincided with an increase in attacks all over the country. The attacks, consisting of ambushes and the shooting down of helicopters, claimed the lives of over 100 soldiers in November alone. Among the death toll were seven Spanish agents from the National Intelli-

gence Centre, who were killed in an ambush near Latifiya (another agent from the centre had been murdered in Baghdad in October). Paul Bremer was summoned to Washington and returned with instructions to transfer authority to an Iraqi government by the following 30 June.

For some observers this was a very clear sign that things were going wrong in Iraq. Furthermore, the transfer of authority was viewed as very hurried, even though it was inevitable given the criticism being levelled at the CPA both inside Iraq and internationally. The prospect of a prompt transfer of authority gave impetus to the efforts to make Iraq capable of governing itself, but this was no easy task. The international donors' conference in October managed to raise a mere \$33 billion to reconstruct the country, a portion of what was needed. Nearly two-thirds of these funds were contributed by America. The initial hopes that the reconstruction of Iraq could be self-financed from the dividends of crude oil exports proved to be far-fetched. The oilfields were in a worse state than expected and the continual sabotaging of the pipelines caused the supply to be frequently interrupted. Production did not reach pre-war levels until halfway through 2004 and even then only for short periods.

Saddam Hussein's capture in December instilled hope into the Coalition. However, the isolation and squalid conditions in which the former dictator was found showed that the insurgency movement was breaking further and further away from its Baathist origins and acquiring a personality of its own that was predominately shaped by nationalism, the interests of the Sunni tribes and Islamic fundamentalism imported by foreign combatants. Saddam's capture did not alter the pattern of daily attacks directed against the Coalition forces and their supporters inside the country.

2004 began with contradictory sensations in Iraq. On the positive side, although the economic situation and state of the infrastructures was still not very encouraging, the prospects of a spectacular improvement as a result of foreign investments sparked certain hopes among the population. Furthermore, the political process was still underway, albeit with difficulties. The Governing Council established as the embryo of the future Iraqi administration devoted most of its time to internal disputes, but at least it was a more or less representative national body. The police and the first National Guard units were making their presence increasingly felt, sometimes replacing the Coalition forces, and the capture of Saddam Hussein practically banished for good the spectre of the return of the Baathist regime.

On the downside, the insurgency was proving its strength every day, already partially controlled some rural and urban areas of the Sunni triangle and was increasingly hindering the reconstruction process. The Coalition forces still lacked suitable intelligence and the prospect of a very violent year was forcing the American armed forces to sap their resources in order to relieve the units stationed in Iraq without overly reducing the force level.

The new year also marked a change in the action of the insurgents. They shifted their priority target from the Coalition forces to the new Iraqi administration and the police and military forces in the process of being established. Indeed, most of the attacks perpetrated during January and February were directed at the latter. They also stepped up large-scale attacks aimed at increasing the tension between the different ethnic and religious communities. Both Kurds and Shia were targets of devastating attacks that suggested that some rebel elements were now pursuing a civil-war strategy.

## **FALLUJA AND THE APRIL 2004 CRISIS**

The relieving of the American forces was completed between February and March 2004, bringing their number down to about 110,000. However, the effort to maintain a force of this size in a theatre like Iraq was beginning to take its toll. Many of the newly arrived units included a large percentage of reservists and members of the National Guard, whose level of training was lower than that of the soldiers and marines in active service.

At the end of March four American employees from the US security firm *Blackwater* attempted to cross the city of Falluja to the west of Baghdad. They were all killed in an ambush and their bodies were dragged away and some strung up on one of the bridges leading into the city. This incident was not unusual in Falluja, which was a particularly problematic city even under the Baathist regime and had opposed the presence of foreign forces with particular violence. In May 2003 a demonstration in support of Saddam Hussein mixed with shots fired by snipers had led to an American response that ended in the death of 18 civilians. Since then the city had been one of the most dangerous places in Iraq and some of its districts were under the de facto control of insurgent militiamen. Nor was this an isolated phenomenon: in other cities like Ramadi, Baquba and Samarra, and even in Baghdad itself, large urban areas were under rebel control.

The lynching of American civilians triggered an immediate response: two battalions of marines surrounded the city and began to attack several points on the outskirts. But they were too few in number even to isolate the urban centre. A battalion of the new Iraqi National Guard that was deployed to support them refused to fight and practically broke up owing to desertions. The American attack on Falluja sparked a retaliation of the insurgency all over Iraq, especially in the province of Al Anbar, to the west of Baghdad.

But the worst situation was in the central southern area of the country. There, in Najaf, Kufa and Kerbala, holy Shia cities, a movement led by the young cleric Moqtada Sadr was growing strong. Sadr's credentials were not very impressive in the Shia world except on one account: his father had been a respected member of the Hawza (Shia council) whom Saddam Hussein had murdered years earlier. The fact is that Moqtada had always harboured aspirations of power and influence that seemed difficult to fulfil given his youth and lack of experience compared to the grand *ayatollahs* of the Hawza, particularly the venerable Ali Sistani.

But Sadr had succeeded in drawing followers from the most impoverished sectors of the main Shia cities using a very radical discourse that was directly opposed to the presence of foreign forces. His radicalism contrasted with the moderate position of the *ayatollahs*, who were aware that the demographic advantage enjoyed by the Shia (between 50 and 60 percent of the population) would weigh in their favour in any democratic process promoted by the occupiers.

Sadr's organisation had been a focus of attention of the American authorities for some time as its militias had attacked the Coalition forces. However, the arrest of Yakubi, one of Sadr's aides in early April, triggered a genuine revolt. American intelligence failed to appreciate the consequences of this arrest, which placed several thousand combatants on the alert and the Coalition forces garrisoning the centre and south of the country in a serious predicament. In the capital, the inhabitants of the district of Al Sadr, a Shia slum district named after Moqtada's father, also rose up against the American forces.

With the country plunged into chaos by the Sunni offensive and the Shia rebellion, the Americans totally lost the initiative and were temporarily forced into a defensive situation. The siege of Falluja had to be called off after an odd compromise solution was reached whereby the city's security was to be placed in the hands of the so-called «Falluja brigade»

consisting mainly of former member of Saddam's army. To make matters worse, at the end of the month the media began to release photographs taken at Abu Ghraib, the country's main prison, showing Iraqi inmates being obviously abused and humiliated by American military personnel. This gave rise to significant international malaise and further riled the public opinion of the Muslim world.

April was a particularly bad month for stabilisation efforts, so much so that some reckoned the conflict to be lost. American casualties that month outnumbered those incurred during the whole of the conventional phase the previous year, the Sunni insurgents gained control of some cities, Sadr's uprising threatened to inflame the previously peaceful Shia population and the prestige of the American armed forces was at its lowest in decades. In addition, reconstruction was dealt a devastating blow when the insurgents began to kidnap and brutally murder foreigners working in Iraq, while the newly formed police forces proved that their reliability was very relative. All in all, this was a grim period that was topped off by the murder of Ezzedine Salim, chairman of the Iraqi Governing Council, in May.

The April crisis largely stemmed from previous shortfalls and errors. There were never sufficient Coalition forces in Iraq to control the country. This enabled the insurgency to gain sufficient strength to occupy areas of the territory and defy American firepower. Opposition to the military intervention in the Arab and Muslim world materialised into support for the Iraqi insurgency ranging from volunteers to financial assistance that had no difficulties crossing the country's permeable frontiers. The lack of proportion between the resources employed in the war and those earmarked to reconstruction dashed the Iraqis' hopes of a better future, kept them in what some regarded as a worse situation than under Saddam's regime and drove many to join the insurgency.

But perhaps the hardest lesson to be learned by American politicians and military was that the management of the conflict had been very deficient on all sides. The armed forces allowed the insurgency to grow into a major problem, seemingly incapable of making any effort at understanding the culture in order to ascertain who their enemies really were. The politicians of the CPA failed to handle reconstruction swiftly and efficiently and showed even less diplomatic skill when they were unable to prevent Sunni and Shia ending up fighting against the Coalition. But it was perhaps the American government that needed to examine its handling of the conflict more closely, as

it was ultimately responsible for the decisions on the deployed troops, funds earmarked to reconstruction and diplomatic moves to win support for its presence in Iraq—the main points on which it had failed.

However, although the situation was grim, the April crisis also left some room for hope. Despite the severe effects, the Iraqi institutions did not collapse; most Shia did not back Sadr's appeal for a rebellion; and the sheer brutality of many of the actions of the insurgency led to rifts, particularly between local groups and foreign Jihaddists. But the USA realised that stability was far from being achieved and therefore decided to increase its contingent stationed in the country to 138,000, assuming a human and economic burden that it had not initially bargained for.

### **THE TRANSFER OF AUTHORITY. THE LOCAL FORCES (JUNE-OCTOBER 2004)**

The transfer of authority finally took place in June without the expected rebel offensive. An assembly of notables had elected Iyad Alawi as prime minister of the new Provisional Government. Alawi was a very moderate Shia, who also had links to some of the former *Baathists* who opposed Saddam Hussein. It was attempted to maintain the balance between religions and ethnic groups in the distribution of political posts. A president, Al Yawar, was elected representative head of state. Al Yawar was a Sunni who hailed from the tribal groups and theoretically was not far removed from some sectors of the insurgency. Two vice-presidents were placed under his authority, one Kurdish and one Shia.

The new Interim Government marked an important political advance since, after the CPA disappeared, it theoretically became the highest authority in the country, the first since Saddam Hussein was overthrown. The international recognition, UN Security Council Resolution 1546 and the prospect of legislative elections in 2005 that would consolidate the democratic process afforded it reasonably legitimacy. However, this was still questioned in many sectors of the country. Many Shia leaders and, of course, the Sunni insurgents continued to accuse the new executive of being a puppet whose strings were pulled by Washington, who wielded the real power through its military presence and its powerful embassy in Baghdad, now headed by John Negroponte.

Allawi's government proved reasonably efficient and his prime minister more energetic than expected. His attitude towards the insurgency

was a combination of firmness—he did not hesitate to use American military power—and attempts at a political rapprochement with the more moderate insurgent groups. Nonetheless, the new executive had little room for manoeuvre. On the one hand, it found itself greatly constrained by the prerogatives of the diplomats and American military commands. On the other, its grip on the country was very weak; many Sunni cities were totally or partially occupied by the insurgents; in the Shia south the religious leaders continued to command much greater authority than the Baghdad government; and in the north the Kurds maintained practically autonomous government institutions. As if that were not enough, attacks on senior government officials were carried out daily and it was unusual for a week to go by without one being killed, wounded or kidnapped by the insurgents.

The government and Coalition forces (now called Multinational Force or MNF) soon faced new security threats. After a few months of relative calm, Sadr's insurrection was revived in the centre and south of the country in August. In May, having come to terms with the loss of Falluja, the American military command was able to concentrate its efforts on crushing the revolt of the Shia cleric's supporters. Unlike the Sunni insurgents, Sadr's men had very little military training, acted in a disordered manner and commanded little support from the population. It was not difficult for the American forces to progressively isolate them and inflict heavy casualties using snipers and precision air strikes.

Early in June Sadr had promised to cease hostilities if his freedom was respected in return. Despite this agreement, hostilities had occurred sporadically, particularly in the conflictive Sadr City district of Baghdad. In August, in what was probably an attempt by their leader to undermine the legitimacy of the new government, the rebellion erupted again. But by that time the Americans' patience had run out. They launched into an attack both in the Sadr district and in the city of Najaf, the core of the rebellion. They managed to corner Moqtada's followers, laying siege to them in the Ali mosque, the Shia holy place. The Iraqi government was unwavering and authorised the assault on the mosque, provided that only Iraqi troops were used.

Just when a tragic outcome seemed inevitable, the Grand Ayatollah Sistani appeared on the scene, returning from an operation in London. His call for mass mobilisation was answered by tens of thousands of faithful in Najaf. On the one hand, this avoided an assault of unpredictable conse-

quences and saved Sadr and, on the other, put an effective end to the revolt and made it clear who wielded real power in Shia Iraq. Thenceforward the different flashpoints of the rebellion gradually died down, generally by means of agreements to surrender weapons and demobilise.

Now that the problem of Sadr appeared to be solved, the military challenge still remained of Falluja and the rest of the cities that had fallen totally or partially into the hands of the Sunni rebels. Among the latter were Samarra, Baquba and Balad to the north of Baghdad and Ramadi to the west. In September their control partly extended to Tel Afar, a hub of communications east of Mosul, and Mahmudiyah, a city south of the capital where several major communication routes cross.

Although this may be a chance phenomenon stemming from the presence in varying degrees of Sunni tribes hostile to the Coalition and government, the fact is that the location of these cities under the control of the insurgency immediately suggests a strategy to isolate the capital and cut off the American forces' main logistic routes. From Ramadi and Falluja it is possible to sever links with Jordan; and from Samarra, Balad and Baquba it is possible to cut off links with Turkey, and even to prevent them being diverted westwards by controlling Tel Afar. Both routes had been activated by the American military command to decongest communications from Kuwait. With Mahmudiyah-Latifiya under their control in the south, the rebels can also cause problems in the latter. Indeed, the only highway that is currently more or less free of insurgents is the Kuwait-Basra-Kut route to Baghdad than runs close to the Iranian border.

If there really is a strategy of encirclement and cutting off routes, it would be an indication of something as worrying as the existence of some type of unified command of the insurgency, capable of planning complex operations with a strategic objective. This would be very bad news for the Coalition forces, who have always assumed they were up against local groups. In any event, the American military command could not tolerate such a situation, with several cities in rebel hands and their logistic routes under threat. The prospect of legislative elections being held across the country in January 2005 furthermore heightened the need to extend Baghdad's authority throughout the whole of Iraq. However, the closeness of the American presidential elections of 2 November meant that any large-scale operations had to be postponed until after that date.

Despite these restrictions, at the beginning of October an operation was launched to recover Samarra, which had fallen into the hands of the

insurgents shortly after the transfer of authority. The operation was a success and control was regained of the population centre. Meanwhile, forces began to be built up around Falluja, which had been the target of systematic air strikes since the summer.

It was intended that the Iraqi forces should play a prominent role both at Samarra and at Falluja. Since their disappointing performance in the April crisis, the Iraqi police and military forces had improved significantly both in number and in equipment and training. In October 2004 they were structured into four different corps: the police, with some 70,000 men, who reported to provincial mayors and governors; the National Guard, with about 25,000 men, militarily equipped and directed by the interim government and regional governors; the Frontier Guard with approximately 5,000 men; and finally, the army, which was still at an embryonic stage though some brigade-type units were practically operational.

Despite the progress made, the problem of the infiltrators from the insurgency movement had yet to be solved. Both the military and police units frequently suffered devastating attacks that caused dozens of deaths every month, which, in addition to their members' reluctance to engage in battle with other Iraqis, led to a high rate of desertions. Indeed, in the Samarra operation half of a battalion of National Guard supporting the American forces deserted. Another worrying factor was that these forces included increasingly larger percentages of Kurds and Shia, yet were supposed to act in mainly Sunni areas; this considerably heightened ethnic tension and added to the by no means insignificant risk of a civil war.

However, the MNF commanders were aware that only by organising efficient and reliable local forces would it be possible to stem the insurgency in the long term. In autumn 2004 the Pentagon was forced to plan the sending of relief forces for 2005, meaning that some of the units that took part in the initial attack would have to return to Iraq. The protests of members of the armed forces at the extension of their periods of service began to be voiced more frequently and publicly, and many reservists and National Guard had nearly completed the maximum period of three years of effective service required of them by contract. All in all the American military commanders know they could not keep up the force level in Iraq for much longer and that only a progressive takeover of local forces could save the situation.

## **SIZING UP THE SITUATION BEFORE THE ELECTIONS (NOVEMBER-DECEMBER 2004)**

George Bush's victory in the presidential elections was the sign for launching the offensive on Falluja. The city had become the main symbol of Iraqi resistance and also provided the insurgents with an excellent base from which to organise their ranks, carry out training and equip themselves in a relatively secure manner. The Americans had furthermore identified Falluja to be the operational base of the Jordanian terrorist Abu Mussab al Zarqawi, who was regarded as the chief of *Al Qaeda* in Iraq. Actually it seems that the American military command partly exaggerated this interpretation and the significance of Al Zarqawi, even though Bin Laden himself has recognised that the Jordanian is his representative in Iraq. The scanty information gleaned from the insurgents suggests that Al Zarqawi is the chief of a modest group of foreign combatants and, although capable of carrying out sizeable attacks, is very much at odds with the local chiefs owing precisely to the indiscriminate nature of many of these actions, which generally claim more Iraqi than American lives. Furthermore, the percentage of foreigners among the insurgents who have been captured has always been very low, never more than two percent, and, although *Al Qaeda* is undoubtedly operating in Iraq, it seems out of character for the organisation to do so through only one chief.

For this occasion a much higher number of forces was mustered for the attack than in April: some 10,000 American marines and soldiers, supported by a further 2,000 Iraqi soldiers. The battle began on 8 November and was the hardest since the fall of Saddam. Most of the insurgents managed to abandon the city but an indeterminate number stayed to defend it and suffered serious casualties, some 1,600 dead according to American sources. The Coalition did not come off lightly either, as 80 marines and soldiers were killed and some 700 wounded between November and December.

The attack on Falluja again triggered a fresh counteroffensive from the insurgents throughout much of the country. But on this occasion their efforts were centred on Mosul, Iraq's third most important city. Most of the police stations were assaulted and sacked and dozens of police and National Guard murdered. The insurgents even managed to gain de facto control of the city centre for a few days. America was quick to react but the force availability at Mosul (scarcely one brigade) was much lower than in Falluja and obviously insufficient to take control of a city with nearly a

million inhabitants. The need for reinforcements made it necessary to use Kurdish combatants, which sparked a violent reaction from the Arab community. Dozens of Kurds, whether or not they were combatants, were executed in the districts controlled by the insurgents.

In addition to Mosul, the insurgency launched fresh attacks on Ramadi, Samarra, Baghdad, Baquba and the oil refineries at Bayji. American and British troops in turn launched an offensive in the Mahmudiya-Latifiya area south of Baghdad which, despite good initial results, did not manage to expel the rebels from the area. These actions indicated that the battle of Falluja was unlikely to prove decisive, at least in the short term. The insurgents again demonstrated their power and ability to strike at several points simultaneously, although they were significantly debilitated by the effort.

At the end of December the insurgency's strategy appeared to change somewhat, becoming focused on attempting to prevent the holding of the legislative elections. Attacks on American forces diminished, but those directed at Iraqi security forces, government officials, politicians and everything relating to the administration of the country increased spectacularly. During the week between 26 December and 2 January 2005 nearly 100 policemen and members of the National Guard were killed. The members of the latter have been incorporated into the army as from 5 January 2005 in an attempt to remedy the weakness of both organisations. The daily attacks continued in January, pushing the death toll into the hundreds, among them many government officials and politicians such as the governor of Baghdad and deputy police chief of the capital, and extended to people and infrastructure linked to the elections.

In view of the turmoil and the prospects of problems in organising voting in the Sunni areas, several parties, including that of the prime minister, requested that the elections be postponed. However, neither the Shia groups nor the American authorities were at all in favour of this. The date was set for 30 January, to which the main Sunni party, the Islamic Party of Iraq, responded by calling for a boycott.

Election day on 30 January went slightly better than expected. Around 50 people died in attacks perpetrated by the insurgents that day, but this did not prevent nearly eight million voters from turning out, according to government figures. Most were evidently Shia and Kurds living in areas that were less ravaged by violence. The abstention rate was very high in majority Sunni areas and in some, such as most of the province of Al Anbar, and the city of Samarra, voting was simply impossible.

At the time of writing this article a Shia victory seems inevitable—specifically that of the bloc of religious parties led by Sistani. But the elections have taken place in such exceptional circumstances that they can easily be contested and will no doubt be by the political groups who came off worse. The Sunni, there is no doubt about it, but perhaps also some minority Shia groups. A Shia victory raises many questions and a considerable amount of concern in the region: among the Americans, for whom Sistani, educated in Iran and a member of the hierarchy of ayatollahs that governs the neighbouring country, is still an unknown factor; for the Gulf monarchies, extreme Sunni, but with a significant Shia presence in their kingdoms; and for Iraq itself, where a Shia government may provoke an eruption of ethnic and religious rivalry. Whether the country embarks on the road to stabilisation or is plunged into a civil war will depend on the moderation shown by the Shia leaders and particularly Sistani, perhaps the true victor of post-war Iraq.

## CONCLUSIONS AND OUTLOOK

The Iraqi conflict has unfolded very differently to how both the Bush Administration and the military planners at the Pentagon expected. The hostilities have become entrenched, eating up huge human and economic resources, tarnishing the US's image of military supremacy and worsening the already tumultuous situation in the Middle East. From the point of view of the war on terrorism, the results have so far been negative; indeed, it has provided *Al Qaeda* and the *Jihaddist* groups with a much more promising environment than Afghanistan and has enabled them to recover partially their popular support and operational efficiency after the defeat suffered in Afghanistan.

Nonetheless, despite certain pessimistic views, the USA has not yet been defeated in this conflict. Indeed, it is still in a position to turn it around and obtain substantial strategic advantages. The relative success of the January elections marks a tentative step in this direction. The problem is that this possibility, which appeared practically inevitable following the fall of Saddam, is becoming a little more distant with every day that passes, while the costs are rising and the expectations of strategic benefits are also fading little by little.

The Iraq intervention was very risky from both a political and military standpoint. Therefore the conflict should have been prepared thoroughly,

tying up all loose ends in the diplomatic, military and public opinion spheres. This was not the case, owing probably to confidence in what is undoubtedly an overwhelming military supremacy but which proved insufficient when used without additional support. From this excessive confidence stem most of the strategic problems which, admittedly, did not prevent a spectacular victory over Saddam Hussein's regime but were too much of a burden on the management of a very complex post-war period with enemies much more dangerous than the agonising Iraqi army.

From the military viewpoint, the operations directed against the insurgency have been performed according to a classical pattern but are burdened by multiple structural problems. The first of these is that the armed forces that emerged from the first deep reform undertaken since the Vietnam war were not designed for this type of conflict. This seems rather paradoxical bearing in mind that Vietnam was similar to the current conflict in some aspects, but it was precisely because of this reason that the Pentagon senior officials designed a force that was intended not to win another Vietnam but to prevent a similar situation reoccurring.

The aim was to avoid becoming involved in a long drawn-out, irregular war at all costs. Therefore a professional, small, reasonably mobile force was designed with enormous combat power provided by its technological supremacy—a force designed to strike but not to remain on the ground for a long time. This worked fairly well in the conflicts of the 90s and, although this overwhelming force could not be used in Afghanistan, it was made up for by brilliant use of local forces. But in Iraq neither of the two models was used; the deployment of a force capable of effectively controlling the country was skimped on, even though there were hardly any local forces that could be used on the ground. Accordingly, during the months that followed the fall of Baghdad, which would have been crucial to consolidating the Coalition's presence, the shortage of troops had a lot to do with the worsening of a situation that has still not substantially improved.

From a strictly military point of view, the Iraq conflict has taught an important lesson to the American armed forces, particularly the army. The conflict was very costly in human and economic terms, forced the army to stretch its deployment capabilities to the utmost and slowed down the transformation process it was undergoing. It has also dampened expectations of the impact of technological supremacy against an asymmetrical adversary, and has revived other more traditional concepts such as the need for human intelligence sources, the importance of controlling the ter-

rain and the prominent role the heavy forces still play as opposed to the tendency towards lighter forces witnessed over the past decade.

But perhaps the greatest damage suffered by the American army was physiological. The image of invincibility its performance in recent conflicts has earned it has been shattered, or at least sullied. This can have important strategic consequences, since the global stability of the past decades has precisely been built on the assumption that the American armed forces were militarily unbeatable. The proof that they can be beaten will inevitably lead to an increase in instability, as it makes the idea of challenging the superpower militarily seem less preposterous if the conditions are suitable. Specifically in the Middle East, America's problems in Iraq have led Syrians and Iranians to breathe a sigh of relief, aware that the USA is unlikely to be able to afford another war in the region. Whether or not this relief will develop into a more aggressive position will depend on how events in Iraq progress.

There are likely to be gloomy clouds over Iraq's future for some years. Even if the MNF and Iraqi government were able to turn the situation around, the insurgency has grown too strong to be eliminated in the short term. The January legislative elections have been touted as a turning point that will mark the decline of the insurgency. But this view is probably overly optimistic. After the apparently inevitable Shia victory, the situation may indeed stabilise and many Sunni groups may decide to abandon the movement to join the political game, faced with the prospect of insignificance and disappearance under Shia supremacy. But it is also likely that Shia political institutions will require the withdrawal of the multinational forces in order to crack down immediately on the Sunni insurgency, leading to a civil war.

Despite this uncertain outlook, the main hope lies in the fact that most Iraqis, including the Sunni, seem to be tired of the current situation of violence, whatever its source, and would like things to return to normal as soon as possible. As has occurred in other recent conflicts, the excesses of the radical Islamists may end up turning against them.

In any event, a military victory that keeps the activities of the insurgency at a tolerable level could facilitate a peaceful transition by convincing many Sunni of the uselessness of resistance and the need to become integrated into political life. However, this seems fairly difficult in the current circumstances; it would be necessary to exert constant pressure on the insurgents, and this is not being done. And neither are the MNF troops

going to increase in number (the opposite is likely to happen after the elections), nor will the Iraqi security forces be sufficiently operational for many months, if they ever manage to be. Whatever the case, the only possibility of at least limiting the devastating effect of the insurgency is if the Iraqi forces manage to take over security in most areas, allowing the American forces to concentrate on more offensive actions. The recruitment, equipping and training of the Iraqi forces, in which NATO will also take part, is thus critical.

## **CHAPTER EIGHT**

### **ASIA**

## ASIA

By Fernando Delage Carretero

### INTRODUCTION

As in 2003, the North Korean nuclear crisis and the terrorist threat in the southeast part of the region were the two chief security concerns in Asia last year. The first was the subject of six-sided negotiations hosted by China, which continued with new rounds in February and June (the closeness of the presidential elections in the United States prevented a third meeting in September). Pyongyang has stated its willingness to carry on with the current diplomatic process, although its attitude over the coming months will depend on the approach that the second Bush Administration decides to adopt in January 2005. The threat of Islamist terrorism led to a reinforcement of the cooperation between the members of the Association of South East Asian Nations (ASEAN) in a year marked by election processes in the leading Muslim countries in the subregion—Indonesia and Malaysia—where popular support for the radical groups declined.

The two other main sources of conflict in the continent, Taiwan and Kashmir, witnessed opposite developments. The Taiwanese presidential and legislative elections (in March and December, respectively) worried China, though not to the point of the belligerence it showed in the 1996 and 2000 elections. As long as the island's leaders continue to seek the assertion of a national identity of their own, separate from that of the continent, the crisis potential remains. In contrast, India and Pakistan progressed slowly in the peace process begun in April 2003. Although false expectations should not be harboured, the prospect of a solution to the problem of Kashmir has probability never been better. Despite the fragility of the situation, the ceasefire was maintained, Pakistan's president adopt-

ed a tougher antiterrorist attitude and New Delhi recognised the legitimacy of Islamabad's interests.

As regards the balance between the regional powers, last year saw the confirmation of China's diplomatic activism that was first glimpsed in 2003 and is aimed at projecting its influence in the region both economically and politically. The two-pronged doctrine of the «new security concept» and the «peaceful rise» formulated by the People's Republic is the basis of a strategy designed to strengthen its leadership in Asia and international position as a burgeoning power. Japan's foreign and defence policy continued to show the duality that has characterised it since the terrorist attacks of 11 September 2001: whereas, on the one hand, it has strengthened its alliance with the United States (highlighted by its presence in Iraq and the steps taken to deploy a missile defence system), on the other it has confirmed its progress towards greater strategic independence, as evidenced by the first revision of its defence doctrine in a decade at the end of the year. Finally, the United States maintained good relations with the region's powers—perhaps with the exception of the fresh pressure on its alliance with South Korea—but what is needed in Asia is an American strategy adapted to the new circumstances springing from greater Chinese influence and growing economic regionalism.

On the domestic scene, 2004 witnessed elections in a great many Asian countries. Despite the institutional weakness and insufficient maturity of a good many of the continent's democratic systems, the various election processes attested to the gradual consolidation of a new political culture and, in several cases, led to surprising about turns: in South Korea President Roh Moo-hyun—who underwent impeachment proceedings—achieved a parliamentary majority that marked the end of the monopoly the Conservatives had enjoyed of the National Assembly since 1961; in India, the Congress Party regained government from the alliance led by the nationalist Bharatiya Janata Party, contrary to expectations; and in Indonesia's first direct presidential elections, the candidates of the two main parties (one of them President Megawati) were beaten by an independent candidate.

In Taiwan, President Chen Shui-bian was elected by a narrow margin although, contrary to forecasts, his party failed to snatch the majority from Kuomintang in the parliamentary election. Gloria Macapagal-Arroyo was also re-elected as president in the Philippines. In Malaysia, Prime Minister Badaq's coalition secured a spectacular majority in parliament, at the expense of the Islamic groups. In contrast to these signs of democratic

vitality, the removal from office of the Burmese prime minister by the military junta marked a return of the hard liners: the opposition leader Aung San Suu Kyi was placed under house arrest, attesting to the farce of the supposed constitutional convention inaugurated in spring. Lastly, the Chinese leaders got cold feet about introducing a more representative democracy in Hong Kong.

On the economic front, Asia continues to be the most dynamic part of the world, with an estimated growth rate of seven percent in 2004 (and 6.7 percent in 2005). Despite concern about the impact of the Chinese measures aimed at putting a brake on the heating of the economy and about rising regional demand for oil, the expectations are optimistic. Strong domestic demand—making the country less dependent on exports for growth—and China’s new role as driving force behind intraregional trade are, according to the Asian Development Bank, the two main novel features of the continent’s economy the past year.

We should not end this introduction without a reference to the progress of multilateralism in the security sphere, spurred largely by the threat of terrorism. The Shanghai Cooperation Organisation (SCO) has provided a structure to coordinate efforts in Central Asia (a head of state-level group summit took place in September in Bishkek, the capital of Kyrgyzstan), while cooperation in counterterrorism became a central topic on the agendas of the ASEAN Regional Forum (ARF)—which held its annual summit in Jakarta in July—and of the Asia-Pacific Economic Cooperation (APEC) Forum, whose heads of state and government met in Santiago de Chile in November. This growing collaboration once again sparked debate on the appropriateness of establishing an organisation to integrate the existing structures into a new Asian security architecture.

## **CHINA**

2004 saw the consolidation in power of the fourth-generation leaders of the People’s Republic. Between November 2002 (16<sup>th</sup> Congress of the Communist Party) and March 2003 (annual meeting of the People’s National Assembly), new people were appointed to senior party and state posts, but the fact that Jiang Zemin continued to chair the Central Military Commission and appointed loyal supporters to the main bodies of the political structure—particularly the Politburo Standing Committee—underlined the incomplete nature of the transition. Jiang kept a fairly high

profile in the first months of the year and the changes he made to the People's Liberation Army, for example (he replaced 24 veteran generals), seemed coherent with his effort to refrain from fully handing over power. The announcement of his resignation as head of the armed forces on 19 September was therefore particularly significant.

In addition to taking over all the reins of the political system, the new Chinese leaders also steered the national development strategy in a new direction. Addressing the People's National Assembly on 5 March, the prime minister, Wen Jiabo, promised to put an end to the pursuit of growth at any price and pay attention to citizens who stand less to benefit from the reforms, with particular mention of farmers. China's fast modernisation has run up substantial social costs (it has become one of the most unequal nations in the world), financial costs (the banking system is burdened by a huge amount of bad debts) and ecological costs (mass environmental degradation), which may jeopardise its social and political stability.

In connection with «balanced development», Wen announced cuts in agricultural taxes, more investment in rural areas and subsidies to stop production from slumping. As part of the strategy to modernise the party, attract the new urban middle classes and offer better guarantees to foreign investors, a landmark amendment was made to the Constitution: protection of private property («Legally obtained private property is inviolable», the new article now reads).

As for foreign affairs, 2004 saw the confirmation of China's new diplomatic activism. Its role of host in the six-side talks on the North Korean nuclear problem has established the People's Republic's credentials as a regional power. At the same time, Beijing's diplomatic efforts and firm attitude shown since 2001 in combating terrorism eased the tensions in its bilateral relations with the United States. This spirit of collaboration and frequent contacts continued throughout 2004: Richard Cheney visited China in April; the national security adviser, Condoleezza Rice, paid a visit in July; the secretary of state, Colin Powell, in October; and in November Presidents Bush and Hu Jintao met in Santiago during the APEC summit. But the events in Taiwan and different perceptions of North Korea, which we shall go on to analyse, led China to level occasional criticism at America's unilateralism and hegemony and at the situation in Iraq in a tone and language that seemed to have been forgotten.

The conclusion that it is useless to compete strategically with the United States has led China's leaders to seek a way of projecting their coun-

try's influence indirectly. One of the aspects of this policy involves strengthening relations with the European Union and with various African and Latin American countries. China closely observed the EU's enlargement to a total of 25 Member States and drew its own conclusions from the fact that the EU has become one of the main investors in the People's Republic, in addition to the main market for its exports. In addition, the launch of the euro has bolstered the Union's influence in world monetary affairs—a fact Beijing cannot ignore.

Even so, China views the EU as more than simply a trade bloc: Europe's new strategic doctrine and the development of the common foreign and security policy are attracting the attention of the Asian giant, as they advocate a multi-polar international system. From Beijing's point of view, transatlantic differences with respect to Iraq and the revival of the concept of «Eurasia» as a result of the prominent role Central Asia is adopting have given rise to a possible convergence of interests with the Europeans, which it wants to develop. As part of this rapprochement, during the last months of the year there were talks of ending the embargo on the sale of weapons to China that Europe had imposed in 1989 following the events in Tiananmen Square, something which the United States categorically opposes. Although the sanctions were expected to be lifted in December — most of the Member States are in favour of this— it was postponed until the next meeting of the foreign ministers.

In addition to seeking new international partners, the Chinese leaders showed growing interest in energy matters during the year. In 2003 alone, China's oil imports rose by one percent. By the end of 2005 its energy needs will have doubled, from 5.4 to 10.9 million barrels/day, whereas its consumption as a percentage of the world total will increase from 7.1 to 9.2 percent. China has no choice but to purchase massive amounts abroad, but since it already imports one third of what it consumes, if it continues at the current pace its dependence will have increased to 82 percent by 2030, according to the projections of the International Energy Agency. These figures are alarming the Chinese government, which is aware of its vulnerability vis-à-vis foreign suppliers, particularly since nearly two-thirds of its imports are from the Middle East and reach the People's Republic via shipping routes controlled by the US navy.

In addition to creating a strategic oil reserve which it currently lacks (for no longer than one week), China has decided to diversify its suppliers. In 2003, for example, imports from Russia increased by 73 percent. Beijing

has also strengthened relations with a number of states about which America has misgivings, such as Iran, Libya and Sudan. Some 14 percent of its oil imports now come from Iran, with which China signed a contract worth \$200 billion in November for 25-year gas supplies. It is hardly surprising that in December, the foreign minister, Li Zhaoxing, announced that Beijing would not support Washington if it were to put the problem of Iran's nuclear capability before the UN Security Council.

Oil also explains the importance China now attaches to Africa and Latin America. The People's Republic imports six percent of its oil from Sudan (almost 60 percent of the country's total output); this accounts for its concern that the United States may want sanctions to be imposed owing to the Darfur genocide. During a tour of the continent in February, the Chinese president signed a substantial contract with Gabon, in addition to those it has already entered into with Angola and Nigeria.

Hu Jintao's visit to Brazil, Argentina, Cuba and Chile in November also reflected this priority given to securing energy supplies. In 2004 China became the third biggest importer of Brazilian oil, at a rate of 50,000 barrels/day. The state oil company Sinopec likewise invested \$1 billion in a joint venture with Petrobras to build an oil pipeline linking the south with northeast Brazil. Apart from the raw materials, the over 400 agreements and contracts signed during his visit attest to China's new influence. In 2003 Chinese state enterprises invested over \$1 billion in the region, compared to the commitment to invest \$100 billion in the next few years. For example, China is going to invest \$20 billion in railways and other infrastructure projects in Argentina. Naturally, Hu's trip showed how China seeks to exert economic and energy influence in the United States' backyard. This new factor should also be taken into account with respect to Spain's Latin American strategy.

Nor has the People's Republic neglected its military modernisation over the past year. China seeks to develop high-technology weapons and equipment and to train its military personnel to a higher level. The «revolution in military affairs» is no longer an unknown concept for the People's Liberation Army. The world's largest armed forces are to trim their size by 200,000 soldiers to 2.3 million in 2005, and at least half of the current seven military regions are to be eliminated. China is also going to step up its international cooperation in this sphere: the army intends to conduct joint exercises with the Central Asian republics and armed manoeuvres with India and with Pakistan.

## Taiwan

Beijing began to pay increasing attention to Taiwan at the end of the previous year owing to the presidential elections of 20 March. Wishing to calm his party's most pro-independence wing and divert attention away from internal affairs and the state of the economy, President Chen Shui-bian made the Chinese military threat the centrepiece of the election campaign. His decision to call a referendum on this and plans to draw up a new Constitution between 2005 and 2007, to be enacted—also by referendum—in May 2008, were interpreted by Beijing as a further step towards independence and triggered an active campaign against Taipei that complicated the triangular relationship between the United States, China and Taiwan.

Chen managed to be re-elected by a margin of 0.2 percent (less than 30,000 votes), though his political position was reinforced (he secured 1.5 million more votes than in 2000) and for the first time in Taiwan's election history his party, the Democratic Progressive Party (PDP), crossed the 50 percent mark. But the agitation of the campaign—on the eve of election day Chen and the vice-president, Annette Lu, were slightly wounded in an attack—and close results (which spurred the opposition party to call for a recount) attested to a society that is deeply divided as to its future and relationship with the People's Republic.

Much to Beijing's (and Washington's) relief, the two issues voted on in the referendum were less alarming than feared. The first sought the people's go-ahead to acquire (it is assumed from the United States) missile defence equipment if China does not withdraw the warheads (currently some 600) that are aimed at the island and does not renounce use of force. The second question was whether Taipei should embark on negotiations with Beijing to establish a «framework of peace and stability». The referendum did not prosper as the turnout was under 50 percent.

Once his re-election had been confirmed, Chen was to explain how he intended to conduct cross-strait relations. A few days before he was sworn in, on 20 May, Beijing warned him to stop pushing Taiwan to the «dangerous brink of independence» and to adopt a more cooperative attitude. His inaugural address appeared to take this warning into account: Chen stated he understood that Beijing should continue to stress the principle of «one China», though left open the possibility of reformulating this principle: «We are not ruling out any possibility», he stated, «provided it has the consensus of the 23 million Taiwanese».

The Chinese leaders accused Chen of «insincerity». With legislative elections coming up on the island in December, they could have been more flexible; however, around the same time a number of incidents heightened Beijing's doubts about Washington's attitude. In December 2003 (see the previous edition of the *Strategic Panorama*) President Bush criticised Chen for trying to modify the status quo and the State Department tried to dissuade the Taiwanese president from calling the referendum. In April 2004, addressing the House international relations committee, the assistant secretary of state, James Kelly, called for responsibility and moderation from President Chen. Kelly pointed out that there are limits to what the United States can support and warned Taipei not to interpret America's protection as *carte blanche* to reject talks with the continent. China took this to be a sign that America shared its stance on preventing a war in the strait; however, not long afterwards it again suspected Washington's intentions.

In mid-May the United States exerted pressure and voted in favour of making Taiwan an observer in the World Health Organisation. American officials likewise told Beijing privately that in 2005 they would support Taiwan's being granted observer status in the Organisation of American States (OAS), which recently accepted the People's Republic as an observer. Chinese analysts found further evidence of a supposed American containment policy towards the People's Republic in the latest edition of the two annual reports it issues on this country: the Pentagon report on the Chinese armed forces and Congress's US-China Economic and Security Review Commission. Both were harshly criticised in Beijing for yet again propounding the theory of a «Chinese threat». The media accused the Pentagon of deliberately exaggerating the People's Republic's military capabilities and defence budget in order to justify its weapons sales to Taiwan and sow mistrust between China and its neighbours. Naval exercises in the Pacific in July, not far from the Chinese coast, involving seven American aircraft carriers and their allies' support groups and fleets, also riled the Chinese leaders.

Attempting to regain Beijing's confidence, the president's national security adviser, Condoleezza Rice, visited China on 8 and 9 July to reiterate to its authorities Washington's commitment to the «one-China» policy and underline the importance the United States attaches to friendly and cooperative relations with the People's Republic. The Chinese leadership regarded Rice's visit as an opportunity to convince Washington of the need to modify its policy towards Taiwan. Stressing the significance of the

problem, the foreign minister, Li Zhaoxing, told Rice that even if all China's problems were added, the result would be less than the Taiwan issue. He demanded an end of weapons sales to the island, of the military and diplomatic exchanges with its authorities, and of support for Taiwan's participation in international organisations. Jiang Zemin himself, in what was his last meeting with a senior American official as chairman of the Central Military Commission, conveyed to Rice China's «serious concern» and «dissatisfaction» with Washington's recent movements with respect to Taiwan. Beijing would not «sit idly by and do nothing if foreign forces interfere and support» (Taiwan independence), he warned the national security advisor.

Washington described Rice's visit as a success. But it was a disappointment to Beijing: the president's advisor did not clarify America's intention nor did she promise to reduce sales of weapons to Taiwan. The Chinese leaders explained their position on the problem to Rice, but perhaps overestimated her ability to influence Washington. Even so, realising Beijing's concern, President Bush telephoned President Hu Jintao at the end of July to personally assure him that the United States would pursue the «one-China» policy, would observe the three bilateral communiqués that provide the diplomatic framework for the issue and would not support Taiwan's independence.

At the end of September, Taiwan's prime minister, Yu Shyi-kun, stated that Taipei needs a «balance of terror» to dissuade the People's Republic from attacking Taiwan. «If you fire 100 missiles at me, I should be able to fire at least 50. If you strike Taipei and Kaohsiung (the island's most populated city), I should at least be able to strike Shanghai. As long as we maintain the capacity to counterattack, Taiwan will be safe». The official Chinese media accused Yu of warmongering; other analysts described his words as mere rhetoric, pointing out that Taipei lacks such capabilities.

In his national day address on 10 October, Chen proposed resuming the talks begun with China in 1992 and broken off in 1999. His address appeared conciliatory, but neither the president—nor Beijing—could afford to make any major concessions with legislative elections just around the corner. The 11 December elections were decisive for Chen following his close re-election. After four years of minority government, he was confident of being able to put an end to the control of the Legislative Yuan by an opposition that holds a more moderate stance towards China and has blocked his programme of economic and administrative reforms. Contrary to the opinion polls, the alliance headed by the Kuomintang (114 seats)

beat the president's party (which secured only 101). The results will help maintain the status quo and may force Chen to back down from his plans for a new Constitution.

## Hong Kong

At the beginning of 2004 Beijing toughened its stance on the future constitutional development of Hong Kong based on the principle of «one country, two systems», which it promised to maintain for 50 years. Beijing wished to stop the pro-democracy parties gaining control of the Legislative Council (Legco) in the September elections and thereby prevent the anti-subversion initiatives (known as «Article 23»: see the previous edition of the *Strategic Panorama*) and attempt to carry forward the political reforms allowed under the Basic Law—the territory's «mini-Constitution»—as from 2007-08. These reforms would include the direct election of the whole of the Legco (as opposed to only half the seats as occurs presently) and of the head of the territory's executive.

In January Beijing instructed the highest authority of Hong Kong, Tung Chee-hwa, to postpone all talks on holding elections until the central government had issued a statement. In February Xinhua, the official news agency, recalled declarations made 20 years ago by Deng Xiaoping that Hong Kong ought to be governed by «patriots». In March Beijing launched into a campaign of mud-slinging at the leaders of Hong Kong's democratic groups. On 6 April the standing committee of the People's Congress issued a reinterpretation of the Basic Law, considering that Beijing's approval was necessary for any political reform. Twenty days later, Beijing toughened its policy even further by announcing its decision to rule out universal suffrage both in the election for the leader of the former colony and in the election for all members of the Legco.

On 1 July, the anniversary of the reversion of Hong Kong to the People's Republic, nearly 400,000 people demonstrated against Beijing's decision. But their demands were not backed by the results of the September elections. Despite an unprecedented turnout (55.6 percent), and although the pro-democracy parties together secured 60 percent of the vote (three percent more than in 2000), the parties favourable to Beijing held on to their majority. Thirty of the 60 seats on the Legco were elected directly in the elections (the other half are chosen by corporate groups and professionals). The Democratic Party won 18 of the direct seats and seven of the

rest, which was an improvement on its previous 22 but failed to live up to expectations of gaining control of the assembly.

## JAPAN

The past year confirmed the trend towards greater activism in Japan's foreign and defence policy. The threat of terrorism and North Korea, the sending of soldiers to Iraq and concern about China's growing power are the main factors of this new attitude.

In March the government enacted seven new laws which complete the war contingency legislation passed the previous year (see the *Strategic Panorama 2003-04*) and include measures to facilitate cooperation with the United States in cases of emergency. As also mentioned in the previous edition of the *Panorama*, missile defence was also put back on the agenda as a response to the North Korean crisis: the United States' decision to deploy an Aegis-equipped destroyer to the Japan Sea at the end of 2004 is a reminder of that threat.

However, what best illustrates Japan's new realism is its participation in the occupation of Iraq. On 9 December 2003 it was decided to send troops to the Arab country in accordance with a plan that limited their stay to one year (from 15 December 2003 to 14 December 2004); their responsibilities were humanitarian tasks and medical assistance, reconstruction and maintenance of public services such as schools and transport. The first troops began to arrive in Samawa, in the south of the country, between late December and mid-January, while the main body (520 troops) arrived between February and March. January opinion polls recorded 50 percent opposition to sending the troops, which had risen to 62 percent by November. On 9 December the prime minister, Junichiro Koizumi, decided to extend the mission until the end of 2005.

The deployment of the self-defence forces is of paramount importance. For the first time in 50 years Japan was sending troops to an occupied country, without an invitation from the sovereign government, following an intervention that lacked an explicit mandate from the United Nations—the cornerstone of Japanese foreign policy—and with a certain risk. For the government, sending troops to Iraq enhanced Japan's prestige on the world stage as it showed, on the one hand, that the archipelago does not shirk its international obligations and, on the other, that it remains loyal to Washington (whose help vis-à-vis North Korea is indispensable). To quote Koizumi, «Japan, in order to guarantee its own security, should contribute

to the stability of the international community». This discourse has an underlying goal, which is none other than to transform de facto the role of the armed forces and pave the way for a reform of the Constitution, which is regarded as out of step with the new international context (as is known, in article 9 Japan renounces having an army and resorting to war as a national policy instrument). The Liberal Democratic Party (LDP) wants to announce a new draft of the constitutional text in November 2005.

The kidnapping of three Japanese in Iraq in April confirmed many people's worst fears. Their captors threatened to kill them unless Japan withdrew its forces. The government refused their demands and they were freed a week later; however, in view of public opposition to Japan's presence in Iraq, the elections to the Senate in July were expected to be a referendum on the government's policy. The elections (to renew half of the House) marked an important progress for the Democratic Party of Japan —now the biggest opposition group—which went from 38 to 50 seats, though they did not affect the majority of the LDP, which controls 139 seats after winning 49.

Days after the elections it was the United States that raised the question of a constitutional reform. According to reports, the deputy secretary of state, Richard Armitage, told a senior LDP official that securing a permanent seat on the United Nations Security Council—to which Japan aspires with renewed diplomatic efforts—depended on the amendment of article 9 of the Constitution. The controversy sparked by this leak forced Armitage to clarify his words, denying any relationship between the two matters. However, in August it was Colin Powell who, after reiterating support for Japan's wish for a new status in the Security Council, pointed out that such responsibilities called for reconsidering article 9, though naturally it was for the Japanese people to decide.

North Korea was another priority issue on Japan's agenda during the year. In an attempt to unblock the normalisation talks with North Korea, on 22 May Koizumi paid his second visit to Pyongyang (the first was in September 2002) to meet Kim Jong-il. In addition to the issue of the Japanese kidnapped by North Korean services in the seventies and eighties, which sparked fresh bilateral tension, Koizumi insisted on the requirement of full, verifiable and irreversible dismantlement of North Korea's nuclear programme. The Japanese prime minister urged Kim to agree to the return of the international inspectors and to abide by the non-proliferation treaty. He furthermore stressed the major advantages North Korea would enjoy if he decided to cooperate.

During the G-8 summit on Sea Island (United States) at the end of June, Koizumi conveyed to President Bush his personal impression that North Korea was willing to negotiate. It was probably his advice that spurred the United States to take a step forward through the proposal it submitted in the third round of talks in Beijing (see the next section). Indeed, Koizumi's recommendations to Kim were similar to America's position: (1) North Korea should freeze all its nuclear programmes, including those relating to uranium enrichment; (2) Pyongyang should supply information about all its nuclear programmes; (3) This freezing should be subject to a verification mechanism. Japan stated it was willing to provide energy to North Korea only if these conditions were met and if freezing were part of a final agreement on complete dismantling.

Together with the other new, non-traditional threats, North Korea is among the key factors that explain the change in the Japanese defence policy announced on 10 December. This is the first strategic revision to be carried out in 10 years and marks a shift away from the merely defensive position that has guided national security policy for half a century. On the one hand, it expressly mentions North Korea as a threat and advises close monitoring of China's military modernisation. On the other, the changes are aimed at improving Japan's capabilities against terrorism, weapons of mass destruction and transnational threats in general, while the scope of its armed forces is broadened, albeit with a reduction in the defence budget. The defence budget is to be slashed by three percent over the next five years and the forces trimmed by 5,000 down to a total of 155,000. These are the first defence cutbacks made in twenty years.

As part of these changes, the Defence Agency is preparing a series of internal reforms to facilitate cooperation with the United States. There is talk of centralising the military authority by establishing a chiefs of staff committee, based on the American model, which would act as a centre for coordinating military plans with Washington. It is also possible that three specialised forces will be set up for international peacekeeping operations, counterterrorism and missile defence.

## **THE KOREAN PENINSULA**

### **The nuclear crisis**

The six-side diplomatic process (involving the United States, China, Japan and Russia, apart from the two Koreas), which has been seeking a

solution to the crisis that erupted the previous year when Pyongyang admitted to carrying on with—in breach of the 1994 Framework Agreement—a uranium enrichment programme, continued over the past year. Two new rounds were held and a third, scheduled for September, did not take place in the end: the American elections marked the calendar and enabled Pyongyang to continue with its strategy of playing for time until the end of the year.

On 5 January, North Korea expressed its willingness to «freeze» its nuclear programme and not conduct any tests on weapons of this kind, describing this as a «significant concession». Actually Pyongyang was merely repeating the same commitment it had made back in 1994 and failed to respect. At the same time, the offer not to carry out any testing was an indirect way of confirming it possessed nuclear weapons. With this announcement, the North Korean regime attempted to bolster its negotiating position with a view to the second round of talks scheduled for February (the first was held in August 2003: see the previous edition of the *Strategic Panorama*). The North Korean proposal was unacceptable to the United States, which demands complete, verifiable and irreversible dismantlement (CVID in diplomatic jargon) of Pyongyang's nuclear programme, but shortly before talks were resumed discussion was given to whether any of the participants—South Korea, Japan or even China—could accept «freezing» as a first step towards dismantlement of this programme.

The United States, Japan and South Korea met at the end of January to coordinate their positions. Apparently, Tokyo and Seoul asked Washington to accept Pyongyang's offer. Seoul furthermore expressed its concern that unless the allies supplied fresh consignments of fuel oil to North Korea (suspended by the United States in 2002 when the crisis erupted) the latter would withdraw its proposal. Pressure from the allies exacerbated the disagreement within the Bush Administration over how to tackle the problem. Whereas the Conservatives at the Pentagon and White House viewed an agreement on the dismantlement of the programme and inspections as an essential requisite for making any concessions, the Department of State was inclined to accept North Korea's offer provided that this «provisional agreement» could be considered as the first step towards nuclear disarmament. But that fact that the second round of talks in Beijing (from 25 to 28 February) failed to achieve a consensus on an agreement of this kind highlighted the difficulties of an understanding between Washington and Pyongyang.

In view of the impossibility of getting all the participants to adopt a joint declaration, the meeting ended with a mere «chairman's statement» in which China pointed out that the parties had agreed to hold a new round in June and to set up a «working group» to discuss technical issues. What prevented the adoption of a final declaration was North Korea's refusal to agree to the goal of completely dismantling its nuclear programme and inspections: Pyongyang stressed its right to maintain a peaceful nuclear capability for energy production.

During his visit to China from 13 to 15 April, the American vice-president, Richard Cheney, stressed that the six-party process ought to settle the nuclear crisis urgently, as time is on North Korea's side. Cheney's pressure on the Chinese authorities must have been effective: the following week the North Korean leader Kim Jong-il travelled to Beijing, where he was asked to show a keener readiness to make commitments in the talks. According to a report leaked to the press, Kim replied that his country would participate actively and «patiently» in the negotiations.

Kim continued his policy of rapprochement with the neighbouring countries at the end of May, when the Japanese prime minister, Junichiro Koizumi, visited Pyongyang. Although, as already mentioned, the issue of the Japanese citizens kidnapped by north Korean intelligence services during the seventies and eighties was back on the bilateral agenda, Koizumi promised not to impose further economic sanctions and to supply food and medical assistance in return for North Korea's promise to settle the nuclear crisis using diplomatic means and to stick to the moratorium on missile testing.

Shortly afterwards, Pyongyang gave into Seoul's demands for a series of confidence-building measures to help ease military tension. At the first general-level meeting between the armed forces of the two Koreas, both parties agreed to set up a hotline to prevent naval clashes in coastal waters and to put an end to propaganda in the Demilitarised Zone. Two weeks later, President Roh announced that South Korea would provide the North with a substantial economic aid package once the nuclear crisis had been settled in the six-party talks.

The impact of North Korea's diplomatic offensive became evident on 19 June, when the Japanese press revealed that Tokyo would offer Pyongyang energy aid if it froze its nuclear programme. The decision meant that all the parties involved in the diplomatic process, except the United States, explicitly agreed to the idea of «freezing» as a step towards

full dismantlement. Finding itself politically isolated, Washington reacted promptly and at the beginning of the third round of negotiations (23-26 June) presented a detailed three-phase proposal for solving the crisis based on an earlier South Korean plan.

If North Korea undertook to dismantle its nuclear weapons programme, China, South Korea and Japan would offer immediately energy aid, while Washington would provide a «temporary guarantee of security» not to attack it or pursue a change of regime. The United States would likewise engage in direct talks with Pyongyang to lift the economic sanctions and remove the country from the list of countries that support terrorism. Following this first stage, North Korea would have three months to freeze its nuclear programme by shutting down its installations. After this period, maintenance of energy supplies and a more specific security guarantee would depend on whether the North Korean regime complied with the deadlines established for complete dismantlement and agreed to the return of the International Atomic Energy Agency (IAEA) inspectors. Only then would the United States negotiate additional advantages for North Korea and an agreement to normalise diplomatic relations.

The round ended with a new chairman's statement announcing the holding of a following meeting at the end of September: it was only to be expected that North Korea would request more time to reply to America's initiative. The meeting between the secretary of state, Colin Powell, and North Korea's foreign minister, Paek Nam Sun, at the annual summit of the ASEAN Regional Forum (ARF) on 2 June, was a rare opportunity to discuss Washington's proposal, although the parties merely clung to their previous stances.

A North Korean declaration of 24 July described the American initiative as a «false proposal». During the following weeks, Pyongyang increasingly criticised the United States' «hostility», chided President Bush and made it clear that it would rather reject the American offer than negotiate its content. The reply left no doubt about its intention to postpone the meeting due to take place in September, as was explicitly pointed out in mid-August. North Korea's strategy was due partly to the idea that better conditions could be had after the American elections in November, even if Bush were re-elected, but also to the revelation of South Korea's nuclear experiments.

Seoul admitted that it had effectively extracted a small amount of plutonium in 1982 and that some scientists had secretly enriched uranium in

2000, though not for military purposes. The IAEA was immediately informed, its inspectors visited the country and on 24 November the organisation stated that the amount of material used in these operations was «not significant», though the fact they had been concealed was «very worrying». Even so, it stated that Seoul would not be reported to the Security Council.

In December Powell called for negotiations to be resumed at the beginning of 2005, stressing that Washington does not demand any prerequisites. Pyongyang, for its part, is refusing to take part in a new meeting unless it sees a less hostile attitude from the Bush Administration, although it was in fact expecting the formation of a new team and its first statements.

A year and a half after the start of the talks, there is a risk that lack of any substantial progress will in itself take its toll on the process. Therefore 2005 will be a key year. So far, the six-party negotiations have revealed convergence on the long-term goals: a denuclearised peninsula, a peace treaty to replace the 1953 armistice, normalisation of diplomatic relations between all the parties and the lifting of the sanctions in order to facilitate North Korea's economic development. But given the degree of mistrust between some of the participants (between the United States and North Korea, and between the latter and Japan, in particular), these goals could be difficult to achieve if what is aimed for is a formal agreement. An alternative approach that is beginning to gain ground would be for the parties to move forward on the basis of «unilateral reciprocal measures» to achieve these common goals. From North Korea's perspective, a process of such characteristics would prevent it from having to fully accept Washington's latest offer. If North Korea were to announce some significant gesture towards the dismantlement of its nuclear programme at the next meeting, the participants could offer Pyongyang compensation individually, without renouncing the achievement of the final goals.

## **South Korea**

On 12 March the opposition passed an unprecedented motion in the National Assembly to impeach the president. He was accused of breaching electoral legislation by asking for votes for the Uri party, which had been formed only a few months previously. The prime minister, Goh Kun, took over from Roh temporarily until the Constitutional Court issued a

judgment. The attitude of the two opposition parties—the Grand National Party and the Millennium Democratic Party—later turned against them (opinion polls reported that 70 percent of citizens opposed the motion), as evidenced by the results of the legislative elections on 15 April.

With a result that would have been unimaginable at the beginning of the year, the liberal Uri party won the highest number of votes (going from 49 to 152 of the 299 seats on the National Assembly), providing Roh with the majority he lacked in Parliament to carry forward his ambitious programme of reforms. Roh was reinstated as president of the republic on 15 May after the election results spurred the Constitutional Court to issue a decision overturning his impeachment. The South Korean political scene changed radically as a result of the elections and, for the first time since 1961, the Conservatives lost their legislative monopoly.

The past twelve months have seen a heightening of the tension first glimpsed the previous year in the alliance with the United States. In mid-May Washington informed Seoul that it would be withdrawing 3,600 troops from the Demilitarised Zone in order to send them to Iraq. Two weeks later it specified that these troops were the first stage in the envisaged withdrawal of 12,500 soldiers from South Korea—approximately one-third of those stationed in the country—as part of a redeployment that was due to be completed towards the end of 2005. Although expected, the announcement sparked a lively national debate. The Pentagon had to back down and stress that the reduction in the number of troops in no way signified less of a commitment to its South Korean ally; however, the manner in which they were informed of the decision and America's failure to consult their government did not convince the South Koreans. When the US president's national security adviser, Condoleezza Rice, visited Seoul in early July, she maintained that South Korea's proposal to delay the withdrawal at least two years would be considered. On 6 October the department of defence agreed to carry out the reduction of troops gradually over a five-year period.

Finally, mention should also be made of South Korea's significant role in the occupation of Iraq. On 12 February the National Assembly approved the sending of 3,000 soldiers to Iraq—who would join the over 500 already deployed the previous year—making South Korea the country with the third largest number of troops in the country after the United States and the United Kingdom. Although they were due to leave for Iraq at the end of April, their departure was delayed owing to the worsening situation on

the ground and the opposition of public opinion. A fresh setback occurred at the end of June, when Islamist terrorists kidnapped and decapitated a young South Korean interpreter. Deployment at last took place in August.

## **SOUTHEAST ASIA**

The terrorist threat continued to hover over the subregion in 2004, with fresh attacks by the Jemaa Islamiya (JI) in Indonesia, Muslim revolts in south Thailand and attacks by Abu Sayyaf and elements of the Moro Islamic Liberation Front (MILF) in the Philippines. The local governments continued to receive assistance from the United States in the form of training for their armed forces (Philippines), technical advice for the police (Indonesia, the Philippines and Thailand), and cooperation in intelligence with practically all of them. Washington likewise proposed a new initiative to combat terrorism and piracy in the Malacca Strait, an idea that was stressed by the secretary of state during the ASEAN Regional Forum (ARF) but greeted with a fair amount of scepticism.

### **Indonesia**

The prospect of two elections—parliamentary in April and the first presidential elections in July—marked a key moment in the Indonesian archipelago's transition to democracy. The two polls were also viewed as a test of the supposed radicalisation of the Islamic movements. Although 85 percent of the population (220 million) is Muslim, Indonesia has defined itself as a secular state since gaining independence, and the main electoral battle was expected to be waged between two lay parties: the Indonesian Democratic Party-Struggle, led by President Megawati Sukarnoputri, and the group with the second largest parliamentary representation (and previously the governing party), the Golkar.

Megawati's party came second in the general elections of 5 April (with 18.5 percent of the vote and 109 seats, compared to 34 percent in 1999) after Golkar (which took 21.5 percent of the vote and 128 seats). They were joined by the new Democratic Party led by the former security minister, General Susilo Bambang Yudhoyono who, with 7.5 percent of the vote and 57 seats, was able to stand for the presidential election. He would thus compete with Megawati and General Wiranto—Suharto's defence minister—who was chosen as the Golkar's candidate.

None of the three managed to win 50 percent of the vote in the 6 July elections and a second round therefore had to be held on 20 September. Susilo Bambang Yudhoyono (who is better known by his initials, SBY) was the clear winner, taking over 60 percent of the vote. Following peaceful elections, his swearing-in on 20 October marked the beginning of a new stage in the world's third biggest democracy. His ability to govern will now depend on what coalitions he can form in a Parliament in which his party holds a minority. Reshaping the economy and combating poverty and unemployment will be one of the priorities of the new president, who has promised to fight corruption and attract foreign investment.

An attack on the Australian embassy in Jakarta on 9 September in which 10 people were killed showed that there is still much to be done on the antiterrorist front. SBY, the main critic of the Islamists when serving as Megawati's minister, needs to continue to crack down on the Jemaa Islamiya, Al Qaeda's arm in the region, which is responsible for the attacks in Bali (October 2002), on the Marriott in Jakarta (August 2003) and on various Christian churches in December 2000. The crackdown extends to an even more violent group—the Mujahadeen Kompok, which has split off from the JI. Regional cooperation led to the setting up of a new counterterrorism centre in Indonesia, in addition to the one established in Kuala Lumpur in July 2003 (see the *Strategic Panorama 2003-04*).

## **The Philippines**

In recent years Manila has attempted decommissioning negotiations with the Moro Islamic Liberation Front (MILF), a group that wants autonomy for the south of the archipelago. However, some members of the groups have been cooperating with JI. Since 2002 American forces have been training Philippine elite troops to conduct operations to combat Abu Sayyaf and MILF activists. After several failed attempts in 2003, last year the leaders of the group decided to reopen negotiations with the government, for which Malaysia offered to act as intermediary. As a gesture of good will, the MILF promised to help the government locate members of the JI in Mindanao, where they train Abu Sayyaf and members of the MILF opposed to the peace negotiations. On 21 February both parties announced that formal talks would begin in April.

The United States decided to support the process, promising economic assistance for developing the Muslim areas to the south of Min-

danao if an agreement were reached. Wahsington warned that if the negotiations failed, it would add the MILF to its list of terrorist organisations. The Filipino government reckons that the group has some 12,000 armed members.

On 10 May disputed presidential elections were held between Gloria Macapagal-Arroyo (head of state since taking over from the deposed Joseph Estrada in 2001) and Fernando Poe, the country's most popular actor who is totally lacking in political experience and is closely related to Estrada. It was weeks before the Senate confirmed, on 24 June, that Macapagal had defeated Poe by less than a million votes. The president was sworn in on 20 June. She promised to create 10 million jobs in the next six years, balance the budget, facilitate poor people's access to medicines and unite a nation that appears not to have stabilised since the fall of Ferdinand E. Marcos nearly 20 years ago.

In July, Macapagal, one of the United States' staunchest allies in the fight against terrorism, withdrew the small Filipino contingent in Iraq (51 soldiers). The kidnapping of a Filipino lorry driver and threat to execute him heightened public opposition to the country's participation in the occupation of Iraq. With nearly 4,000 nationals in the Arab country, mostly civilians hired by the United States, their security became a priority issue for Manila. Washington did not hesitate to express its displeasure at the withdrawal, which the State Department's spokesman likened to sending out the «wrong signal» to the terrorists.

## **Thailand**

At the beginning of January, a wave of violence in the three majority Muslim provinces in the south of the country led to the death of four soldiers and the theft of a large number of weapons from an army base. During the following three months, another 60 people—civil servants, Buddhist monks and civilians—were killed in various attacks. The government declared martial law in the region (which continued at year end) and sent 1,000 reinforcements.

Although the prime minister, Thaksin Shinawatra, initially blamed criminals for the attacks, he later recognised the ethnic and religious origin of the violence. Various separatist movements were already active in the area in the seventies and eighties and, despite the calm that has characterised recent years, are the reason for a track record of violence that has kept

national and foreign investors away, plunging these provinces further into poverty. The most serious incidents witnessed to date occurred on 28 April, when 113 activists died when attacking several police stations simultaneously. At the end of October a further 84 Muslims died while in custody (78 suffocated while being transported in army trucks), bringing the total death toll since January up to 440.

The violent methods of the fundamentalists, whom the government believes to have received financial and operational assistance from groups with international connections—Hambali, one of Bin Laden's right-hand men, was arrested in Thailand in 2002—are complicating political life in the country just before the general elections due to be held in February 2005. Thaksin received the backing of the United States, which designated Thailand as a «non-NATO ally», making it the second Southeast Asian country to be accorded this status after the Philippines.

## **Malaysia**

The parliamentary elections of 21 March resulted in a broad—and unexpected—mandate for Abdullah Ahmad Badawi, who has been prime minister since October 2003. The Barisan National Party (BN) took 90 percent of the seats and 12 of the 13 regional assemblies, dealing a historic defeat to the radical opposition group, the Islamic Party of Malaysia (PAS), which lost one of the two states it previously controlled and 75 percent of the seats won in the 1999 elections. In addition to the popularity of Badawi's programme of reforms and his crackdown on corruption, his moderate religious attitudes contrasted with the dogmatism of the PAS.

Badawi's broad victory made it possible to release the former deputy prime minister, Anwar Ibrahim, who was imprisoned in 1999 on a sodomy conviction, which the Supreme Court overturned. In a parallel ruling, however, the Court threw out the appeal against corruption charges—Anwar had already served the conviction—but this prevents him standing as candidate in any elections until 2008.

## **Burma**

At the beginning of the year there was still some hope of change in accordance with the «roadmap towards democracy» announced by the prime minister, Khin Nyunt, in 2003. On 31 March the military junta

announced the opening of a national convention in mid-May to discuss the drafting of a new constitution. But the hopes that Aung San Suu Kyi would be freed from house arrest so that she and her party, the National League for Democracy (NLD), could take part in the convention, were soon dashed when the junta declared she was not welcome.

A statement issued by the United States Department of State on 21 May pointed out that «a convention that does not include [the NLD] cannot make any real progress towards democracy or national reconciliation, nor can it help Burma repair its international reputation». Washington decided to extend its sanctions on the country a further year. For its part, the ASEAN was not sure whether to denounce the situation or keep out of the problem: the fact that Burma will chair the organisation in 2006 explains its hesitation.

The removal from office of General Khin Nyunt as prime minister on 19 October shows what the military junta thinks of international pressure. His sacking was preceded by that of the foreign minister, weeks earlier, and followed by that of another two cabinet members in November. The new head of government, Soe Win, is a hardliner and ally of the leader of the military junta, General Than Shwe, whose power is seemingly becoming consolidated.

## **THE INDIAN SUBCONTINENT**

After the 12<sup>th</sup> summit of the South Asian Association for Regional Cooperation (SAARC) ended in Islamabad, on 6 January, India and Pakistan announced they would be opening formal talks in February to settle their differences, particularly over Kashmir. India's prime minister, Atal Behari Vajpayee, and Pakistan's President Pervez Musharraf met for the first time in over two years. Both leaders were thus returning to the situation in 2001 before the failed Agra summit in July that year and the attack on the Indian parliament in December. After this three-year interval there were new prospects of a certain stability in bilateral relations, though it will not be easy to progress towards true peace given the parties' mistrust of each other and their different perceptions of the pace and content of the process.

The process began in April 2003 when Vajpayee extended a «hand of friendship» to Pakistan in an address (see the previous edition of the Panorama) and Musharraf accepted his offer. During the months that

ensued, each leader appeared to have achieved what he wanted from the other. While India wished for an explicit guarantee that Islamabad would put an end to the incursions by Kashmiri Pakistanis and activists into the Indian province, Musharraf assured Vajpayee that he would not allow any territory under Pakistani control to be used to aid terrorism (the 2001 talks at Agra failed precisely because Pakistan refused to commit to this). At the beginning of 2004 the Pakistani president even announced he would stop insisting on his traditional requirement of a referendum in Kashmir. For its part, Islamabad received the promise that the problem of Kashmir would be discussed as part of the talks. This marked New Delhi's recognition of Pakistan's interest in this matter and a shift away from the stance that the province is an integral part of India and Pakistan should have no say in its settlement.

The two countries held their first formal talks for six years in Islamabad from 16-18 February. The main goal was to agree on a timescale and agenda for the negotiations. Both parties agreed to meet in August to review the progress made, though the implication was that the matters of substance would have to wait until the Indian elections were over, after the dissolution of Parliament was announced on 6 February.

The elections, which began on 20 April, held a surprise in store: Sonia Gandhi, widow of the assassinated prime minister, Rajiv Gandhi, secured a win for the Congress Party—the movement that ruled the country almost interruptedly from its independence (1947) to 1996. The party and its allies took 220 of the 545 seats in the lower house, while the National Democratic Alliance led by the Bharatiya Janata Party secured 185. Nobody had expected such an election turnaround: the good economic indicators, India's higher international profile, the prospects of peace with Pakistan and a climate that had produced an excellent harvest led Vajpayee, convinced of his victory, to bring election date forward by six months. This proved to be a bad mistake: the hundreds of millions of Indians living in rural areas, who felt abandoned by the BJP's cosmopolitan and urban strategy, decided to vote against him. Although Gandhi was expected to become prime minister, she decided to decline the premiership and on 18 May left the post to Manmohan Singh, the architect of India's economic reform of the early nineties.

Once the change of government had been confirmed, New Delhi assured Pakistan that India would remain committed to the talks. On 20 June the two governments announced they were adopting a series of

measures to build confidence in their respective nuclear arsenals—including a hotline—as part of the process agreed on in February and their foreign ministers held their first talks on Kashmir on 27 June, which were aimed at creating the right atmosphere for a long-term dialogue. In September, at the opening of the UN General Assembly, Singh and Musharraf met privately for the first time.

In mid-November India's new prime minister visited Kashmir, where he extended an offer of unconditional talks to any group that renounces violence. Singh said he was willing to listen to all Pakistan's proposals, provided they did not entail changing the international borders or a new partition of the province based on religious or ethnic criteria. While he was there, India carried out the first reduction of the number of troops in Kashmir since the separatist rebellion of 1989.

Singh's first meeting with his Pakistani counterpart, Shaukat Aziz, was held in Delhi on 23-24 November—it was the first time in 13 years that a Pakistani prime minister had visited this country—to discuss Musharraf's proposals on Kashmir, including demilitarisation. The meeting ended without a breaking of the deadlock: India prefers the process to move gradually before addressing the problem of Kashmir directly, whereas Pakistan, which is more impatient, needs to make progress on this issue—the root problem from which their differences stem—in order to be convinced that it is not simply going to be swept along in a process without end. The parties agreed to resume talks in January 2005.

## **CONCLUSIONS**

International relations in Asia are their most stable since the Second World War. Territorial rivalry and divided states still exist, while the countries in the region are strengthening their military capabilities, nationalism is on the rise, and globalisation is putting new pressures on societies and governments. But interdependence is a reality that has forged common interests and strengthened instruments of dialogue on both a bilateral and a regional scale. The past year confirmed the existence of a number of forces that are transforming the Asian security structure.

As in other continents, traditional geopolitical concerns are giving way to the new threats as chief priorities. Terrorism, the proliferation of weapons of mass destruction, illegal immigration and others are now central topics on the security agenda. Asia is no longer separated by the ide-

ological dividing lines of previous period, while the common interest in facing these new challenges is proving more conducive to cooperation than to international rivalry. Even the North Korean problem should be viewed in the context of counterterrorism rather than cold war: this can be inferred from the converging perceptions of the Asian countries involved in the six-party talks.

Nonetheless, a new potential source of conflicts is clouding this encouraging outlook: competition for natural resources. As the rise in oil prices shows, demographic growth and economic expansion will increase the demand for resources that are scarce, such as gas and oil. With four-fifths of oil reserves in politically unstable regions, competition for resources could give rise to fresh conflicts. The Asian governments regard this as a vital aspect of their security policy: China and Japan, for example, are vying for the construction of an oil pipeline through Siberia enabling them to lessen their dependence on the Middle East for energy. However, as this is a shared problem, initiatives are being discussed which, as occurs with regional economic cooperation, should enable solutions to be found for Asia as a whole.

From the perspective of the major powers, the course of events in 2004 created the impression that the United States is being replaced by China as regional leader. This seems to clash with the facts: Washington continues to play the role of guarantor of Asian security through its military presence in the continent, its alliance with Japan and South Korea and its agreements with other countries. It has even bolstered its presence since 11 September. However, its allies, although keen to continue cooperating closely with the United States, seek to develop their own political capabilities and objectives. It is inevitable that Japan and South Korea will progressively take greater responsibility for defending their territory.

This does not contract the fact that all the Asian players recognise that Washington has global strategic interests and military assets that no other state can compete with, not even an alliance. They furthermore recognise that America's military presence is essential to their stability and security. What is more, the war on terrorism has driven all the Asian powers—China, Japan, India and also Russia—to reorient their national strategies towards improving relations with the United States. The result is a noticeable easing of the rivalry between the United States and China, but also between China and Japan and even between China and India. Even so, it is true that a Washington with its attention pinned on Iraq has yet to carry out a

long-term strategic reflection on the Asian structural transformation that is spurring China's rise and the dynamism of regional cooperation.

The year ended in a terrible natural disaster for Asia. An underwater quake in the Indian Ocean, which measured 9 on the Richter Scale, caused a tsunami to sweep over the coasts of southern and southeast Asia on 26 December. Although the epicentre was near the province of Aceh in Indonesia, its impact also extended to Thailand, Malaysia, Burma, Sri Lanka, the Maldives and India. The number of victims had risen to over 200,000 by mid-January, to whom should be added the millions of people who lost their homes and belongings.

The international community reacted promptly. By the beginning of 2005, the United Nations had raised over \$2 billion from some 40 countries and hundreds of non-governmental organisations. The United States, Japan and Australia, among others (including Spain), sent large numbers of troops to carry out humanitarian work. It will be some months before the economic and political impact of the tsunami can be assessed. Despite the terrible cost in human lives and destruction, the areas affected are relatively marginal to their countries' economies. The exceptions are Sri Lanka and the Maldives, which are much less developed. The political effects of the tidal wave raise more doubts. Both Aceh and Sri Lanka have been plagued by civil strife for decades, and this will undoubtedly be influenced by this blow dealt by nature. The region's governments have thus turned into 2005 having to cope with an emergency situation, which will no doubt help shape the debate on national security.

**CHAPTER NINE**

**DEFENCE EXPENDITURE WORLDWIDE**

## DEFENCE EXPENDITURE WORLDWIDE

By Ángel Lobo García

*«We all want peace, but the question, unfortunately, is who will decide what peace is, what order and security are, what is an acceptable or unacceptable situation».*

Carl Schmitt

## DEFENCE EXPENDITURE AND THE CONCEPT OF SECURITY

### Security and defence

Before examining in detail defence expenditure in the present age, we will, by way of an introduction, analyse the concepts of security and defence. These concepts are not always clearly differentiated, particularly at a time like the present when the boundaries between external and internal security and between collective and national security are becoming increasingly blurred.

We will begin by exploring the development in the Western world of the expressions *security* and *defence*, as they can help clarify the current situation, particularly in Spain. There have traditionally been two schools of thought on these two concepts: the French school and what we might call the Anglo-Saxon school. According to the French school «*défense nationale*» is a broad term, as defined by French Ordonnance 59-147 of 1959 on the organisation of defence—regulating the French constitution of 1958, currently in force—which states: «*Defence is intended to ensure the security and integrity of the territory and the lives of the inhabitants at all times, in all circumstances and against any form of aggression*». Defence, as the French texts which develop this concept specify, is therefore both *civil* (political and economic) and *military*, permanent and *comprehensive*.

The aforementioned French concept is equivalent to what the Anglo-Saxon school calls «*national security*», a broad concept denoting totality and permanence, whereas in the Anglo-Saxon world the expression «*national defence*» is reserved for the function of the armed forces in the context of the broader function of security.

Spain, which, on account of its geographical proximity, had been fairly in tune with thinking on the other side of the Pyrenees over the past centuries, followed the French school in security and defence matters. This influence is reflected in our current legislation. Indeed, in our supreme law, the Spanish Constitution, the word «security» normally refers to the safety of citizens, to domestic security. Art. 97 on government responsibilities thus refers to the *defence* of the State, not to national security, and Art. 149, which establishes the matters over which the State has exclusive competence, mentions «Defence and the Armed Forces» in paragraph 4. However, when «*seguridad pública*» is mentioned in paragraph 29, it is understood to mean public safety, that which is provided by the police; indeed, the paragraph goes on to state «without prejudice to the creation of police forces by the self-governing communities». That is, the concept of «security» found in the Constitution does not refer to national security as a whole (with the sole exception of Art. 102) but to personal safety, that which is provided by the Security Forces and Corps (Art.104).

Accordingly, the legislation stemming from the Constitution maintains the approach of the French school. Art. 2 of organic law 6/80 regulating the basic criteria for national defence and military organisation (amended by law 1/849), which is still in force, thus states:

*«National defence is the disposal, integration and coordinated action of the Nation's energies and moral and material forces, in the face of any form of aggression, and all Spaniards must participate in achieving this end... permanently ... in the framework of article 97 of the Constitution».*

The bodies established by this organic law are done so in consonance with the aforementioned definition. For example, the highest advisory and consultative body of the government is the «Junta de Defensa Nacional» or National Defence Committee (which, in the draft of the Organic Law on National Defence submitted to the Council of Ministers, has been replaced by a Defence Council), just as the «National Defence Council» meets in France, while in the United States this function is performed by the Security Council. Although the official terminology has survived in Spain and

France, the fact is that since last century the growing influence of the United States in security issues has led to the prevalence of the Anglo-Saxon school and terminology when interpreting the concepts of security and defence. Nowadays, when the European Union treaties refer to «common foreign and security policy» and «common security and defence policy», it goes without saying that this is according to the terminology of the Anglo-Saxon school.

The current text of the Spanish Constitution is compatible with a modernisation of the organic law regulating the basic criteria of national defence—a modernisation in keeping with the widespread trends in the Western world. The recent National Defence Directive 1/2004 differentiates between security policy and defence policy in consonance with the EU's current approach. And it states that the Organic Law on National Defence that is currently being drafted «will include the missions and tasks of the Armed Forces» insofar as the future law on national defence is limited to and centred on this sphere. In this article the terms «security» and «defence» are used according to concepts that now prevail and are commonly used in official documents in Spain and the European Union.

### **Broad concept of security**

In the last two decades of the Cold War, the 1970s and 1980s, particularly the 1980s, during which East-West détente became consolidated, the debate progressed between advocates of a traditional concept of security (in which war and use of force—with great emphasis on nuclear power during that time—were the core of the concept) and those in favour of a new, broader approach that was not limited to military threats. As the sensation of military threat gradually subsided following the disintegration of the Soviet empire, the concept of security was progressively revised, placing emphasis on economic, and environmental problems and issues of social identity or transnational organised crime. In 1991 Barry Buzan, a prolific and prestigious analyst, defined security as freedom from threat and the ability, either of states or societies, to maintain their independence with respect to their identity and functional integration, vis-à-vis forces of change considered hostile. The identification of the subject of core security is thus not only the state but extends to other types of *society*, and the consideration of threats has also been broadened, as they could come not only from another armed force but also from any other «*force of change*» of a different nature.

After the Cold War the expression «peace dividends» was bandied about and defence expenditure was trimmed, particularly in the Western world. In the NATO countries as a whole, defence expenditure fell by 21.4 percent between 1990 and 2001. And security analysts are still formulating a theory that is appropriate to the new situation. Buzan, together with two other eminent authors, Waever and Wilde, has published a revised, broad concept of security: «*Security is the move that takes politics beyond the established rules*», that is, beyond the rules established for community life in normal times. The State and any other type of structured collectivity adopt rules that are established for daily community life. If an *existential threat* to a collectivity is perceived that requires special emergency actions, measures that go beyond the «established rules», we find ourselves in the field of security.

This broad concept of security is multi-sectoral in scope. If the existential threat in question is to sovereignty, we will be dealing with the politico-military sector, which is of paramount importance in the traditional approach to security in which the State is the main player (*State-centric security*). But the new «broad concept» considers that the existential threat is also applicable to the economic sector if what is at risk is wealth; to the environmental sector if the value at risk is the sustainability of the environment; or to the societal sector if the value at risk is the identity of a human collectivity, of a people. Just as in the traditional approach to security the State is the central player (*State-centric thinking*) and the predominant security sector is politico-military, in this other, broad new approach the analysis is multi-sectoral and carried out at different levels, and territoriality and military defence are not predominant.

In the post-Cold-War era many analysts are following this trend of revising and broadening the concept of national security. Some, such as David Baldwin, maintain that the importance of the military factor was disproportionately emphasised in international relations and foreign policy became militarised in the Cold-War period. Just as in the traditional approach military expenditure was a very important fundamental in analysing security, according to the aforementioned new, broader and multidimensional approach to security, less importance is attached to military expenditure data. Indeed, a classic publication on military spending, *World Military Expenditures and Arms Transfers* (WMEAT) by the US Arms Control and Disarmament Agency (ACDA), ceased to be published in 2000. The Department of State now handles this publication, whose statistics are no longer updated; the data for 1999-2000 are presented as information relating to the end of the Cold War.

Another facet of security that is heading in the direction of a broad concept is *human security*. This idea has been developing since the end of the last century and was reaffirmed by Kofi Annan, whose Millennium Report 2000 states that:

*«...a new understanding of the concept of security is evolving. Once synonymous with the defence of territory from external attack, the requirements of security today have come to embrace the protection of communities and individuals from internal violence».*

This stance is an extension of Kofi Annan's philosophy of «two concepts of sovereignty». To the traditional concept of state sovereignty should be added a new one, that of «individual sovereignty». According to Annan, the international community cannot remain impassive for the sake of state sovereignty and non-interference when, for example, a tyrant glaringly commits mass violations of the human rights of the people he governs, in cases of genocide. State sovereignty cannot be used as a shield for violating human rights collectively. In such cases human security should take priority over the principle of state sovereignty. In response to the approach taken in the Millennium Report, Japan's government has set up a «Commission of Human Security» (1) which is actively disseminating this field of security.

Nevertheless, «human security» is a complex concept still being defined and supersedes the principle that sovereignty is exclusive to the state—a principle enshrined in the Peace of Westphalia in 1648, and the basis of the international order since then. As a specialist in this area, Joseph Rivera, writes in the *Journal of Peace Research* (September, 2004): It is intended that the concept of human security should go beyond that of national security. So far there is no agreement as to what exactly this concept would include or how it would be measured.

Although «human security» is still being defined, it is undoubtedly influencing the aforementioned trend towards a broader concept of security, a trend in which the predominance of the state as principal actor and of military expenditure is diminishing, particularly as a result of the situation stemming from the end of the Cold War. But this broad approach in which the state and the politico-military sector are losing prominence was essentially affected by the volte-face in the security environment caused by the mega-terrorist attack of 11 September 2001 (hereinafter 9/11) in the United States of America.

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(1) See <http://www.humansecurity-chs.org/>

## THE «NEW THREATS»

Sporadic attacks by international Islamist terrorists had been witnessed for some years. Frequently directed against Muslim governments, they later focused more on Western, particularly US, interests. But the terrorist attack of 9/11 on the United States with an exceptionally high death toll marked a structural change that clearly highlighted to the international community the enormous vulnerability of any security system, even that of the superpower. The various attacks that followed 9/11 took place outside the so-called Western world, in what Rohan Gunaratna calls the «southern belt» (2): Bali, Riyadh, Karachi, Casablanca, Jakarta, Tunis, Mombassa, Istanbul, the Philippines, Taba...and currently Iraq, Iraq and Iraq...

But mega-terrorism struck again in the West, this time in Europe. On 11 March 2004 (hereinafter 3/11) a wave of coordinated explosions on various commuter trains bound for Madrid killed 192 people and injured nearly 1,500. Later in the year, once again in Europe, this time Russia, a horrific massacre took place at Beslan school in Chechnya, an extension of previous terrorist actions in Moscow. In addition, attacks continue in the aforementioned «southern belt», such as the bombing of the US consulate in Jeddah in December 2004.

The «European Security Strategy» adopted in December 2003, entitled «A Secure Europe in a Better World» and known colloquially as the «Solana Document», lists today's «key threats» as terrorism, the proliferation of weapons of mass destruction, regional conflicts, failed states and organised crime. It basically coincides with the threats identified in the previous United States National Security Strategy of September 2002. The «Solana Document» states that the most frightening scenario is that in which terrorists acquire weapons of mass destruction—just as the US strategy does—and goes on to mention that the combination of all these «key threats» added to the «privatisation of force» as a result of the weakening of the state system in failed states would lead to the international community being confronted with a «very radical threat». The discreet and non-alarmist Al Baradei, director general of the International Atomic Energy Agency, warns in a statement made to *Der Spiegel* (24-1-2004), that the world faces the real and serious possibility of a growing threat of proliferation of nuclear weapons.

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(2) GUNARATNA, R.: «La amenaza de Al Qaeda tras los atentados de Madrid». «El nuevo terrorismo islamista, Del 11-S al11-M». Madrid. Temas de Hoy. 2004.

With the emergence of Islamist mega-terrorism together with the aforementioned «new threats» in this century, the State has acquired the prominence it enjoyed in the field of security in earlier periods and that was disputed by the broader security concept. Once again the State is responsible for identifying the new threats, activating the means of response and deciding how to direct the response actions.

Another important distinction that has emerged in the new landscape is that the boundary between external security and internal security is becoming blurred; the two fields are becoming intermingled. The distinction between the two functions used to be clear. Military forces mainly dealt with external threats and police forces took care of internal security—two separate efforts structurally entrusted to two different departments. Admittedly, this separation is not generally found in less developed countries where the armed forces often also keep internal order. But the division was well established in the more developed countries. Nowadays, although the respective specialisation of missions logically continues, the scopes of action can overlap. Perhaps the clearest example is the United States, which has strengthened the so-called Homeland Defense department. In Paris it is common to see soldiers patrolling the city centre at times of terrorist alert. And in Spain the armed forces have been used to guard infrastructures and other possible terrorist targets for some time now, generally non-urban areas, although soldiers patrolled Atocha railway station during the security deployment at the end of December 2004.

And whereas defence expenditure used to be considered a reliable indicator of a nation's external security capability—security in the face of external threats—as the fields of internal and external security are now intermingled it can be said that defence expenditure in itself is not a reliable indicator. In the new, complex security situation, it might seem that the ideal thing would be to have a joint indicator of both external and internal security. But the fact is that although consideration is beginning to be given to the interrelation of these two fields, we are still far from being able to address both as a whole with the possibility of common indicators. If, as we will examine later on, measuring the defence effort is a complex task and its interpretation limited, the joint measuring of an external and internal security indicator is still in its early stage and more complex still. But in future it might be appropriate to give further consideration to a joint approach to the indicators of both fields, particularly if the transnational terrorist threat does not subside but draws on.

## Need for a grand multilateral strategy

The first question to ask would be: «*Is the West facing an existential threat?*» The United States and the EU may have different perceptions following 9/11. For the US, there has clearly been an existential threat since that date, while the EU has had a greater awareness of the magnitude of the threat only since 3/11. We should examine what the strategic goal of Islamist terrorism is. Is it a reaction to the globalisation of the cultural and economic pressure exerted by the West (3) or does it go beyond that and aim to restore political-religious power in the Islamic world? (4) The strategy to be drawn up will differ greatly depending on whether transnational Islamist terrorism is an existential threat that is limited to the Western world or whether it is also a threat for widely diverse Islamic states, or, indeed, whether this existential threat extends to a substantial part of the rest of the international community.

What role should the armed forces play in responding to the new threats? The section on «Policy implications for Europe» (implications of the new threats) in the European Security Strategy states that «As a Union of 25 members, spending more than 160 billion Euros on defence, we should be able to sustain several operations simultaneously. We could add particular value by developing operations involving both military and civilian capabilities». It goes on to state that in order for Europe to be more capable we need «to transform our militaries into more flexible, mobile forces, and to enable them to address the new threats, more resources for defence and more effective use of resources are necessary». The US' position of considering the armed forces to be a main actor in the so-called war on terrorism is well known. Even in a document as general in scope as the recent report of the United Nations High-Level Panel on Threats, Challenges and Change, entitled «A More Secure World. Our Shared Responsibility», paragraph 183 reads «Military force, legally and properly applied, is a vital component of any workable system of collec-

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(3) French terrorism expert OLIVIER ROY (author of the recent «*Globalize Islam*», Columbia University Press. 2004) in Open Forum (17-11-04, sponsored by the Open Society Institute, New York) states that «*Islamic radicalisation is a pathological consequence of Westernisation*» which spurs Islamic neo-fundamentalism among the Muslims based in the West rather than in Islamic regions, distinguishing between these neo-fundamentalists, particularly Al Qaeda, and Islamists in general. [www.aurasianet.org](http://www.aurasianet.org).

(4) JORDÁN, JAVIER writes that: «*The strategic aim of Al-Qaida is to establish Islamist regimes in the countries with a Muslim majority and achieve a political union of the Islamic community, that is, the restoration of the caliphate*». In «*Profetas del miedo. Aproximación al terrorismo*». Pamplona. EUNSA. 2004.

tive security, whether defined in the traditional narrow sense or more broadly ...»

The armed forces must be an essential component of a grand strategy that responds to the «new threats» as a whole. They provide backing to any preventive diplomacy, as the EU is realising in its aims to boost its role as an international actor. In Spain, the recent National Defence Directive 1/2004 expressly calls for:

*«The consolidation of the role of the Armed Forces as a substantial element of the State's external action».*

In the case of the threat of transnational terrorism, if its objectives are strategic it cannot limit its work to that of clandestine groups infiltrated into the society it threatens; it needs havens for its training and logistics bases. These havens generally require the availability of territory in some state of the international community. In such cases the threatened state needs armed forces capable of deterring possible adversary states from assuming the aforementioned role of havens; and, if necessary, of acting against these states by force of weapons.

There can be no doubt that Libya, Syria, Iran, Sudan and Somalia would have taken good note of the decisive war in Afghanistan following 9/11 (5). The defeat of Afghanistan's Taliban government is a huge deterrent to possible future haven states. A similar deterrent may be needed with respect to the worrying proliferation of states that aim to acquire weapons of mass destruction.

In the current strategic environment we are furthermore witnessing the frequent need for recourse to the armed forces to meet needs arising from regional instability or failed states, both for the establishment of peace (or imposition of peace if necessary) and for the subsequent complex task of rebuilding the nations in question, and providing a suitable security situation. In his recent work *State Building. Governance and World Order in the 21<sup>st</sup> Century*, the controversial essayist Fukuyama defends the construction of the State as one of the issues of greatest importance to the world

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(5) JORDÁN, J. in «*Profetas del miedo*,» op. cit., comments that Iran and Sudan are the regimes which have lent the most support to Islamist terrorism and that other states that have done so with reservations are Afghanistan (Al Qaeda), Syria (Hizbollah), Iraq (formerly Palestinian suicide bombers), Somalia (warlords backed Al Qaeda), Pakistan (formerly in Kashmir) and Saudi Arabia (involuntary support). Pages 97 to 100. Of the 19 suicide hijackers of the terrorist attacks of 9/11, 15 were Saudi. What will the future Saudi government be? Bin Laden aspires to it.

community, as weak or failed States are the source of many of the world's most serious problems such as poverty, aids, drugs and terrorism.

The «new threats» have thus revived interest in analysing how military power is distributed in the world and which international actors have armed forces appropriate for facing the «new challenges» fully and with a suitable strategy; and, conversely, which potential adversary countries may have a military force capable of countering responses to possible new threats. The basic indicator for an analysis of this type is *defence expenditure worldwide*.

## **THE STATE AND DEFENCE EXPENDITURE**

### **Assessing defence effort. Its complexity and heterogeneousness**

It is not easy to compare different countries' military capability owing to the difficulty of measuring «defence effort», a complex fundamental that cannot be expressed by only one parameter or by a small, manageable set of parameters. In order to assess the power of a country's armed forces various data can be considered partial indicators, such as number of military in active service and in reserve, different systems of available weapons and materiel (number of cannon and combat vehicles; aircraft; command, control and telecommunications systems; observation, information or detection and warning systems; means of strategic transport, etc.); it is also important to assess the technological modernity and efficiency of these systems, of course. We should also examine logistic support capability, possibility of training, training grounds, simulators, and many more elements such as industrial capability and, naturally, the country's general economic capability.

When considering the global defence effort we also need to take into account aspects that are not easily quantifiable, such as degree of instruction and training of the forces, their physical preparation, whether they are professionals or conscripts, and the moral values and motivations of the members of the armed units, qualities that are greatly appreciated by the military command when assessing the capability of a unit. Also important is the capability at different levels of managing the ever-limited defence resources efficiently, and a country's social willingness to back the sacrifice entailed by the defence effort.

Therefore, conscious of the limitations of expressing a country's military capability in a manageable set of figures, we will now examine a

possible, simple but sufficiently illustrative comparison of defence effort that can be made, aware of the imperfections implicit in the indicators we will use.

### **Defence expenditure as a measurement of defence effort. Its limitations**

The most elementary and primary expression of defence effort is, of course, «defence expenditure»—in other words, that which is spent, not the amount budgeted but rather the amount that has really been spent at year end, after taking into account possible supplemental appropriations, appropriations from the previous year and sometimes even reductions in appropriations. Furthermore, defence expenditure does not always reflect the main financial efforts for defence as, given the unpopularity of military expenditure, countries often seek other ways of accounting for certain items, particularly imported weapons systems or nationally produced equipment using loans that delay their being recorded as defence expenses.

Defence expenditure is furthermore the sum of different components: personnel expenses; expenses deriving from investments in equipment; running, maintenance and infrastructure expenses; military research expenses; military assistance to other countries; and other concepts, depending on the country in question. In all cases defence expenditure is the result of adding a number of components that are not necessarily the same for the various countries that we wish to compare. The exchange rates of the currencies involved also influence the comparison between countries.

NATO attempts to make up for this heterogeneousness by adopting a common criterion for the Alliance's internal purposes. According to this criterion, defence expenditure is not limited to spent funds from the defence budget; rather, certain items are added or subtracted using the following simplified guidelines for estimating defence expenditure:

- All defence ministry expenditures that are civil in nature and purpose are excluded.
- Other ministries' expenditures that are military in nature and purpose are included.
- For countries providing military assistance, this is included in the expenditures figures.
- Acquisitions of materiel using loans are included in the period in which the debt is incurred, not when it is repaid.

NATO has furthermore agreed to classify as «defence expenditures» pensions paid to retired military and civilian personnel from the military administration. This does not mean that pensions paid to so-called «ex-combatants» should be included in defence expenditures, as they do not relate to defence professionals but to civilians temporarily incorporated into the armed forces. Paramilitary police are recorded as a military expenditure if they are equipped, trained and expected to participate as a military force in the event of war. Such is the case, for example, of the carabinieri in Italy. On the contrary, in Spain there is no reason to include the Civil Guard under defence expenditure as their functions, materiel and training are predominately police. A small fraction could perhaps be considered military police should the case arise.

This definition helps standardise the defence expenditures of the various countries, though grey areas and interpretable aspects still remain that make it difficult to apply rigorously the theoretic criteria adopted.

But this definition is only applied within NATO for the 26 member states. The information available for the rest of the countries is that which each country submits, corrected or completed with any additional information that may be known. The United Nations holds data, which it gathers by means of a questionnaire its member states complete annually. Another source is the data gathered by the International Monetary Fund (IMF). The SIPRI and the International Institute for Strategic Studies (IISS) also ask all the countries of the international community to send in a questionnaire that is addressed to different authorities from each country (6). All these statistics are compiled using data provided by each country according to its own criteria and are therefore not as standardised as NATO's.

When analysing each country's defence expenditure, it is appropriate to study trends rather than take a particular fiscal year. The continuation of a certain level of defence effort for a prolonged period translates into the accumulation of investment and consolidation of a long-term force objective. On the contrary, the continuation of a low defence effort for a prolonged period, as in the case of Spain, eventually leads to some undercapitalisation of the armed forces' equipment, in addition to shortfalls in maintenance, operational capacity and functioning. Monitoring trends in defence expenditure is therefore illustrative. That is why the SIPRI gives

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(6) The SIPRI publishes them in the annual edition of the «*SIPRI YEARBOOK*» (which uses the NATO definition as a reference) and the British institute publishes a yearly «*Military Balance*».

priority to the monitoring of uniform temporal series for each country to obtain consistent statistics over time rather than attempting to adjust each country's data yearly on the basis of a common definition.

## **Defence expenditure as an indicator of power**

We stated earlier that when addressing the so-called new threats it is advisable to have an available complementary military capability consisting of other instruments when planning an overall strategy.

But in addition, in the so-called concert of nations, military power continues to be an important factor to consider in power relations between the different countries in the international community. The geopolitical game of power balancing and regional or subregional ambitions continues. Henry Kissinger recently wrote:

*«...the centre of gravity of international politics is shifting to Asia... Countries like Russia, China, Japan and India still view the nation as does the United States and as did European states prior to World War II. The concept of national interest still rallies public and leadership opinion. The balance of power affects their calculations, notably in their relations with each other».*

Referring to the United States' current military might, the SIPRI's latest yearbook (7) stresses that the unprecedented military dominion of a single power and its huge increases in military expenditure raise the question of what impact it will have on other major powers. At the end of last century the *New York Times* leaked a report by Wolfowitz citing Russia and China as possible strategic rivals and Germany and Japan as potential nuclear rivals of the United States. Raw materials in general and, in particular, energy sources are weighty factors when considering possible strategic rivalry. Russia and China have been expressing their disagreement with the United States' growing presence in key areas. It is symptomatic that, as an expression of a new strategic partnership, on 13 December 2004 the Russian defence minister, Ivanov, and his Chinese counterpart, Gangchuan, announced in Beijing that joint military exercises would be conducted on Chinese territory for the first time. And on 27 December 2004 the Russian defence minister, at a meeting with

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(7) «SIPRI Yearbook 2004. Armaments, Disarmament and International Security». Stockholm International Peace Research Institute, Oxford. Oxford University Press. 2004. p. 320.

President Putin in Moscow, added that these important joint exercises in China would begin in the second half of 2005 on the basis of the Good Neighbourly Treaty of Friendship and Cooperation, with the emphasis on modern military equipment such as nuclear submarines and strategic bombing.

Even if the European Union preaches its preference for attempting multi-lateral cooperative solutions—an approach that has allowed it to overcome earlier power struggles in Europe—the world’s great states, such as the United States, Russia and China, and more and more others like India, Brazil and Japan are following the traditional patterns of the nation-State that seeks to safeguard its national interests according to its sovereign freedom of action and its own powers in the traditional sense of state sovereignty.

In this scenario defence expenditure continues to be an essential indicator of power relations between the international actors. However, it is true that this essential indicator increasingly needs to be supplemented with additional information on the real and effective capability of military assets in operations. The recent technological advances are so important that a comparison of forces is very incomplete if it is limited to macroeconomic figures and figures for troops and weapons without rating their modernity and operational capacity.

## **DEFENCE EXPENDITURE WORLDWIDE (8)**

### **An overall assessment**

As stated earlier, whenever possible payments actually made rather than budgeted figures are used. Therefore information on what was spent in 2004 is not available yet. At best, the most recent data on payments made relate to 2003. That year worldwide military expenditure amounted to \$956 billion (current dollars). This figure represents a growth of approximately 11 percent with respect to 2002, which is a significant increase. Since the 2002 figure represents a 6.5 percent rise with respect to the previous year, the increase over the two-year period amounts to 18 percent, which is indeed a very sizeable increase of almost one-fifth. In 2003 worldwide defence expenditure accounted for 2.7 percent of world Gross

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(8) Main source on expenditure in 2003 and 2004: «*SIPRI Yearbook 2004*». op. cit , when other sources are not cited.

Domestic Product (GDP), and defence expenditure per capita stood at \$152 (it is approximately \$1,500 per capita in the United States).

The increases recorded over the past two years are more notable if viewed in relation to previous years' trends. For nearly the first 10 years of the post-Cold-War period, worldwide defence expenditure decreased—the so-called peace dividends—followed by a slight upswing in 1998. This upswing became more marked from 2002 onwards.

However, the nearly 18 percent overall increase in two years needs to be clarified, in that the main reason for this rise is the substantial increase in the United States' defence spending since the terrorist attack on 11 September 2001. Specifically, in 2003, if we were to deduct from the overall expenditure of some \$880 billion (in 2000 dollars, equivalent to the aforementioned \$976 billion in current dollars) the \$62.6 billion supplemental appropriation to boost USA's spending in the so-called «war on terrorism», the real rise in worldwide spending in 2003 with respect to 2002 would be only 3.5 percent.

In other words, the substantial increase in defence expenditure in 2003 mainly relates to the United States. In the rest of the countries the rise is not remarkable. Even so, as the SIPRI deduces, the 32 richest countries account for 75 percent of overall defence expenditure, even though they represent only 16 percent of the world's population. And the 58 countries with the lowest income—where 41 of the population lives—account for a mere four percent of world defence expenditure.

## **Regional analysis of defence expenditure**

### *United States of America*

The United States' defence expenditure in 2003 totalled \$438.9 billion in current dollars (including the aforementioned budget supplemental of \$62.6 billion authorised in April 2003 for the Iraq war). This figure represents a rise of 23 percent in real terms with respect to 2002. And it accounts for 47 percent of world expenditure. The sum total of the expenditures of the 14 countries with the next highest figures does not even equal 75 percent of US spending.

The budget authorised in fiscal year 2004 for «Defense-related activities» (which includes the Energy Department programme for national security and that of the Defense Nuclear Facilities Safety Board, in addi-

tion to the budget of the Defense Department) amounts to \$401.3 billion and, if the budget supplemental of \$65.6 billion for military operations (Iraq, Afghanistan and others) is added, the sum total for that fiscal year is \$466.9 billion, more than the fiscal deficit, which is expected to amount to some \$420 billion in 2004, equivalent to 3.6 percent of the United States' GDP.

In fiscal year 2005 authorisation has been requested for a \$423.1 billion budget followed by a supplemental appropriation of some \$80 billion (mostly defence spending), giving a sum total of about \$500 billion. A spectacular budget. Those in favour of this budget argue that when adjusted for inflation, the 2005 budget expressed in constant dollars is only 15 percent higher than that of 2001. Furthermore, this budget accounts for under four percent of GDP and less than 20 percent of the total federal budget, whereas in Reagan's day the defence budget rose to over six percent of GDP and 27 percent of the federal budget.

However, the Budget Committee is under very considerable pressure to trim the public deficit (the so-called «war on terrorism» is costing \$5 billion per month). According to military and US Congress sources, the Pentagon is aiming for a \$60 billion cut over the next six years, beginning with \$10 billion in 2006 (9). This would be the first budget decrease since 2001. And, just as when it approved the 2003 budget Congress gave priority to equipment over personnel in its amendments, in the current bills, despite their restrictive nature, it is intended to earmark billions of dollars over the next few years to add 15 brigades to the land army (over 40 percent of the troops deployed in Iraq are reservists). When Rumsfeld—who had been an active member of the «Revolution in Military Affairs» study team—was appointed defence secretary in 2001, he set the goal of trimming the army substantially and investing in technologically advanced weapons systems, particularly in aviation. The harsh reality of the military operations under way has highlighted the need for a larger ground force. And now budgetary saving will entail sizeable cuts in appropriations for equipment. The Navy will be the worse hit. There are plans to withdraw the aircraft carrier USS John Kennedy, which has been in service since 1968 and will be the first carrier to be removed from service since 1990. It is also intended to reduce the envisaged sale of five new LSD-17 landing ship docks and DD(X) destroyers, which will be acquired over a peri-

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(9) SCHMITT, ERIC: «*Pentagon Said to Offer Cuts in the Billions*». «New York Times», 30 December 2004.

od of six years. Acquisitions of the F/A 22 stealthfighters for the Air Force are being drastically trimmed. As for the Army, the development of a modern \$120-billion Future Combat System that would allow soldiers to share computer data with remote controlled aircraft and combat vehicles has been delayed.

### *The European Union*

The EU is still a very long way from being able to be considered a unified player in the military field. On the contrary, this is one of the aspects in which the Member States still have greater autonomy. Therefore, it is not very useful for the purpose of this paper to examine the total budget of \$173.46 billion for the 25 EU members. The *Treaty Establishing a Constitution for Europe*, aware that the Member States are still far from achieving a defence common to all 25 members, refers to what is termed «*structured cooperation*», the idea being a small group in which efficiency prevails over mere title.

If the 25 countries are listed in order of size of defence budget, the first seven account for 84 percent of the total budget and happen to be the seven with the most substantial military capabilities. Of the seven, six (all except the Netherlands) are the signatories to the agreement on defence industrial restructuring springing from the so-called Lol (Letter of Intent) and produce approximately 90 percent of European armaments.

These countries' defence budgets for 2003, listed in decreasing order in millions of dollars, are (10):

– United Kingdom	41,300
– France	34,900
– Germany	27,400
– Italy	22,300
– Spain	8,500
– The Netherlands	7,200
– Sweden	4,000

The 2003 budgets for these seven countries total \$145.6 billion. Spain accounts for only 5.8 percent of this figure, whereas it represents approximately 10 percent of the total GDP for the seven. Spain's defence effort is therefore relatively low. This conclusion is confirmed if we compare in the

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(10) SCHMITT, BURKARD. [www.iss-eu.org/esdp/11-bsdef.pdf](http://www.iss-eu.org/esdp/11-bsdef.pdf).

following list the amounts in dollars that represent defence expenditure per capita in each of these countries:

– United Kingdom	695
– France	585
– Germany	334
– Italy	387
– <b>Spain</b>	<b>212</b>
– The Netherlands	453
– Sweden	460

The United Kingdom has been boosting its defence expenditure by 1.3 percent yearly in real terms. An increase of 3.3 percent was planned for the fiscal year 2003/2004 and of 0.3 percent for 2004/2005. This does not include funds earmarked to the Iraq war, which amounted to nearly \$5 billion in 2003. In the military programme law 2003-2008, France has reversed the trend of previous years and is increasing defence expenditure by at least a significant two percent in real terms (despite its public deficit of over three percent), having set itself the goal of mainly increasing allocations to fund procurement and maintenance of materiel and equipment. Germany has frozen its budget at €24.4 billion until 2006. In Italy the Defence White Paper advocates an annual increase in defence spending to bring it up to 1.5 percent of GDP in 2006.

In 2004 Spain upped its defence budget by 4.1 percent; as inflation turned out to be 3.5 percent, the budget increase was only 0.6 percent in real terms. The budget increase envisaged for 2005 is 4.2 percent, though when adjusted for the foreseeable inflation rate it may result in a real increase as small as that of 2004. It should be borne in mind that Spain is funding a number of programmes (Leopard combat tank, F-100 frigate, Eurofighter combat aircraft and A-400M transport aircraft, Tiger helicopter, Pizarro vehicle, S-80 submarine and Strategic Projection Ship) through advance payments made by the Industry Ministry to the companies, which they pay back upon delivery of the product that is paid by the Defence Ministry. The Industry Ministry made advance payments totalling some €1 billion in 2004 and in 2005. As deliveries of items from the aforementioned programmes build up, the capacity to pay for them out of the Defence budget is being bolstered and the possibility is being studied of flattening the curve of financial obligations in order to make it stretch over a whole generation, some 25 years, on the basis that the materiel acquired will have a useful life of approximately one generation.

The EU's common security and defence policy does not envisage acquiring powerful weapons. Defence vis-à-vis a major threat to the EU's territory, which is not likely in the foreseeable future, continues to rest with NATO (with the USA). The European Security Strategy puts the emphasis on multilateralism when it comes to settling conflicts. In order to contribute internationally to crisis management, in 2004 the EU developed the concept of «Battle groups» of some 1,500 soldiers each, including support elements, that would be deployable within 15 days and highly effective. A joint objective of 13 such battle groups has been set for 2010. Europe also plans to acquire the strategic air and naval transport capabilities it currently lacks. Other shortfalls in its operational capacity also need to be addressed as a priority. These were identified at the EU Capabilities Conference (air-to-air refuelling, suppression of enemy air defences, electronic warfare, airborne ground surveillance, all-time strategic theatre surveillance, combat search and rescue and electronic intelligence). According to the European Defence White Paper unofficially drafted at the EU's Institute for Strategic Studies by an independent group, an investment of some €42 billion would be required to address these operational shortcomings. It is hoped that the European Defence Agency that is currently being organised will contribute to this. But the political will of the countries, particularly those set on «structured defence», and the related financial effort are essential if the EU is to acquire the military capability to underpin the role of international actor to which it aspires.

### *Russia*

Russia is currently one of the least transparent countries when it comes to providing information about its defence spending. It supplies information—the content being in keeping with its own interests—to the United Nations and OSCE but the SIPRI has stated in its yearbook (11) that Russia does not fully complete the questionnaire it sends the countries each year. *The World Factbook 2004* published by the CIA (USA) does not include information about military expenditure in Russia as it lacks data to make a proper estimate. According to *The Military Balance*, Russia's defence budget (which does not include expenses arising from military reforms, retirees' pensions, expenses of paramilitary forces and others that are clearly related to the department of defence) amounted to \$10.6 billion in 2003 and \$14.2 billion in 2004. According to the private organi-

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(11) «SIPRI Yearbook 2004», op. cit. Appendix 10D. «The reporting of military data», p. 380.

sation «GlobalSecurity.com», its budget for 2005 totals \$18 billion, 27.7 percent higher than in 2004.

The SIPRI puts the 2003 figure at \$13 billion, calculated (as with the previous figures) on the basis of market exchange rates. But it also deduces it on the basis of Purchasing Power Parity (PPA), obtaining a defence expenditure of \$63.2 billion in 2003 (12). According to this PPA-based approach (which is more representative if the country spends mainly on domestically provided goods and services), Russia would rank fourth in defence expenditure. However, a comparison based on market exchange rate is generally preferred, in which case Russia ranks eleventh.

Equipment expenditures largely relate to repairs and maintenance or programmes to modernise what is now old materiel. However Russia, which has not quite come to terms with the fact that NATO is extending to its borders and less with Ukraine's increasingly Western inclinations, is currently striving to equip itself with systems that will shape an image of military power, not prepared to lose the very powerful position that the Soviet Union enjoyed. According to the Russian agency Itar-Tass, Russia «has broken the American monopoly in use of conventional long-range cruise missiles» and has begun to equip its strategic bombers with K-555 precision cruise missiles (in Russian terminology) that may be equivalent to the well-known US Tomahawks and B-2s with a range of over 3,000 kilometres.

In addition, on 7 November 2004 President Putin announced during one of his frequent meetings with military leaders that a new generation of nuclear missiles «that no other power has nor will have for years to come» could come into service in 2006. According to the aforementioned Itar-Tass agency, these are the feared Topol-M missiles (SS-X-27 in NATO terminology) which have a range of 10,000 kilometres and are capable of defying the most advanced interception systems. It so happens that two weeks earlier Yuri Salomonov, director of one of the institutes of Russia's industrial military complex, had stated that the sector is in such dire financial straits that, unless a remedy is found, the programmes to modernise nuclear weapons will have to be suspended. Perhaps as a response, at Putin's aforementioned meeting with the military command, the minister, Sergey Ivanov, stated that \$6.4 bil-

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(12) The Purchasing Power Parity of another country's currency with the dollar is defined as *the number of units of a country's currency required to purchase the same quantity of goods and services in that country as one dollar would buy in the United States*. For further information see the SIPRI Yearbook 1999, Appendix 7C.

lion would be earmarked to the development of new defence programmes in 2005 and President Putin added that defence expenditure would be upped by 40 percent with respect to 2004. Whatever the case, the technological gap between Russia and the United States is huge, even though Russia's defence effort is a national priority.

## Asia

As Henry Kissinger recently stressed, the centre of gravity in international politics is shifting to Asia. In this connection James F. Hoge, Jr., editor in chief of *Foreign Affairs*, writes in «A Global Power Shift in the Making» (*Foreign Affairs*, July/August 2004) «Asia is rising fast, with its growing economic power translating into political and military strength. The West must adapt—or be left behind.» He goes on to say that the rise will be accompanied by tensions between the main players in the area. China and Japan have never been powerful at the same time: for centuries, China was strong while Japan was impoverished, whereas for most of the last 200 years, Japan has been powerful and China weak. Will they coexist as powers in the future and vie for regional control? Actually they are already engaged in a sort of arms race. China recently launched the first of a series of new ballistic missile submarines and, according to the *Yomiuri Shimbun* daily, Japan is studying the development of the first long-range surface-to-surface missile that is due to be authorised by the government at the end of 2004 «as a means of countering the possible invasion of a remote island several hundred kilometres from the Japanese mainland». The month before this announcement, in November 2004, China had to «express its regret» that one of its nuclear submarines had entered Japanese waters surrounding one of the disputed islands for two hours, giving rise to a two-day chase on the high seas between the countries' territories. There are plenty of sources of conflict in Asia: Taiwan, Kashmir, North Korea, disputes over various islands.... China and India, the two regional giants, are engaged in a border quarrel. Stability does not prevail in Central Asia. Uzbekistan is a good example. Important energy sources in the area add to its instability.

## China

On 27 December 2004, China presented its White Paper on Defence entitled «China's National Defence in 2004». This is the fifth of the two-yearly publications first launched in 1995. The document sets out China's defence policy (of which Taiwan is a central issue) and the progress made

in developing national defence and the army over the past two years. The report states that defence expenditure amounted to 170.778 billion yuan (\$20.27 billion) in 2002 and 190.787 billion yuan (\$22.98 billion) in 2003. The rise in defence spending in 2003 is 11.7 percent, which marks a downturn as in 2001 and 2002 the percentage increases were 17.7 and 17.6, respectively. Even so, an increase of 11.7 percent is still a substantial figure as, although it is expressed in monetary terms, Chinese inflation is low.

The reform stresses that defence spending accounted for a mere 1.62 percent of GDP in 2002 and 1.63 percent in 2003; however, if we examine the percentages for the past few years

Year	1997	1998	1999	2000	2001	2002	2003
Percentage	1.09	1.19	1.31	1.35	1.48	1.62	1.63

we will see that China's defence effort as a percentage of GDP is growing, and even more so in absolute terms, as the country's GDP is significantly higher every year. GDP growth percentages for the past years are: 7.3 (in 2001), 8.0 (in 2002), 8.8 (in 2003) and 9.4 (in 2004) (13).

The White Paper states that «the guiding principle of coordinated development of national defence and the economy» is being followed and that Chinese defence expenditure is a mere 5.69 percent of that of the United States, 56.78 percent of Japan's, 37.07 of the United Kingdom's and 75.94 percent of France's. This is true in terms of figures obtained from market exchange rates, but not if a comparison is made on the basis of Purchasing Power Parity. If defence expenditure is calculated on the basis of PPP, China would rank second with \$151 billion, behind the United States and ahead of India, Russia, France and the United Kingdom, in that order.

In addition, the Chinese defence expenditure figures do not include spending by the Defence Science and Technology Committee. As *The Military Balance* generally points out, Chinese defence expenditure data do not include the proceeds of sales of weapons, expenditures for research and development or for procurement of weapons systems and pensions paid to retirees. The United States Central Intelligence Agency (CIA) puts Chinese defence expenditure for 2003 at \$60 billion, almost triple the figure published

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(13) Sources: VIÑALS, J.: «Estados Unidos: motores de la recuperación económica internacional»; «Economistas», no. 100 (2003). For 2004, Chinese economic daily «Di Yi Caijing Ribao», 25-12-04.

in China's Defence White Paper (\$22.98 billion). *The Military Balance 2004 - 2005* gives an estimated defence expenditure of \$56 billion for 2003.

As an indicator of China's defence effort in modernising its weapons systems, it is significant that in July 2004 it launched the first of the new Class 094 submarines which will be equipped with equally new underwater-launched JL-2 ballistic missiles that have an estimated range of 12,070 kilometres (a strategic distance, as the United States is within striking range). This illustrates the Chinese armed forces' aim to boost their capabilities, as their current submarine ballistic missiles are medium-range and their submarines noisy and therefore highly vulnerable. China is also giving impetus to its aerospace/military industry. Yang Yuzhong, vice-president of the China Aviation Corporation Industry, recently claimed that by 2010 China will be the fourth largest industrial power after the United States, the European Union and Russia in the design and development of latest-generation aircraft. Progress is also being made in space technology with a view to launching a moon-exploration satellite within two years' time after making and launching previous artificial satellites.

## Japan

Japan is bound by its constitution not to have nuclear or offensive forces; its forces are limited to self-defence, cannot be assigned more than one percent of GDP annually, and are subordinate to the so-called Defence Agency, which is a sort of civil defence ministry. North Korea's announcement of its intention to develop nuclear weapons led the Japanese parliament to pass a law allowing the limitations of the self-defence forces to be suppressed if Japan were attacked. And the 2003 Defence White Paper gave priority to defence from the new threats of terrorism and weapons of mass destruction and to acquiring an anti-missile ballistic defence capability.

The expenditure of the self-defence forces amounted to \$46.9 billion in 2003, considerably higher than that of the United Kingdom, even though this figure includes neither the modern military surveillance system nor the effective Coastguard nor the wages of military pensioners. It does include the expenses assumed by Japan in relation to the reorganisation of the US-used Okinawa base, for which Japan is footing 40 percent of the cost. For 2004 the Defence Agency had requested an increase of 1.5 percent and the budget that was finally approved amounted to \$42.5 billion, equivalent to 0.98 percent of GDP. The Defence White Paper of 10 December

2004 includes a strategic review of the new threats and is the basis for a military programme 2005-2009 law which involves a budgetary reduction of three percent over the five-year period.

Japan has reached the initial stage of an agreement to be signed with the United States early in 2005 whereby it will produce Patriot PAC-3 (Lockheed Martin) surface-to-air missiles as the basic component of a joint missile defence project due to be completed in March 2006. The PAC-3 can intercept missiles such as North Korea's Rodong, which has a range of 1,300 kilometres. Funds have also been set aside for procuring destroyers equipped with the Raytheon Aegis combat system, which also provides missile defence from the sea. It has also been decided to develop a helicopter carrier. All this may bolster Japan's ability to play a bigger role in regional security, though for the time being in cooperation with the United States.

## India

India's defence expenditure has been on the rise for years, growing by nearly five percent annually in real terms for the past decade. In 2003 India was in twelfth place, after Russia, in the world ranking based on market exchange rates, though if the figures are based on Purchasing Power Parity it would rank third, behind the United States and China. It should be stressed that given India's territorial and border conflicts with China and, in particular, Pakistan, the land army, consisting of nearly a million troops, is very much the predominant component of the armed forces. Indeed, the army accounts for over half of the total budget (\$14 billion) for fiscal year 2003-2004. It is worth noting that the 2003-2004 budget was 12 percent higher than that of the previous period. In 2004 the finance minister announced that \$5.3 billion would be earmarked to a provisional «Defence Modernisation Fund». This modernisation effort is focused mainly on the naval forces and, in second place, on achieving an air force with a broader scope than the current one, which is more oriented to the dispute with Pakistan. Until now India's territorial defence has been chiefly based on its nuclear deterrent power and its large land force, but India is starting to hanker after more regional power in the Indian Ocean. With over a million inhabitants, its nuclear power and current projects to modernise the armed forces, India can be regarded as another emerging regional power in Asia.

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(14) The figure given in brackets for each country is defence expenditure at 2000 prices in billions of dollars.

## *Rest of the world*

According to statistics published in the *SIPRI Yearbook 2004*, the 15 countries that lead the world defence expenditure ranking for 2003 (14) are: 1. USA (417.4), 2. Japan (46.9), 3. United Kingdom (37.1), 4. France (35.0), 5. China (32.8), 6. Germany (27.2), 7. Italy (20.8), 8. Iran (19.2), 9. Saudi Arabia (19.1), 10. South Korea (13.9), 11. Russia (13.0), 12. India (12.4), 13. Israel (10.0), 14. Turkey (9.9) and 15. Brazil (9.2). Nine of these 15 countries (United States, Russia, China, Japan and India, plus the United Kingdom, France, Germany and Italy in the context of the EU) have been dealt with earlier on. If the comparison is made on the basis of Purchasing Power Parity, the six that have not been examined would rank below the nine discussed separately.

Of these six, four are located in the currently conflictive Middle East area. None has a sufficient individual military capability to become a hegemonic power in the region. Israel has nuclear weapons and it is suspected that Iran is aiming for this capability. As is well known, the United States attaches great strategic interest to this region and monitors very closely Iran's nuclear weapon potential. South Korea, which is protected under the umbrella of the US—currently being revised—limits its defensive plans mainly to protecting itself from its singular northern neighbour. And Brazil's former trend of boosting its military might has witnessed a major downturn as Lula's government gives much greater priority to economic development than any other national effort. The other 176 countries of the international community, among them Spain, together account for less than 18 percent of the world defence expenditure.

## **CONCLUSION**

The following conclusions can be drawn from the foregoing. The beginning of the post-Cold-War era saw a proliferation of analysts and political scientists who predicted the end of a period of State-centric security. However, awareness of new transnational threats, with the highly lethal presence of mega-terrorism, the serious risk of proliferation of weapons of mass destruction and possible destabilisation caused by disintegrating states, has led to the re-emergence of the State as main actor both in identifying these threats and in the consequent shaping and directing of suitable responses.

As the so-called new threats are transnational in nature and can indeed affect much of the international community, it seems necessary to define a major multilateral strategy to coordinate the diverse means of collective response and respective tasks to be carried out (information, police, judicial, financial control, etc), including the role of the armed forces in this new landscape. Defence expenditure should match the responsibilities assigned to the military component in this comprehensive multilateral strategy owing to the necessary polyvalence of the armed forces, which require capabilities ranging from operations powerful in force—as deterrents to possible haven states—to increasing tasks of defence diplomacy, peace support operations and rebuilding failed states.

Nor can we rule out, in the context of the United States' current hegemony, the continuation of the historical struggle for relative power between the main international actors, a struggle in which military might is still one of the factors of the equation. Whereas the final decade of last century witnessed a widespread trend towards trimming defence spending (the so-called peace dividends) and interest in monitoring this factor accordingly declined, in the current century, in addition to the spectacular rise in the United States' military expenditure, a certain tendency has been observed towards gradually boosting military power in countries keen for regional strategic control, particularly in Eurasia.

China is a particularly salient example. The specificity of the Chinese development model makes its medium-term future somewhat enigmatic, but in general we can expect China to become not only an economic power but possibly also a military superpower. Other international players, such as India, Japan, Russia and perhaps the European Union, may eventually achieve a certain amount of military power to underpin their foreign policy. The possibility of a multipolar future replacing the current situation of a sole superpower, America, makes it very advisable for the international community, especially the United States, to consider the usefulness of a future, enhanced United Nations, with a more representative (India, Japan...) and globally responsible Security Council in a better position than it is currently of controlling use of force and ensuring its legitimacy.

**APENDIX I**

**ARMED CONFLICTS AND INTERNATIONAL  
SECURITY. A FACTUAL AND ANALYTICAL  
REVIEW**

## ARMED CONFLICTS AND INTERNATIONAL SECURITY. A FACTUAL AND ANALYTICAL REVIEW

By Alyson J.K. Bailes and Sharon Wiharta (1)

### INTRODUCTION

Interestingly enough, the word «conflict» does not appear in the Charter of the United Nations. Instead —and understandably given the time of its genesis— the text refers to «disputes», «aggression» and protecting the world's peoples from the threat of «war». If the terminology of «conflict» has come largely to replace, and certainly to overshadow, these earlier concepts during the later half of the 20<sup>th</sup> century, it is because it can so conveniently be used to encompass a number of different types and sources of armed violence. «Conflict» may occur between states, within states and between non-state actors; it can involve forces acting on their own territory, or far away; it does not have to have a single identified «aggressor», or to be aimed at physical «conquest», or to be preceded by a single identifiable «dispute» in other form. Elastic though the term is, however, it will be used in what follows with some fundamental restrictions. The qualifier «armed» means that we are talking here about violence that uses weapons against the life and limb of the opponent, and that takes place at some level above the purely personal, domestic, and criminal. There is nothing wrong in talking about economic, social, religious or philosophical «conflict», but these other manifestations of human disunity

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1) The analysis in this paper draws heavily on the chapters relating to conflict and conflict management in «*SIPRI Yearbook 2004: Armaments, Disarmament and International Security*» (Oxford University Press, Oxford, 2004). Thanks are due to the SIPRI editing staff and to Dr Renata Dwan, head of the SIPRI armed conflict and conflict management programme, for permitting the use of this material.

are relevant to the present study only if or when they trigger an armed confrontation on a more than individual scale.

There can be no doubt about the dominance of conflict as a concern in modern security analysis and policy. Localized and active conflicts have attracted proportionately much greater attention since the ending of the East-West Cold War and, with it, of the essentially static military confrontation in Europe that had carried the potential for global annihilation. They produce more shock and shame, as well as concern, in the onlooker because they appear as exceptions to the trend of stabilization in interstate and inter-regional relations since 1990 and as a reversion to «pre-modern» methods of behaving in the global society. They carry more complicated material implications for non-combatant states because of the generally increasing interdependence and «globalization» of the world economy. The Security Strategy document «*A Secure Europe in a Better World*» adopted by the leaders of the European Union (EU) at the end of 2003 provides an unusually forthright statement of how developed states in one area of the world view the resulting challenges for themselves, After pointing out that conflicts since 1990 have killed nearly 4 million people worldwide and rendered 18 million homeless, the Strategy argues that developing nations can all too easily get trapped in a cycle of «conflict, insecurity and poverty». «*Conflict can lead to extremism, terrorism and state failure; it provides opportunities for organized crime....Regional insecurity can fuel the demand for Weapons of Mass Destruction (WMD)*» (2). In short, the Europeans would argue that the new security agenda focussed on the «asymmetrical threats» of trans-national terrorism and WMD proliferation, which the USA has been promoting since the attacks it suffered on 11 September 2001, should not displace the issue of conflict from the central place it held in the security preoccupations of the 1990's. Rather, as the Strategy argues, «*The most practical way to tackle the often elusive new threats will sometimes be to deal with the older problems of regional conflict*».

While the EU has perhaps been most insistent on keeping conflict issues to the forefront of its agenda, every significant international institution that deals with security today has to confront the demands of conflict management — and where possible, conflict prevention. The report on cur-

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(2) «*A Secure Europe in a Better World*», adopted by the European Council at Brussels on 12 Dec. 2003, available at URL [http://ue.eu.int/uedocs/cms\\_data/docs/2004/4/29/European%20Security%20Strategy.pdf](http://ue.eu.int/uedocs/cms_data/docs/2004/4/29/European%20Security%20Strategy.pdf).

rent security threats and challenges that was commissioned by the UN Secretary-General in 2003 from an international High Level Panel, and was published in December 2004 (3), devoted some of its most fully-developed and urgent proposals to the issues both of intervention and prevention (see further below). Practically every one of the agencies in the UN system – notably UNHCR, the UN High Commission on Human Rights, FAO, UNICEF, World Bank and UNDP – owes a significant part of its work-load to the impact of conflict on societies and individuals. The North Atlantic Alliance has been rapidly transforming itself, since 2002 in particular (4), to focus on supplying organized multilateral forces for conflict missions outside its own area, rather than on Euro-Atlantic territorial defence as before. The handling of «frozen conflicts» in the post-Soviet space and the easing of ethnic tensions and weak-state phenomena that might lead to others are set to become the major (and contentious) preoccupations of the Organization for Security and Cooperation in Europe (OSCE).

A few of the regional organizations that have been set up in other parts of the world, notably the new African Union (AU) and sub-regional African groups like ECOWAS, IGAD and SADC – and in a different political setting, the Eurasian security groupings led by Russia after the collapse of the Soviet Union (currently the Collective Security treaty organization, CSTO) – have claimed competence and developed capacity for direct crisis interventions, albeit with differing degrees of respectability and success. Further regional organizations in the Asia-Pacific region (APEC, ARF), in Latin America (Organization of American States, MERCOSUR and the new South American Community of Nations, SACN), and in central Asia (Shanghai Cooperation Organization) have developed joint policies in other dimensions of security such as crime, terrorism, proliferation or disaster response and may gradually be moving towards addressing (at least) the prevention of conflict in their areas more directly. In other dimensions of international cooperation, too, the inter-play between conflict and other problems of humanity is being increasingly recognized. There is a renewed

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(3) «*A more secure world: our shared responsibility*» published by the High Level Panel on 2 Dec. 2004, available at <http://www.un.org/secureworld>.

(4) NATO agreed on a doctrine of world-wide intervention in mid-2002 and took the required structural and capability decisions at the Prague Summit of 21 November that year (including a new Response Force, new Capabilities Commitments and the start of a sweeping reform of command structures reform) – see <http://www.nato.int/docu/pr/2002/p02-127e.htm>. A more detailed report is in the first chapter (by I. Anthony and others) of the «*SIPRI Yearbook 2003: Armaments, Disarmament and International Security*»: OUP for SIPRI, summer 2003.

debate at inter-state level — notably in the OECD (5)— about the need to explore the deeper causality of conflict and to build the necessary connections in this context between the policies/resources addressed to crisis management, development assistance, and security sector reform respectively. A growing range of initiatives involving both official and private-sector action have focussed on the links between conflict and illegal financing, the drugs trade, «conflict diamonds», the availability of small and light weapons (SALW), or the activities of extractive companies in potential and actual crisis regions (6). Mention of these last issues reminds us of how much NGO and independent charitable activity, also, is still devoted to the challenge of armed conflicts and their consequences.

The issues the international community must face today in dealing with the many-faceted problem of conflict will be discussed again in the final section of this paper. The basis for any good response, however, should be an assured factual grasp of the challenge. What is the historic and more recent trend in the total number of conflicts? What changes of degree, balance and distribution may be seen in armed conflicts of different types and origins, and in their intensity (measured in loss of human life)? What analytical tools and hypotheses might help to explain the trends, and to guess at their future dynamics?

The second section of this paper presents and discusses several data sets designed to answer these questions, drawn from the publications of the «*Stockholm International Peace Research Institute*» (SIPRI) and initially provided by the *Conflict Data Project* at Uppsala University (UCDP) (7). The third section offers a review of some current analytical issues of interest in research on armed conflict phenomena. The fourth and final section reverts to the question of the international community's response and provides, *inter alia*, statistics and analysis on the recent evolution of international crisis management operations.

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(5) For the outcome of recent OECD discussions on the extent to which Security Sector Reform can be defined and counted as a contribution to development aid, see: OECD, «*Development Assistance Committee*» (DAC), «*Security Sector Reform and Governance: Policy and Good Practice*», DAC «*Guidelines and Reference Series*» (OECD: Paris 2004), pp. 16-18, URL <http://www.oecd.org/dataoecd/8/39/31785288.pdf>.

(6) See the chapters on the business/conflict connection in Bailes A. and Frommelt I., eds. «*Business and Security: public-private partnerships in a new security environment*», OUP for SIPRI, May 2004.

(7) The UCDP is based at the *Centre for Peace and Conflict Research* at the University of Uppsala, Sweden: see <http://www.pcr.uu.se/research/UCDP/>. Grateful acknowledgment is made to UCDP for the use of the data quoted in section II.

## STATISTICAL TRENDS

The statistics on which this section is based, as explained above, are limited to battle-related deaths in «armed» conflicts, i.e., those in which military force is used in a more or less organized fashion by the two contending sides. They do not include deaths from secondary causes closely related to conflict, such as forced migration, famine, and disease; and this needs to be borne in mind when considering the comments further below on conflict «intensity». Moreover, in order to minimize disputes over the borderline for including or not including a given conflict, and to arrive at multi-year data series of maximum reliability, the counting approach used by UCDP (in the statistical analyses it provides for SIPRI yearbooks) is founded on a specific definition of a *major* armed conflict. This is one in which the violence has reached a level claiming at least 1000 battle-related deaths in total in at least one year of its history. The estimates of deaths are arrived at by compiling reports of individual incidents, and are deliberately conservative—if no well-documented figure is available, none is used. Conflicts that meet the 1000-death criterion are further sub-divided according to whether the dispute underlying them primarily concerns the control of government or the control of territory. (A dispute under either heading may have more than just two parties). Finally, the UCDP definitions have traditionally covered only conflicts where at least one of the parties is a government: although work is now in hand at Uppsala University to collect comparable data on major conflicts involving two non-state entities, and one-sided violence such as genocide carried out by a government or other organized group (8).

### Trends since 1990

The first important finding to emerge from Tables 1–3 is that the total number of major conflicts in the world has declined overall since the end of the cold war. The figures of 32 conflicts for 1990 and 33 for 1991 com-

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(8) The formal definition of a SIPRI/UCDP «major armed conflict» is thus: «*a contested incompatibility that concerns government and/or territory over which the use of armed force between the military forces of 2 parties, of which at least 1 party is the government of a state, has resulted in at least 1000 battle-related deaths in any single year*». For further explanations and notes on methodology see App. 3A, «*Patterns of major armed conflicts, 1990-2003*» and App.3B, «*Definitions, sources and methods for the conflict data*», by M. ERIKSSON and P. WALLENSTEEN in «*SIPRI Yearbook 2004: Armaments, Disarmament and International Security*», as note 1 above.

Table 1

**REGIONAL DISTRIBUTION, NUMBER AND TYPES OF MAJOR ARMED CONFLICTS, 1990-2003**

Region	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
	G T	G T	G T	G T	G T	G T	G T	G T	G T	G T	G T	G T	G T	G T
África	8 3	8 3	6 1	6 1	5 1	4 1	2 1	4 -	10 1	10 1	8 1	7 -	6 -	4 -
América	4 -	4 -	3 -	3 -	3 -	3 -	3 -	2 -	2 -	2 -	2 -	3 <sup>a</sup> -	3 <sup>a</sup> -	3 <sup>a</sup> -
Asia	4 8	3 7	4 7	4 5	4 5	4 6	4 5	3 5	3 5	2 6	2 6	2 6	2 6	2 6
Europe	- -	- 1	- 3	- 5	- 4	- 3	- 1	- -	- 1	- 2	- 1	- 1	- 1	- 1
Middel East	1 3	2 4	2 3	2 4	2 4	2 4	2 4	2 2	2 2	1 2	2 2	2 2	- 2	1 2
<b>TOTAL</b>	<b>17 14</b>	<b>17 15</b>	<b>15 14</b>	<b>15 15</b>	<b>14 14</b>	<b>13 14</b>	<b>11 11</b>	<b>11 7</b>	<b>17 9</b>	<b>15 11</b>	<b>14 10</b>	<b>14<sup>a</sup> 9</b>	<b>11<sup>a</sup> 9</b>	<b>10<sup>a</sup> 9</b>
<b>TOTAL</b>	<b>31</b>	<b>33</b>	<b>29</b>	<b>30</b>	<b>28</b>	<b>27</b>	<b>22</b>	<b>18</b>	<b>26</b>	<b>26</b>	<b>24</b>	<b>23<sup>a</sup></b>	<b>20<sup>a</sup></b>	<b>19<sup>a</sup></b>

G = government and T = territory, the two types of incompatibility.

<sup>a</sup> This number includes the conflict between the USA and al-Qaeda. See ERIKSSON, M., SOLLENBERG, M. and WALLENSTEEN, P., «Patterns of major armed conflicts, 1990-2001», *SIPRI Yearbook 2002: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2002), pp. 67-68, for an elaboration of the preliminary assessment of this case and its ambiguities.

Source: ERIKSSON, M. and WALLENSTEEN, P., «Patterns of major armed conflicts, 1990-2003» in *SIPRI Yearbook 2004: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2004), pp. 132-39, table 3A.1, p. 134. Original source: The Uppsala Conflict Data Project.

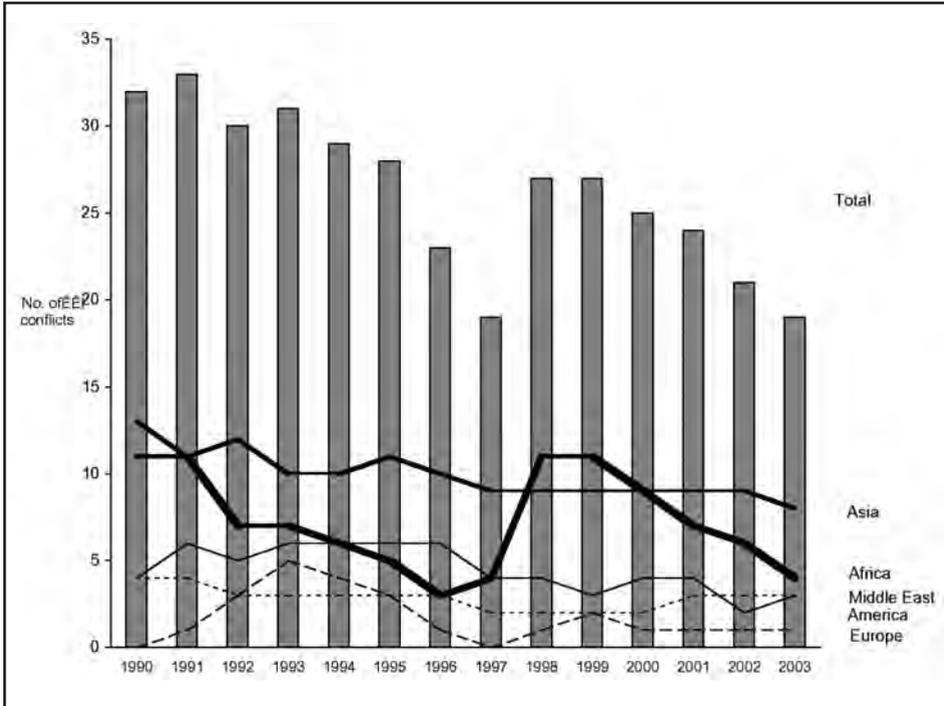
**Table 2**  
**REGIONAL DISTRIBUTION OF LOCATIONS WITH AT LEAST ONE MAJOR ARMED CONFLICT,**  
**1990-2003**

Región	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
África	10	10	7	7	6	5	3	4	11	11	9	7	6	4
América	4	4	3	3	3	3	3	2	2	2	2	3 <sup>a</sup>	3 <sup>a</sup>	3 <sup>a</sup>
Asia	8	7	9	8	8	8	9	8	8	7	7	7	7	7
Europe	—	1	3	4	3	3	1	—	1	2	1	1	1	1
Middle East	4	4	4	4	5	4	4	4	4	3	4	4	2	3
<b>Total</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>25</b>	<b>23</b>	<b>20</b>	<b>18</b>	<b>26</b>	<b>25</b>	<b>23</b>	<b>22<sup>a</sup></b>	<b>19<sup>a</sup></b>	<b>18<sup>a</sup></b>

<sup>a</sup> This number includes the conflict between the USA and al-Qaeda. See ERIKSSON, M., SOLLENBERG, M. and WALLENSTEEN, P., «Patterns of major armed conflicts, 1990-2001», *SIPRI Yearbook 2002: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2002), pp. 67-68, for an elaboration of the preliminary assessment of this case and its ambiguities.

Source: ERIKSSON, M. and WALLENSTEEN, P., «Patterns of major armed conflicts, 1990-2003» in *SIPRI Yearbook 2004: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2004), pp. 132-39, table 3A.1, p. 134. Original source: The Uppsala Conflict Data Project.

**Table 3**  
**REGIONAL DISTRIBUTION AND TOTAL NUMBER OF MAJOR ARMED CONFLICTS. 1990-2003**



Source: ERIKSSON, M. and WALLENSTEEN, P., «Patterns of major armed conflicts, 1990–2003» in *SIPRI Yearbook 2004: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2004), pp. 132–39, figure 3A.1, p. 135.

pare with just 20 conflicts in 2002 and as few as 19 in 2003. Moreover, since a total of 59 different major conflicts have been recorded in 1990–2003 and only 19 are current now, it may be concluded that more than two thirds of the conflicts present in the last 14-year period have also been solved (at least temporarily) during that time. The trend of decline as pictured in Table 3 has been relatively smooth, apart from a sudden dip in the number of conflicts in 1996–7 (largely explained by a lull in conflicts in Africa).

The second striking feature is the drop in the proportion of «traditional» conflicts between nation-states. From 1946 to 1989 there were 15 major inter-state conflicts, but of the total of 31 conflicts registered in

1990, only one was of this type. In 2003 only 2 conflicts could be classified as «inter-state», one being the familiar dispute between India and Pakistan and the other, the hostilities in Iraq between Saddam Hussein's régime and the US-led international coalition, which had claimed at least 1000 deaths since March 2003 (9). Two other inter-state conflicts, Ethiopia versus Eritrea and the invasion of Kuwait by Iraq, had been ended within the 1990-2003 period. The reasons for and the consequences of the prevalence of *intra*-state (internal, civil) conflicts will be discussed further in section III below, but two preliminary points are worth making here by as a warning against over-strict categorization. First, it is rather unusual for an intra-state war to remain a purely «civil» one contained inside one state's boundaries. In the different regions of Africa, especially, cross-border ethnic links and refugee movements easily provoke «over-spill» from one country to its neighbours and create temptations for the latter to get involved on their own account—rather than as peace-makers. In a more «post-modern» illustration, the deaths inflicted on American soil by al-Qaeda in September 2001 led directly to the invasion of Afghanistan and the overthrowing of its Taliban regime—the protectors of al-Qaeda—by a US-led coalition in 2002. Secondly, as the case of the Balkan conflicts illustrates well, a conflict that begins as an intra-state one may turn out to be only soluble by a territorial separation leading to the creation of two or more new states. One of the policy challenges the international community still seems to find it hardest to cope with, when intervening in a conflict, is to judge when it should accept or actively promote such a «secessionist» solution (*vide* the present unresolved debates over Kosovo).

Thirdly, the statistics for 1990-2003 show a growing tendency to confine major conflicts to the developing regions of the world, and in particular to the Southern hemisphere. The figures for conflicts in the wider European region peaked in 1993 when there was active violence both in the Balkans and in several parts of former Soviet territory, but by 2003 had been reduced to the single intra-state conflict in Chechnya (Russia). The

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(9) Conflict phenomena linked with the USA's «war on terrorism» since 11 September 2001 have caused evident difficulties of classification under the SIPRI/UCDP system. In the present tables, an «intra-state» conflict is recorded in the American continent to reflect the large casualties inflicted by al-Qaeda in its 2001 attacks against the US Government, and the fact that the conflict with al-Qaeda as such is still not closed. The Iraq war of 2003-4 is recorded as an inter-state conflict in the Middle East because it involved an attack by the US and other governments on a standing Iraqi government. (Note that in other cases where international peace-keeping forces deploy, with or without UN mandate, to control or stop conflicts started by two or more *local* parties, the interveners are *not* counted as parties to the conflict.)

number of conflicts in the Middle East has been roughly static over the period. Conflicts in Latin America have shown a decided decline from yearly totals of 5 or 6 in the first half of the 1990's to just two that merit listing now (the intra-state conflicts in Peru and Colombia), and it would generally be agreed that the risk of *inter-state* conflict both in Central and Southern America has now virtually disappeared. This leaves Africa and Asia (especially South and South-East Asia) as the world's most consistently conflict-torn regions of modern times. Although Africa would come first to most people's minds as the region of conflicts *par excellence*, it has in fact alternated with Asia in that capacity over the last 15 years. In 1996 Africa had only three active major conflicts against Asia's 9; in 1999, 11 against Asia's 7. At the present time, Asia is «leading» with 7 conflicts in 2003 (to be fair, mostly long-standing rather than new ones) compared with only 4 in Africa (10). These statistics are sufficient to explain the general shift of security concerns among many Northern hemisphere populations away from conflict as a threat to themselves, and towards fear of «trans-national» scourges like terrorism and/or «soft security» ones like disease, environmental damage or social and economic malfunction. However, it is as well to note that a number of conflicts in the former Soviet space are only precariously «frozen» (11); that there has been constant concern about the violence in Chechnya spilling over to neighbouring, Russian or non-Russian, territories; and that there are unresolved «hot spots» in North-East Asia (North Korea, Taiwan) where armed conflict not only remains possible but would be likely intimately to involve the leading Western powers.

A fourth observation that can be made is about the pattern of conflict causation. Among conflicts overall in 1990-2003, it is impossible to say whether disputes about the control of government, or about territory—which might involve either inter-state border disputes, or secessionist claims for control of certain regions—were more important. Each category has claimed about half of the total conflicts over the period, although

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(10) Asia also had 4 conflicts that took at least 1000 lives within the year of 2003, compared with one in Africa (Liberia). However, it should be noted that the brewing conflict in the Democratic Republic of the Congo was not yet listed in 2003 (because of the method of counting deaths) and that the Asian listing included 2 separate conflicts involving India, the intra-state insurrection in Kashmir and the inter-state conflict with Pakistan. (The insurrection in the Indian province of Assam was also listed in some SIPRI/UCDP tables in the past but has been dropped following a reassessment of the death toll).

(11) E.g. between Armenia and Azerbaijan in Nagorno-Karabakh, in the Transdniestria province of Moldova, and in several provinces of Georgia.

disputes over government are currently slightly ahead. In terms of underlying causation the distinction is not a very strong one anyway, since a disaffected ethnic group (to take a common example) might either try to carve out its own territory, or to take over control of the central government so as to serve its own interests better, or both. It is, however, of some interest to note that disputes over control of government have consistently dominated the African conflict statistics, while conflicts over territory have always been more numerous in Asia (12) and are currently in clear preponderance (6 out of 8). In Latin America, conflicts involving territorial disputes dominated up to the mid-1990's but have not done so since: a change that seems to reflect a deliberate effort for inter-state reconciliation and moves towards multilateral cooperation over much of the continent, linked with at least temporary advances in internal democracy. Another point that emerges from a comparison of Tables 1 and 2 is that a number of countries have featured as the site of more than one conflict in a single year, and—somewhat contrary to expectation—this has more often been the case in Latin America, and South and South-East Asia, than in Africa. This is not to say that a given African country may not face potential conflicts on several frontiers at once, and/or internally: but something seems to have ensured in the last decade that these problems should arise serially rather than all at once.

Fifth and not least is the question of conflict «intensity», i.e., the number of deaths recorded in a given year. It is difficult to build much analysis on the figures in the Tables 1–3 and the UCDP data-base, given that the definition of «battle-related» deaths has been kept deliberately narrow, and that the availability of data on this matter in general can be very poor (13). Killings in combat may be the smallest part of the total casualties, and of the population's suffering, during the present-day internecine type of war: and deaths from secondary causes such as disease, famine and the consequences of displacement naturally become a more serious factor, the longer the fighting goes on. Milton Leitenberg, who has attempted to compile total figures for deaths both directly and indirectly related to conflicts

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- (12) It should be noted that many of these are not inter-state boundary disputes, but arise rather from populations' belief in an inherent ethnic right to territory («sons of the soil») clashing with the consequences of more recent population movements and mixing, and with efforts to extend the writ of the central state authorities.
- (13) *Inter alia*, because of deliberate suppression and distortions by the combatant parties, in territories where objective international monitoring is difficult. The controversy that blew up in November 2004 over a British institution's estimate of 100,000 Iraqi deaths following the US-led coalition's invasion in March 2003 offers a case in print.

in the period 1945-2000, points out that in Cambodia under the regime of Pol Pot after 1975, less than 100,000 persons are thought to have been killed directly in combat while total casualties were around 2 million. Among other cases cited by him with a great excess of indirect civilian deaths over direct military ones are the Korean War of 1950-53, earlier civil wars in India, Bangladesh, China, Uganda, Nigeria and Guatemala, the continuing intra-state conflict in Colombia, and massacres or genocidal events in countries like Uganda and Rwanda. At the other extreme are cases like the Iran-Iraq war of 1988 which may have caused as many as 1.8 million casualties, but only among combatant troops (14). At any rate, the figures for any given conflict can swing widely from year to year as fighting dies down in one place or flares up in another. To take the most recent examples, between 2002 and 2003 five conflicts showed an increase of more than 50% in battle-related deaths while four showed a drop in deaths by the same amount. The numbers of conflicts becoming more intensive, and less intensive, respectively over that period were almost exactly the same (seven as against eight). In consequence, in the list of the six «most deadly» conflicts for 2002 and the same list for 2003, only two out of the six were the same in both years (India and Nepal) (15).

## CONFLICT ANALYSIS: SOME CONTEMPORARY ISSUES

The observations made above are only the starting-point for an adequate analysis of where the world's present-day armed conflicts come from and where they are going. The statistics alone can tell us little about what triggers a given conflict; how different conflicts inter-relate dynamically; what makes them worse, what moves them towards a solution, and which kinds of solutions are most likely to endure. In this section, four aspects of the deeper analysis of modern conflicts will be discussed: (a)

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(14) Leitenberg estimates the total number of conflict-related deaths for the 1945-2000 period as around 40 million, or about three quarters of a million per year on average. This contrasts with the figure of 4 million, or about a third of a million per year, quoted by the EU for total deaths in the period 1990-2003 (European Security Strategy, note 2 above) —although there is no way of knowing whether the counting methods used were comparable. M. LEITENBERG, «*Deaths in Wars and Conflicts between 1945 and 2000*» (rev.ed.), Center for International and Policy Studies, Univ. of Maryland, 2003.

(15) It is, of course, the aim of international intervention to reduce if not totally eliminate the number of deaths in a given conflict, and this effect may be traced in the relevant statistics e.g. for the Balkan wars. However, international suppression of one manifestation of a given conflict may «squeeze out» more violence and deaths elsewhere, as discussed in section III below.

how to explain and understand the prevalence of intra-state conflicts; (b) the challenge of very protracted conflicts; (c) the pitfalls of efforts to contain and terminate conflicts; and (d) the relationship between conflict and terrorism. This is far from representing the full range of questions that might usefully be asked, but it does cover issues particularly relevant to the conflict *management* policies of concerned states and institutions (16). It should thus help pave the way for the explicit discussion of current challenges in conflict management that follows in section III below.

### **(a) The dominance of intra-state conflict**

The present prevalence of intra-state conflicts in all the world's continents actually demands a double explanation: why conflicts of this kind persist, and why inter-state conflicts (which dominated most other ages of history) have virtually died out. The latter issue is the less often discussed of the two, and there is probably no single good explanation for it. One theory often quoted —admittedly, less as an interpretation of the past than as a prescription for the future— is that «democratic states do not go to war with each other» (17). It is true that a great expansion in the number of states enjoying some form of democratic rule has coincided with the overall drop in conflicts since 1990, but the world's inter-state conflicts had already been reduced to single digits before that. In any case, there is plenty of room for quibbling about the definition of the thesis itself: several of the Latin American and African states that have fought each other in the past would have considered themselves democracies at the time; and there is evidence that newly developing and «imperfect» democracies may be especially prone to instabilities that could trigger both internal and external conflict (18); and the thesis says nothing about conflicts caused when an incontestably democratic state attacks a non-democratic one (19).

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(16) These same themes are also covered in greater detail in DWAN, R. and GUSTAVSSON, M., «*Major armed conflicts*». in SIPRI Yearbook 2004: Armaments, Disarmament and International Security, OUP summer 2004.

(17) An assertion initially made by IMMANUEL KANT in «*The Perpetual Peace*», but much quoted and explored by recent authors such as Bruce Russett.

(18) Cf. ALEXIS DE TOCQUEVILLE'S famous thesis in «*L'Ancien Régime*» that «*the most dangerous time for a weak government is when it starts to reform*»; and recent experience in the former Republic of Yugoslavia, the post-Soviet states of the South Caucasus, and African states like Algeria, Rwanda and Guinea-Bissau.

(19) E.g., the US invasions of Afghanistan and Iraq in 2002-4.

A safer explanation might lie in the impact of the Second World War and the lessons learned after it especially by Western nations, which led not only to the establishment of the United Nations Organization but also to the creation of the European Communities and Council of Europe—designed to end intra-West European conflicts for ever—and the deliberate «pacification» policies employed to secure both internal and external policy change in Germany and Japan. The East-West bloc confrontation that then developed in Europe, with capacities on both sides for assured mutual destruction by nuclear weapons, effectively blocked resort to military conflict in the two alliances' own zones of control, leading to a number of «proxy wars» between protégés in other continents instead. There is room for differences of opinion over whether the total level of conflict in non-European regions was enhanced or suppressed as a result; but it is at least arguable that since each bloc had an interest in avoiding possible escalation from local to global war, more potential spill-over effects were restrained than were deliberately promoted, and static local stand-offs (without significant conflict) between proxies were often preferred. In any case, there were also significant conflict dynamics at play that had nothing to do with the Western and Eastern blocs: notably the intra-state and occasionally inter-state violence associated with de-colonialization, which rose and ebbed in different continents and different nations» colonial empires at different times, reaching its last peak in the former Portuguese colonies (Angola, Mozambique, Guinea-Bissau and East Timor). Generally speaking this had also passed its worst by the 1990's, and was succeeded by particularly energetic attempts at multinational cooperation for maintaining the peace in precisely those regions that had been most heavily «colonialized» (20). A weaker but broadly parallel trend might be traced in the greater Middle East, where earlier «Arab-Israel» conflicts have now been narrowed down to an «Israel-Palestinians» one and where the last *local* inter-state war was the Iraqi attack on Kuwait, as long ago as 1991.

The end of the Cold War disposed of the «balance of terror» that had blocked most possible inter-state wars in the Northern hemisphere, but it was succeeded by an alternative system of positive partnership networks, agreements, and negotiating processes on territorial and other bones of contention that were designed to have the same effect. In Europe the most

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(20) E.g. South East Asia (ASEAN, which has now absorbed and «pacified» Vietnam and Cambodia and aspires to do the same for Burma/Myanmar); Africa (ECOWAS, Southern African Development Community, Africa Union); and Central and Southern America (OAS, Andean Pact, MERCOSUR and the new SACN).

significant processes of these kinds during the 1990's were NATO's Partnership for Peace, the direct relationships of Russia with NATO and the EU, the efforts of the OSCE, and NATO's and the EU's enlargement processes that effectively drew the great majority of Central European states into the former West's «war-free zone». (The EU now explicitly aspires to end war for ever in the Western Balkans by giving the new democracies there the same prospect of eventual full membership) (21). Not to be overlooked, however, are the parallel normalization and stabilization processes between Russia and China, which now include the aforementioned «Shanghai Cooperation Organization» (22) (also including 4 Central Asian states) designed to avoid tension on shared borders and to cooperate against shared enemies like terrorism, combined with progress towards solving the last Sino-Russian frontier demarcation disputes (23). All these trends help to explain why the «North» itself is now *relatively* free of armed conflicts of any kind; but also why those civil conflicts that persist even in the heart of the West (like Northern Ireland) are in no risk of causing inter-state overspill, and why cases of overt «competitive» intervention by rival larger powers on different sides in a regional conflict have dwindled (although such manipulation can still happen in more disguised ways, cf. the growing Chinese engagement in Sudan).

If we turn now to reasons promoting intra-state conflicts, those over territory can be of a particularly stubborn and long-lived nature. It is important to note that claims by sub-state actors to control their own local territories, and possibly to secede from the mother-state, do not always have to coincide with ethnic differences and are not necessarily the most intractable when they do. There is a wide range of palliative measures that can be used to make different ethnic and cultural communities comfortable within a sin-

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(21) A new partnership status with the real if remote prospect of EU accession was first opened up for these states by the EU's Stability Pact for the Western Balkans (<http://www.stabilitypact.org>); for the EU's latest strategy document on Bosnia-Herzegovina which talks more openly about accession leverage see Council of the European Union doc. 10099/04, PESC 441, of 15 June 2004.

(22) On the SCO see the chapter by TROFIMOV, D. in «*Armament and Disarmament in the Caucasus and Central Asia*», SIPRI Policy Paper No 3 of 2003, text at <http://www.sipri.org>.

(23) The last contested portion of territory along the Sino-Russian frontier was disposed of by a bilateral agreement in late 2004 and the transfer of the small area in question will be accompanied by measures of military disengagement and confidence-building along the new border. Russia has also recently made a move to solve a long-standing territorial dispute with Japan by offering to split the sovereign control of the islands known by Japan as the Northern Territories.

gle state (24), and the last decades have seen several examples of wholly peaceful secession and the voluntary grant of far-reaching autonomy to ethnically-defined communities in developed nations (25). Conflict arises and persists, rather, when the local combatants define their demands (for whatever reason) in absolute terms that allow no «shades of grey» - such as complete independence or secession - thereby challenging the survival of the given state and/or régime as it stands (cf. Chechnya, Indonesia (Aceh), or the Karen National Union in Myanmar). Such attitudes more or less rule out the use of «softer» inducements (e.g. economic benefits) as steps towards a solution, and they are liable to drive the central state authorities into an equally uncompromising stance, as it sees both its physical control and its authority at stake. In some such cases, even the achievement of substantial autonomy or nationhood does not solve the problem as the «zero-sum» attitudes of new local leaders continue to cause problems e.g. with any residual minorities from the «parent» nation on their territory (cf. the current problems in Kosovo, or the independent Former Yugoslav Republic of Macedonia, FYROM). Generally speaking, the only types of settlements that give a reliable prospect of avoiding further conflict – aside from the complete victory of one side or the other - are those in which both sides to the dispute are able to move away from their absolutist positions and make significant concessions (e.g., the attempted settlement brokered by the EU's CFSP High Representative Javier Solana between Serbia and Montenegro in 2002). The stability or «finality» of this type of solution is itself a doubtful quantity, but the odds seem to be improved if and when both parties can be integrated in some wider framework of regional cooperation, thus strengthening both the material incentives and normative pressures for good behaviour (26).

Internal conflicts over the control of government may also be triggered by ethnic concerns and certain kinds of territorial interests (e.g., the wish to control sources of lucrative resources), but they have many other potential

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(24) This is, generally speaking, the kind of solution which the OSCE's High Commissioner on National Minorities tries to promote.

(25) E.g. the «velvet divorce» of the Czech Republic and Slovakia, and British measures for partial autonomy in Scotland and Wales.

(26) A growing recognition of the complexity of these challenges, including the problems that can persist after autonomy or secession, may help explain why the international community's approach to this problem is no longer dominated by arguments for and against a single principle such as «self-determination». For further analysis see M. MARSHALL and T. GURR (eds.), «*Peace and Conflict 2003: A Global Survey of Armed Conflicts, Self-Determination Movements and Democracy*», pub. C1 DCM Univ. of Maryland, available online at <http://www.cidcm.umd.edu/inscr.peace.htm>.

motives that can exist in combination with or independently from these. Political grievances connected with oppression, discrimination, abuse of rights and denial of representation often play a part, as do the equivalent economic phenomena, and religious or ideological motivations. A particularly intractable type of conflict is associated with militant ideologies that by definition produce the «zero-sum» attitude mentioned above, and this by no means applies only to militant Islamic fundamentalism. Countries such as Colombia, Nepal, Peru and the Philippines have all been affected in recent years by rural-based insurgencies calling themselves Communist, Marxist or Maoist, and these are among the most cruel and costly of all today's conflicts: at least 28,000 deaths so far in the Peruvian conflict with Sendero Luminoso, 21-25,000 deaths ascribed to the conflict with the Communist Party of the Philippines, and an estimated total of 5,000 deaths to end-2003 in the rapidly worsening conflict with Maoist insurgents in Nepal (not to mention the more familiar case of Colombia). These conflicts have also been characterized by frequent resort to «terror» tactics such as bombings, public assassinations and kidnappings, arbitrary abduction and torture—sometimes by both sides. In general, contemporary conflicts over government with multiple motives and, often, multiple contestants tend to produce particularly chaotic and brutal conditions in which the targets of violence become randomised, warfare zones can constantly shift, and «norm-breaking» phenomena like torture, terror, the use of child soldiers, and ethnic cleansing or genocide are rife.

It is often hard for the outside world to understand why the inhabitants of a country should want to behave in such ways and let such conditions persist, so this type of internal conflict has drawn particular analytical attention in recent years. One interesting type of explanation that has emerged is related to perverse economic factors that not only sustain the various combatants' ability to fight, but can make the continuation of conflict seem positively profitable and the making of peace an economic liability. This kind of «war economy» can be linked with/based on drug production and trafficking, the illegal trade in «conflict diamonds», or the control of territories containing oil and other valuable natural resources and their unlicensed extraction and sale—as well as the more traditional practices of gun-running and trafficking in human beings (27). These factors

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(27) See D. KEEN, «*The Economic Functions of Violence in Civil Wars*», IISS Adelphi Paper No. 320/OUP, Oxford 1998), and K. BALLENTINE and H. NITZCHKE, «*Beyond Greed and Grievance: Policy Lessons from Studies in the Political Economy of Armed Conflict*», International Peace Academy New York 2003, available at [http://www.ipacademy.org/PDF\\_Reports/BGG\\_rpt.pdf](http://www.ipacademy.org/PDF_Reports/BGG_rpt.pdf); also the chapters by C. BATRUCH and A. BONE in «*Business and Security...*», as note 6 above.

have been easiest to trace at work in recent conflicts in resource-rich parts of Africa, and they have stimulated the international community to try to contain and end conflict by gaining control of the identifiable resource flows involved. For example, the UN established a Panel of Experts to find out the processes and persons involved in illegal resource use in connection with conflicts in the Democratic Republic of the Congo (28); and from 2001 onwards, the UN imposed sanctions to stop the régime of President Charles Taylor in Liberia trading in arms, diamonds and (from 2003) in timber. The same type of concern has helped to drive the manifold recent efforts to get a grip on the international trading, both state and non-state, of Small Arms and Light Weapons (SALW) which are seen as the typical «poor man's weapon» fuelling the intensity of many local conflicts (29). What has not, perhaps, been sufficiently discussed is the dynamic impact of aid given by outside powers to the embattled governments involved, both in cash and kind (i.e. weapons) or through the provision of advisers: the US in particular has stepped up this kind of input to the economics of war in territories that it sees as being threatened by terrorist-linked insurgencies since 2001 (30).

Another popular and quite persuasive set of explanations are those linked with the phenomenon of «weak» or «failed» states. Almost any kind of state, open and democratic or authoritarian and repressive, can be judged «weak» if it loses its official monopoly of the use of force, and is not able to stop internal violence and or external attacks either by compromise and reconciliation or by direct coercion. Countries may get into this condition as the result of changes of régime, structure and circumstance that propel them towards conflict, or as a side-effect of (external or internal) conflict itself. It is theoretically easy to see why situations of this type should create such chaotic and brutal conditions, because the vacuum of authority encourages different forces to contend for it, using terror and the intimidation of the population among their weapons. The task of ending violence and moving back towards normality then demands, not just – as in traditional notions of «peace-keeping» – a modification of the behaviour of pre-existing authorities and/or a change of their leadership: but the re-

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(28) For the Panel's report presented in Oct. 2003 see UN document S/2003/1027 of 23/10/03. Similar Panels were appointed for Angola and Liberia.

(29) On this issue see e.g. the Small Arms Survey website: <http://www.smallarmssurvey.org>.

(30) See the last part of the chapter by R. DWAN and S. WIHARTA in «*SIPRI Yearbook 2004: Armaments, Disarmament and International Security*» (OUP for SIPRI summer 2004); ANDERSON, M. B., «*Do no harm: how can aid support peace – or war*» (Lynne Rienner: Boulder, Colo., 1999); and also part (d) of this section below.

building of everything that constitutes a viable and well-governed state, in some cases almost from scratch. International experience and improved analysis of such situations over the last decade has probably been the single strongest influence pushing today's thinking about post-conflict situations towards a notion of full-spectrum, multi-functional intervention, and thus highlighting the challenge of coordinating the full range of relevant international and national instruments (see section III below).

## **(b) Why conflicts last**

As the total number of conflicts world-wide has diminished, so the long-term persistence of a number of particularly stubborn and intractable conflicts (mainly intra-state but with the prominent inter-state example of India and Pakistan) has assumed even greater salience. Not all the important cases of this type are covered by the UCDP statistics: some, like Northern Ireland or the inter-state tension between the two Koreas, are not counted because of relatively low levels of deaths, but they pose very much the same challenges for understanding and for policy. Even so, a survey of the 19 «major» conflicts reported by SIPRI/UCDP for 2003 shows that 4 of these (Colombia, Kashmir, India-Pakistan and Myanmar) have clearly identified or presumed dates of origin earlier than 1950, and 6 more (Peru, Indonesia, Philippines, Sri Lanka, Israel/Palestinians and Turkey) have dates antecedent to 1980. In other words, more than half of the costliest conflicts still extant today are at least 24 years old. While some of them (e.g. in Myanmar, Peru and Turkey) may temporarily be quiescent, the potential for a new flare-up is always there so long as no settlement of the underlying issues in contention has been reached (31).

In general terms, it is fairly easy to explain why a conflict might become «self-sustaining» after persisting for a certain time. Any economic interests, distortions and accommodations involved (see last section) become ingrained, and violence and hatred can become cultural assumptions passed down from generation to generation. Almost equally insidious is the way that the regional and international community can adjust to «living with» somebody else's conflict, especially if the country concerned is so remote that its conflict dynamics provoke little interaction with others

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(31) For example, in Turkey, the Conference of the People's Congress of Kurdistan (KONGRA-GEL, previously known as PKK) declared on 1 September 2003 that it was ending its previously agreed cease-fire.

(Myanmar), but also in the case of multifariously integrated countries whose partners learn to compartmentalize and «look aside from» their unhealed sores of violence (UK, Turkey, etc.—and there is a growing temptation to treat Russia this way over Chechnya). In many of the current conflicts of pre-1990 origin listed above, a further shared characteristic is that neither (or none) of the combatant parties would welcome or, at least, sincerely support and comply with external attempts at mediation: either because of basic attitudes of pride, distrust and so forth, or because so many hopes attached to earlier international settlement proposals have been dashed.

Over the long time-scales that are involved here, conflicts can develop many complexities and idiosyncrasies of their own, so that no simple analytical frame fits all. To give some sense of these individual dynamics and the obstacles they can put in the way of progress, recent developments will be sketched in the ideologically-fired internal conflict in Colombia and in the conflicts, essentially related to self-determination, between Israel and the Palestinians and in Sri Lanka.

*Colombia:* the Colombian Government has been under attack since the late 1960s from two armed groups inspired by Marxist ideology, the Fuerzas Armadas Revolucionarias de Colombia (FARC) and the Ejército de Liberación Nacional (ELN). FARC and the ELN have their power bases in the South and the North of the country respectively and act, in general, also as rivals with each other. In the type of twist that easily occurs in protracted conflicts, a group of right-wing paramilitary organizations known as the Autodefensas Unidas de Colombia (AUC) has appointed itself responsible for eradicating FARC and the ELN, and has itself carried out numerous atrocities against civilians. All these movements have become entangled with and dependent on criminal sources of revenue from drug trafficking, and also kidnapping and extortion. Casualties over the whole period of the conflict are assessed at nearly 60,000. The US, as is well known, has taken a special interest in the conflict because of the linkage with drug supply to the US's own territory, but also because of the involvement of US oil companies in the Arauca region of North-East Colombia and the need to protect an oil pipeline that runs from there.

Colombian President Alvaro Uribe Vélez, elected in May 2002, has been associated with a new strategy to tackle the different parts of the conflict by differential methods and with a more determined use of force, backed by US assistance. The President offered an effective amnesty to

AUC members in return for demobilization, and some steps have been taken in this direction, although international observers have been concerned about the effect of the implied indemnity for past massacres. Towards FARC and the ELN Uribe has taken an uncompromising line, refusing any thought of peace negotiations until and unless the rebel movements renounce violence. The Government's counter-insurgency strategy launched in 2002 gives new powers to the military and police, and makes use of a new part-time force of 16,000 peasant soldiers. Several government attacks were launched against rebels in the Arauca oil zone during 2003, and US Special Forces were deployed there in January 2003 to help train Colombian soldiers for more effective defence of the pipeline. In general, the aid Colombia receives from the US has climbed since the inauguration of «Plan Colombia» in 2000, making Colombia now the single largest recipient of such assistance in Latin America. Restrictions on Colombia's use of the aid to directly support actions against the rebels were lifted in 2002, and in 2003 the US Administration granted Colombia an extra \$320 million to combat illegal arms transfers, drug production and trafficking, and \$130 million specifically for the purpose of measures against FARC, the ELN, and AUC (32).

President Uribe's policies have brought a measurable decrease in the levels of violence affecting many parts of Colombia, and have earned him high levels of popularity at home. They have not, however, so far come anywhere near breaking the rebels' resistance, especially in the South (33), while combatants who have been hard-pressed in the North have simply shifted their areas of operation with consequences including a number of cross-border incidents (with Venezuela, Ecuador, Peru and Brazil). The President's assertive policies and readiness to provide a major base for US strategic influence in the area have made some of his neighbours, notably Venezuela, more generally uneasy. Perhaps the most vulnerable point of the strategy is its dependence on continued high levels of US aid in the short term - a matter under intense negotiation at the end of 2004—and in the medium term, on being able to boost economic growth fast enough to generate funds for drug-income-replacement programmes and for the rehabilitation of conflict-torn areas in general. In sum, the strategy of the Colombian Government and its allies illustrates both the logic of pinning a conflict-resolution drive on the reassertion of the central state monopoly of

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(32) For an update on US aid see Center for International Policy (CIP), «*US aid to Colombia since 1997: summary tables*», URL <http://www.ciponline.org/colombia/aidtable.htm>.

(33) The rebels are thought still to control some 40% of Colombia's territory overall.

force, and the high risks and costs of such a programme when authority has in practice been fragmented for a matter of decades.

The *Israel/Palestinians conflict* goes back initially to the war of 1948-49 and more specifically to the Six-Day War of June 1967, when Israel occupied the Palestinian-settled territories of the West Bank and Gaza Strip. Periods of sustained Palestinian uprising («Intifada») against the Israeli occupation have alternated since then with efforts—invariably launched by outside powers—at a peaceful settlement that would complement the *modus vivendi* Israel has reached (albeit still fragile in places) with its neighbouring Arab nation-states. The first Intifada of 1987-1993 was ended by the Oslo accords signed by Israeli and Palestinian representatives under Norwegian mediation, but implementation of the Oslo Peace Process broke down in 2000, triggering a second Intifada in September of that year. The best-known attempt made subsequently to re-start a peace process is the «Road Map» (34) endorsed in 2003 by the «Quartet» of would-be peace brokers consisting of the US, UN, EU and Russia. This is noteworthy for the clarity with which it promotes a «two-state solution»—Israel to be fully recognized and guaranteed by its erstwhile opponents, and a new sovereign state under full Palestinian control. In the absence of any noteworthy progress in this direction, the conflict continues to have grave repercussions both within and beyond the disputed territories: terrorist attacks (including suicide bombings) against Israeli citizens, sizeable refugee populations, the radicalization of Palestinian communities living in exile in the Arab world and elsewhere, the internationalization of several of the related terrorist movements, and a so far insuperable impediment to general stabilization and the building of «inclusive» multilateral cooperation in the «greater Middle East» region as a whole.

The last few years of the conflict have amply illustrated the phenomenon of self-perpetuating cycles of violence, with terrorist outrages being followed by Israeli retaliation (sometimes extending to other states' territory) (35) and *vice versa*. It has also shown how difficult it is for outside actors to take control of the dynamics of the situation and to exercise leverage upon either or both sides for meaningful concessions. One reason for this, which can arise in relation to other *ad hoc* as well as long-term conflicts, is that

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(34) See US Institute of Peace, «A performance-based road map to a permanent two-state solution to the Israel-Palestine conflict», 30 Apr. 2003, [http://www.usip.org/library/pa/israel\\_plo/adddoc/roadmap\\_04302003.html](http://www.usip.org/library/pa/israel_plo/adddoc/roadmap_04302003.html).

(35) E.g., an Israeli air strike on a Palestinian camp near Damascus, Syria, on 5 October 2003, and repeated skirmishes along the Israel-Lebanon border.

major external players—even when united formally behind a single peace plan—in practice make different subjective and normative judgements on the «rights and wrongs» of the issue. Specifically, and especially since the terrorist attacks of 11 September 2001, the US Administration has felt particular sympathy for Israel as the victim of terrorism, while European governments tend to be more conscious of the background to Palestinian claims for self-determination and of the present sufferings of the Palestinian people (to whom the EU gives substantial aid). There have also been differences of analysis over the *relative* importance and instrumentality of the Israel/Palestinians conflict, with UK Prime Minister Tony Blair and others arguing that progress on the former would improve the conditions for a democratic transformation of Iraq after Saddam Hussein («the road to Baghdad lies through Jerusalem»); while US policy advisers, at least initially, believed that turning the tide in Iraq would create new dynamics for solving the Israel/Palestinians confrontation and, indeed, other stubborn regional problems («the road to Jerusalem leads through Baghdad»).

Given these various difficulties and blockages, the most dynamic element in the situation in the last years must probably be identified as the policy developed by Israeli Prime Minister Ariel Sharon—in the face of stiff domestic opposition—of, on the one hand, building a 365-km, physical barrier to defend Israel against Palestinian incursions (36), and on the other hand, of preparing to pull back Israeli forces and settlements from the Gaza strip. While the barrier as such has generally been deplored by international opinion (37) and has met with legal challenge both at home and abroad (38) for the way it encroaches on territories not previously assigned to Israel, there is room for different views on its longer-term implications. Some would see Sharon's moves as necessary steps towards an eventual two-state solution, in which Israel at least initially would need the strongest visible guarantees of physical safety. Others suspect an intention on his part to evacuate some Palestinian territories only to make it easier to hang on to others on the West Bank, and/or to place new obstacles in the way of any truly viable future Palestinian state (39). The prob-

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(36) For details see <http://www.globalsecurity.org/military/world/israel/fence-imagery.htm>.

(37) A UN Resolution calling for a halt to its construction was passed in October 2003 (General Assembly Resolution A/RES/ES-10/13, 27 Oct. 2003).

(38) The International Court of Justice issued a ruling against the legality of the barrier in July 2004.

(39) One other factor relevant here is the way in which the barrier tends to obstruct movements of labour and other natural economic exchanges between the Palestinian and Israeli territories: such interdependence has been important in the past for both economies, but Palestinian living conditions have been more sharply hit by its interruption.

lems facing the latter have, meanwhile, become a new focus of interest in their own right since 2002, when the US led a move to demand and promote higher standards of Palestinian democracy. A conference sponsored by the UK and backed by all «Quartet» partners took place on this issue on 14 January 2003, leading two months later to the appointment of the reform-minded Mahmoud Abbas as Prime Minister of the Palestinian Authority. Mahmoud Abbas and his successor from November 2003, Ahmed Qurei, however, faced a persistent struggle for power and control of resources with Palestinian President Yasser Arafat—who in turn was viewed by Israel and increasingly by the USA as nothing more than an obstacle to peace. In these conditions it is easy to appreciate why no progress at all was made during 2003-4 with the negotiations and other cooperative processes between the conflict parties prescribed by the «Road Map».

Up to this point, the story seems merely to demonstrate the intractability of a long-standing conflict in which the two sides' identities and philosophies, as well as interests, seem (literally) existentially opposed; and in which the *prima facie* asymmetry of military power does not lead to a «quick and dirty» solution but rather, provokes a classic «asymmetric» reaction in the form of civil disobedience and terrorism. However, some developments at the end of 2004 were seen by—at least—the world's more hopeful observers as having a certain potential to rearrange the constellation in a way that might open up new possibilities. Perhaps the most fateful was the death in November of Yasser Arafat himself, creating the risk of a struggle for power but also the chance of new room for manoeuvre (linking up with the existing international pro-democracy efforts) in Palestinian politics. In the subsequent Palestinian elections that were held in January 2005, under close international scrutiny, Mahmoud Abbas was returned to power on a platform of re-opening efforts for peace and trying to disarm or at least bring under control the various extremist militias. This goal in itself, however, ensured that his leadership would not be undisputed nor his path smooth, as illustrated by the decision of the militant movement Hamas to boycott the elections. At the same time, Prime Minister Sharon's internal difficulties over his withdrawal policy led to a change of coalition in Israel that now included the traditionally pro-peace Labour Party. Last but not least, the re-election of US Presidential George W. Bush for a second term—combined with continuing or even deepening problems in the struggle to create a secure democracy in Iraq—has stimulated the UK and other like-minded powers to exert fresh pressure for a decisive, pro-peace, American diplomatic intervention. At the time of writing, it

is not possible to say whether these developments will come together in a constructive way or, rather, will be drawn into a further spiral of zero-sum actions by the parties themselves, putting the eventual two-state solution further out of reach just when the international community has rallied around it (at least nominally) in greater unity than ever before (40).

*Sri Lanka:* this conflict is essentially a separatist one with ethnic overtones, pitting the Liberation Tigers of Tamil Eelam (LTTE)—with a power base in the North-east of the country—against the predominantly Sinhalese central government of Sri Lanka. Since 1983 this conflict is estimated to have caused some 65,000 deaths and the displacement of 800,000 to 1 million people. In February 2002 it seemed that a breakthrough might have occurred when the Prime Minister of Sri Lanka (Ranil Wickramasinghe) and the LTTE leader (Velupillai Prabhakaran) signed an interim ceasefire agreement brokered by Norway. However, the ongoing process of peace talks broke down, against a background of signs of divided counsels on the government side, when the rebels pulled out of the talks in April 2003. In November of that year the President of Sri Lanka (Chandrika Kumaratunga) declared a state of emergency and effectively took power out of the hands of Wickramasinghe, whom she accused of being ready to cede too much ground to the rebels and thereby putting national security and sovereignty at risk.

The problems underlying the recent stalemate between the government and rebels illustrate the blending of separatist, political, and economic motives that can make conflicts of this «territorial» kind so difficult to unravel. The Tamil rebels have since February 2002 not been calling for complete sovereignty and independence, but they have not been able hitherto to find common ground with the government on the terms of autonomy for their province, including the nature of the administration to be established there and its powers over finance, police, external trade and so on. Also at stake is the degree of political recognition to be given to the LTTE as such (still the subject of a ban by several outside powers). The proximate reason given for the breakdown of talks in Spring 2003, however, was the failure to channel as much economic assistance (for

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(40) An added question worth noting is whether there might be value, precisely at this time of added mobility, in a further attempt at «independent» peace-making by a local state, an honest broker from another region (in the style of Norway's previous role), or some other source—*vide* for example the unofficial peace plan known as the Geneva Accord that was launched by ex-ministers from both the Israeli and the Palestinian sides on 1 December 2003.

refugee resettlement and general development) to the conflict zone as the LTTE believed had been agreed and as they regarded as necessary. This last point illustrates a phenomenon that will figure more centrally in the next section of this paper: namely, the way that measures agreed with the best of intentions during internationally-backed peace efforts can themselves become bones of contention and, at worst, the source of a new «break-out» into armed violence.

Nature was to take a hand (in Sri Lanka and elsewhere), however, with the catastrophic tsunami of 26 December 2004 and the appalling human and material damage it inflicted in coastal regions. During early 2005, hopes have risen that the disaster might create a new opening for conflict settlement: through the powerful forces for reconciliation created within Sri Lanka by common suffering, the delivery of humanitarian aid, the logic of joining forces for reconstruction, and the common interest not to let conflict obstruct the latter; but also because international attention has been called back to the region in the most forceful way possible. Aid donors have been encouraged i.a. by the hope that their actions might have added value as a foundation for peace, and some Western politicians (notably German Foreign Minister Joschka Fischer) have openly suggested that a certain conditionality might be established between, at least, the reconstruction phase of assistance and the government's ability to deliver on the peace front. It remains to be seen whether such overt «leverage» can work, or whether it will merely strengthen the instinct of local governments to declare as early as possible (as India declared from the outset) that they can cope with the damage alone.

### **(c) Conflicts that «break out» of attempted settlements**

There are, basically, only two ways to end a conflict: by one side overcoming the other(s), or by a settlement. Unfortunately, attempts at both results—not just the former—can lead to new complications and setbacks, including the resumption and intensification of violence. The following are only some of the ways in which peace-making and settlement processes can provoke the further use of force:

- a) the parties may intensify their efforts to gain ground and negotiating leverage before sitting down to the table;
- b) one or both negotiating parties may become split internally, with one or more factions rejecting the idea of peace and demonstratively returning to the way of violence. In such cases, new «fronts»

of conflict can be opened within or between movements that were previously on the same side;

- c) factions and individuals who are regarded as irreconcilable, and therefore not included in the negotiations to start with, may continue or increase violence partly as a protest that their interests are not being taken into account;
- d) those who have been profiting out of the violence (which could include external suppliers or customers, with economic and/or strategic aims) may try to sabotage the peace to protect their gains;
- e) there may be violence directed at the peace-makers themselves, if they are regarded as lacking legitimacy and/or as pursuing selfish interests (e.g., in the case of neighbouring states who seek to impose a particular outcome). In the worst scenarios, a national or international actor intervening ostensibly to make peace may slip into the position of an additional party to the conflict, and/or a group of actors seeking peace jointly may fall out among themselves;
- f) if the peace itself is fragile for any or all of these reasons, and/or inadequate provision is made for peace «keeping» and «building» after the settlement, order may deteriorate and perhaps even new forms of violence break out from a combination of resentment, disenchantment and opportunism.

In recent times, the types of effects mentioned under (b), (c) and (d) have attracted considerable notice under the title of «spoiler» phenomena, leading to increased awareness and debate over how many parties it is necessary and feasible to bring within the scope of a peace-making process. Recent experience has also highlighted how several of these scenarios—notably (b), (c), (e) and (f)—can lead to the emergence of groups using terrorist methods, even where the latter were not featured in the conflict before. (The general issue of terrorism and conflict will be covered in the next section).

Some concrete illustrations of these problems may be taken from recent developments in the conflicts in Burundi, Côte d'Ivoire and Sudan. Fighting has been going on in *Burundi* since 1993 between the national government, dominated by the (minority) Tutsi ethnic group after a military coup, and two ethnic Hutu rebel groups—the FDD and FNL (41). Some 200,000 (UPDATE?) lives are estimated to have been lost. A peace process

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(41) Forces pour la Défense de la Démocratie and Forces Nationales de Libération, respectively.

brokered by leading politicians in Tanzania and South Africa led to the Arusha Peace and Reconciliation Agreement signed on Tanzanian soil on 28 August 2000. This provided for power-sharing between the Tutsi and Hutu ethnic groups in the framework of a transitional government, established in 2001. However, the armed rebel groups on the Hutu side, the FDD and FNL, were not included in the peace process and rejected the resulting political solution as inadequate and biased, calling instead for a return to the constitution of 1992. The South Africa-led Regional Initiative on Burundi then brokered a further agreement, signed on 2 December 2002 between the transitional government and the FDD, with terms including a ceasefire and the deployment of a military observer mission from the African Union (42). As a result of continuing talks, the FDD in March 2003 agreed to accept the power-sharing arrangements in the 2000 Arusha agreement. The Swiss government hosted talks with the remaining armed faction, the FNL, in search of a parallel breakthrough.

Despite all these efforts, however, fresh fighting broke out between both rebel groups and the government in June 2003. FNL operations included several attacks on the national capital, Bujumbura. The FDD's actions seem to have been dictated by an effort to improve the terms of the peace deal, rather than to break out of it: and in fact, it signed a new agreement with the government in November 2003 that gave it a greater share of government posts and of control in the national army. The FNL, however, remained irreconcilable, and in December extended its attacks to FDD personnel as well. Clashes continued throughout 2004, and an added complication came when the FNL was formally labelled a terrorist movement by neighbouring African states, who called upon the UN and African Union to endorse their stand. As argued further in sub-section (d) below, use of the terrorist label is a high-risk tactic that may push settlement further away in the absence of power by the labellers simply to crush the labelled.

In the Burundi case, no-one has suggested that the efforts of outside mediators (both African and European) were anything but helpful. Côte d'Ivoire, however, provides an example where a push for a rapid settlement essentially imposed from outside has (so far) failed to address or to master the fundamental dynamics of the conflict. The present civil war

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(42) On the establishment and objectives of the African Union see the chapter by JINMI ADISA in «SIPRI Yearbook 2003: Armaments, Disarmament and International Security», OUP summer 2003.

began in September 2002 with an attempt by disaffected military elements to oust President Laurent Gbagbo. Although failing in their first attempt to seize the capital, Abidjan, the rebel group which adopted the name of MPCl (43) rapidly gained control of the Northern half of the country. It was joined by 2 other groups, the MJP and MPIGO (44), also seeking Gbagbo's overthrow. Conflict deaths to date have reached many thousands and more than a million people have been displaced.

The Economic Community of West African States (ECOWAS), which has become a frequent actor both in mediation and in local peace-keeping, helped to negotiate a ceasefire between the President and the rebels in October 2002 and despatched a force of its own (ECOMIC) to keep the peace. In September 2002 France, the former colonial power, took a hand by deploying some 1800 troops, (essentially to protect foreign residents) and entering the peace-making process. The personal intervention of French Foreign Minister Dominique de Villepin secured a power-sharing agreement between the government and at rebel groups at Linas-Marcoussis in France on 23 January 2003, and President Gbagbo appointed a new Prime Minister (Seydou Diarra) as a first step to its implementation. However, Gbagbo's own following split at this point, with massive street demonstrations in Bujumbura to protest against sharing power with the rebels. Fighting between the factions resumed in March in the Western part of the country, aggravated by the infiltration of combatants from neighbouring Liberia. In September the rebels formally withdrew from the government.

The problems of rebel control of growing swathes of territory, of factionalism among Gbagbo's supporters, and of resentment towards French forces have not been solved but if anything grew worse in 2004. In November of that year France was obliged to proceed to an evacuation of its own and other foreign nationals, following an outbreak of serious rioting that was initially triggered by the death of several French soldiers as a result of Ivorian government military actions outside Bujumbura, and the consequent French retaliation. Gbagbo for his part has been accused by some of deliberately trying to play the «neo-colonial» chord and to stir up feeling against the French to mask and/or justify his own continuing preference for crushing the rebels by main force.

*Sudan* is the site of one of the world's longest-running civil wars, which entered its 20<sup>th</sup> year in 2003. The National Islamic Front (NIF) government

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(43) Movement Patriotique de Côte d'Ivoire.

(44) Movement for Justice and Peace and Movement Populaire Ivoirien du Grand Ouest.

in Khartoum, which is dominated by Northern ethnic elements and attempted to impose Islamic Shari'a law on the whole country in 1983, is opposed by the Sudan People's Liberation Movement/Army (SPLM/A) in the South for reasons which combine religion, autonomy, and the control of government and resources. The fighting up to 2004 had cost the lives of at least 50,000, displaced some 4 million people internally, and caused some 570,000 to take refuge in neighbouring countries.

Efforts for mediation since 1994 have taken place mainly in the framework of the sub-regional organization IGAD (Intergovernmental Authority on Development), with support from the so-called Observer Countries—the USA, UK, Norway and Italy. Norway has been particularly active in providing «good offices» here, as in Sri Lanka. These efforts led to the signing of the Machakus Protocol between the government and rebels in July 2002, followed by further talks on the sharing of power, wealth and territory. An additional mediation process, under which former US President Jimmy Carter had been negotiating the normalization of relations between Sudan and Uganda (45), led to face-to-face talks between SPLM/A and government leaders which produced an apparent breakthrough agreement on 25 September 2003. Signed at Naivasha, Kenya, and known formally as the Agreement on Security Arrangements during the Interim Period, this document provides for each side to withdraw troops from the main area controlled by the other and for both to contribute troops to a national army and to garrisoning certain disputed territories. A further agreement on the share-out of proceeds from the country's oil wealth was signed in January 2004.

The international community continued, after the signing of Naivasha, to press both sides for progress towards a complete settlement that would need to include solutions on religious matters, the disputed territories, and provision for the settlement of refugees. The USA played a strong card by offering to lift its national sanctions and remove Sudan from the list of countries sponsoring terrorism if the deal is completed (46). Hope turned to fresh international concern, however, when violence began to escalate from 2003 in another province of Sudan—Darfur. Two

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(45) The civil wars in Sudan and Uganda have become interconnected, and one aim of Carter's negotiations —leading to an agreement between the two states in Dec. 1999— was to stop each Government from abetting rebel elements on the other's territory.

(46) The USA regards Sudan as a front-line state in the struggle against international terrorism and has in the past carried out reprisals, as well as sanctions, against it for its support to terrorist groups thought to include Al-Qaeda.

new armed groups with political motives, the SLM/A and JEM, (47) began attacks on government forces in early 2003 in protest against the latter's perceived failure to protect villagers from normal attacks and in defence of Darfur's regional interests. Fighting extended to the whole province by April 2003, and talks between the SML/A rebels and the government sponsored by Chad broke down in December. During 2004, the scale of violence, atrocities against civilians, and refugee numbers escalated as a result—principally—of the actions of an Islamist militia known as the Janjaweed, to the point where several foreign states have called for the situation to be recognized as one of genocide. Current estimates speak of 70,000 dead, 1.5 million persons internally displaced, and 200,000 Darfurian refugees in neighbouring Chad (48). Direct international intervention has, however, so far been limited to a small military observer force sent by the African Union to monitor declared plans to disarm the Janjaweed; the assignment of extra troops for protection has since built up this AU presence to some 3,000 personnel.

A key reason why the United Nations, backed by the major powers, has so far held back from a formal declaration of genocide or from any larger-scale intervention has been the concern not to let the whole Darfur situation become a gigantic «spoiler» in the longer-running search for peace between North and South. Those involved in the IGAD mediation argued strongly during 2004 that the completion of the Naivasha process was the key to proper treatment of all Sudan's internal ethnic and governance problems in future, and that it would be tragically counter-productive to handle Darfur in a way that diverted or discouraged the Khartoum government from sticking to its related obligations. In the event, as a result of sustained international pressure and as the culmination of a series of talks and partial agreements during 2004, the Sudan authorities and the SPLM/A were finally able to sign a comprehensive peace agreement on 31 December. Attention now turns to the very demanding process of implementing the power- and resource-sharing arrangements it contains, and to the presence or absence of the anticipated positive spin-off for Darfur (where the «participatory» type of settlement is generally thought to be a much harder prospect).

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(47) The «*Sudan Liberation Movement/Army*» and the «*Justice and Equality Movement*», respectively.

(48) Sources: RIVERA, L. «*U.N. puts Darfur dead at 70,000*», CNN.com; «*Integrated Regional Information Network for West Africa*» (IRIN-WA), «*AU says Darfur awash with weapons and situation a time-bomb*», IRIN Weekly Round-up 255, 11-17 Dec. 2004, <http://www.irinnews.org>.

The whole story to date provides a striking example, not just of the appalling proportions that violence «breaking out» from an earlier peace process can assume, but also of the extremely difficult trade-off decisions that external mediators — not just the internal parties— can face in the critical phases of a move towards peace.

#### **(d) Conflict and terrorism (49)**

The phenomena of conflict and of terrorism have been closely linked throughout history. Their motives, and their effects on innocent bystanders, are often similar to the point of indistinguishability; but it is important to perceive clearly the difference in their natures. There can be conflict without terrorism (for instance, the major conflicts of the 1990's in the Western Balkans involved it only minimally), and there can be terrorism that neither arises from, nor produces, *armed* conflict in the sense used in this study. Either or both sides in a «classic» armed conflict can use atrocities and psychological warfare to «terrorize» their opponents, but that does not make them terrorists. The same applies in internal struggles, where it is safer to use the term «terror tactics» for the often very serious violence applied «top-down» by government authorities or the equivalent, in extreme cases amounting to official «genocide». The «terrorist» appellation as such is best reserved for individuals and movements that seek to produce an effect of terror as their *principal* and often exclusive end, by action against civilians, for motives that are «political» as distinct from —for instance— purely criminal or financial (50).

A large proportion of the terrorist movements still active in the world today (notably in the Middle East, Latin America and South/South-East Asia) have had their origin in actual armed conflicts, or in disputes over territory and governance of the sort that generally lie behind such conflicts as

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(49) This statement follows the spirit of the new definition of terrorism proposed for international use in para 168 of the UN High Level Panel's report (note 3 above), namely: «*any action, in addition to actions already specified by the existing conventions on aspects of terrorism, the Geneva Conventions and Security Council resolution 1566 (2004), that is intended to cause death or serious bodily harm to civilians or non-combatants, when the purpose of such an act, by its nature or context, is to intimidate a population, or to compel a government or international organization to do or do abstain from doing any act*».

(50) For more detailed discussions of this topic see STEPANOVA, E, «*Anti-terrorism and peace-building during and after conflict*», SIPRI Policy Paper No. 2 of July 2003 at <http://www.sipri.org>, and BAILES, A.J.K., «*Terrorism and conflict*», in «*Developing a Culture of Conflict Prevention*» ed. A. Mellbourn, published by the Swedish Institute of International Affairs and the Madariaga European Foundation for the Anna Lindh Programme on Conflict Prevention, Stockholm, Aug. 2004.

well. Terrorism is a typically «asymmetrical» instrument (a way to allow a weaker party to hurt and destabilize a stronger), which makes the resort to it particularly tempting for conflict parties that are militarily disadvantaged, and for «spoilers» who find themselves excluded from and outlawed by a peace settlement. Conflict situations that are tightly controlled in terms of superficial order, and thus produce few or no «combat» casualties, can provoke the use of terrorist methods by both local parties—as seen in Northern Ireland. Typically, «conflict-bred» terrorists of these kinds restrict their attacks to the parties they are directly in conflict with—British, Spanish, Turkish, Sri Lankan, etc.—but there are cases in which their activities have become steadily diversified and internationalized, e.g. Hamas and Hizbollah in the Middle East (51). Most recently, there has been a surge of international concern about groups that, like Al Qaeda, have become *transnational* or truly *globalized*, taking action on ideological grounds against parties that are only secondarily (or more remotely) linked with their original grievance (52). Up to now Al Qaeda’s type of terrorism is relatively rare, and remains in a minority in terms of known members and numbers of attacks (53), but it represents a special threat in several ways—as demonstrated by its horrific attacks of 11 September 2001 in the USA. It has been skilful in «infecting» other Islamist terrorist movements, effectively federating them to its cause, and in recruiting new adherents world-wide. It makes full and skilful use of the possibilities of a globalized system of transport, communications and financing; and its representatives are known to have inquired into the possibility of using—in what would be most people’s ultimate nightmare—the technologies of Weapons of Mass Destruction for their attacks.

The ways in which terrorists themselves can cause and aggravate conflict phenomena are fairly obvious. Turning asymmetry on its head, terrorist attacks can provoke their target—if it is a militarily capable state or government—to retaliate with the use of force, often with results affecting much larger populations than the terrorists themselves and much larger ter-

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(51) See E. STEPANOVA, op. cit (note 51 above).

(52) In Al Qaeda’s case this was related to foreign encroachment on the holy places of Saudi Arabia.

(53) These points are important to make since the Al Qaeda «model» of terrorism has come so much to dominate analysis and policy responses since 9/11, with possible detriment to the attention and somewhat different remedies that should be applied to other terrorist phenomena. On the difficulty of accurately charting terrorist activity worldwide see KREUGER, A.B. and LAITIN, D., «*Misunderestimating’ Terrorism*», *Foreign Affairs* Sept/Oct. 2004, pp 8-14.

ritories than just their bases. This was, after all, precisely the mechanism that triggered the invasions of Afghanistan and Iraq by the USA and its coalition partners in 2002 and 2003 respectively. Terrorists striking against a state from neighbouring territories, even without the neighbouring government's support, can draw retaliation against their bases by the target government that risks turning the conflict into an inter-state one (a familiar syndrome, as already noted, in the Middle East and until recently in Latin America). There are well-documented cases of terrorist groups taking a hand in initially unrelated conflicts (e.g., individuals from the Arab/Islamic world enlisting on the side of Bosnia-Herzegovina in the Balkan wars), and of terrorist elements engaged in a number of different conflicts assisting each other with advice, training, arms and other resources (e.g., the Irish Republican Army (IRA) and Colombia's FARC guerrillas). Where terrorist groups are mixed up with a «classic» armed conflict they are typically among the «spoilers» of peace processes; and indeed, the latter are often designed consciously to drive a wedge through a combatant movements between the terrorist wings and their more moderate allies, with whom power-sharing is most likely to work. In such circumstances, external peace-keeping forces may themselves come under terrorist attack (cf. the incidents that led to US forces' withdrawal from Lebanon in the 1980's); and terrorist activity can become a major bane of post-conflict peace building efforts, as abundantly illustrated at present in Iraq.

The «war on terrorism» that the US and like-minded countries have been waging since September 2001 has, however, also had its effects upon the world-wide pattern of conflict, going much wider than just the overthrow of two régimes and the subsequent peace-building challenges in Afghanistan and Iraq. It is still early in historical terms to reach a complete and balanced view of these effects: but some aspects that seem likely to remain significant and that would deserve further study may be noted here.

First, the strengthened international consensus against terrorism, and the willingness of the USA and many others to invest greater resources against it, have tempted many states or governments engaged in a conflict to try to re-brand their opponents as «terrorists». This issue of nomenclature has always been a delicate one, and it was said long ago that «one man's terrorist is another man's freedom fighter». Particularly since the resolution of most conflicts linked with de-colonization —where former leaders of guerrilla and even terrorist activity against the metropolitan powers could end up as respected heads of state— world opinion had been tending to move towards greater respect for the «self-determination»

motive, and less willingness to accept national sovereignty and the authority of standing governments as absolutes in cases of evident abuse. Branding their opponents as terrorists now gives embattled governments a way to redress this balance, with all the greater effect since new international measures entail new specific penalties for those carrying the terrorist label (54). Examples are Russia's way of presenting the conflict in Chechnya (backed i.a. by the major terrorist outrages that were perpetrated by Chechens or their sympathizers in a Moscow theatre in 2003 and at Beslan in 2004); China's attempts to get Islamist/ethnic rebel groups in Xinjiang added to international terrorist «black lists»; Israel's success in maintaining the sympathy of the George W. Bush Administration in the USA (see above); and further cases e.g. in Uganda, Indonesia and the Philippines (the last two are discussed further below).

Secondly, the characterizing of opponents as «terrorists» has consequences, against today's background of opinion, for the preferred or most likely way of ending the conflict. A régime that does not want to share power, grant autonomy, or reach any other kind of compromise with its challengers is less likely to be pressed to do so in each cases. It may even be criticized if it seems too «soft» on terrorists, especially in circumstances where its actions could create undesirable precedents or repercussions for its neighbours and institutional partners (e.g. within the EU). More and more, the only acceptable outcome to such conflicts appears to be the complete defeat of (or surrender by) the challenging side. Although some long-standing peace efforts with high degrees of international approval —e.g., London's and Dublin's plans for a power-sharing and partial autonomy-type solution in Northern Ireland— have gone ahead regardless of these shifting pressures, there are other cases in which the new dynamics do seem to have contributed to the withdrawal or slackening of government efforts for compromise (*vide* the case of Colombian already cited and that of Israel and the Palestinians, although the latter does not fit simply into this or any other mould).

Thirdly, since «9/11» it has become easier for governments whose opponents clearly do involve terrorist elements to get practical assistance

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(54) Notably, UN Security Council Resolution 1373 of 28 Sept. 2001 (and follow-up resolution 1483) obliges all state and non-state actors to assist in freezing the assets of, and blocking resource flows to, terrorist individuals and movements. For more on this topic see the chapters by T. BIERSTEKER and C. NORGRÉN in «*Business and Security: Public-Private Partnerships in a New Security Environment*», ed. A. Bailes and I. Frommelt, OUP for SIPRI, May 2004.

against them from the USA, and possibly others (55). Indonesia, for example, had been in the international community's bad books since the East Timor conflict of 1999, but it has rapidly rehabilitated itself in the last two years by branding itself as the anti-terrorist side in the long-running conflict with the Gerakan Aceh Merdeka (GAM, or Free Aceh Movement) in its province of Aceh. This is a struggle over autonomy that has claimed at least 12,000 deaths, mostly of civilians, in the years since 1976. The international community had previously been engaged in an even-handed mediation role, and managed to bring things as far as a ceasefire agreement (56) backed by an international monitoring force in December 2002. However, violence did not stop, the international observers were forced to withdraw, and on 19 May 2003 the Indonesian Government placed Aceh under martial law and began a full-out military campaign against the terrorists. Although the EU, USA and Japan appealed for peace negotiations to be revived in parallel, the US lifted its previous freeze on military aid to Indonesia in August 2002 and earmarked some \$50 million in counter-terrorist assistance for the government in the period 2002-4. The EU also agreed to take Indonesia as one of its partners in a pilot study on using European resources to support local anti-terrorism efforts. Although any significant US arms sales to Indonesia are still subject to the fulfilment of conditions linked to the earlier conflict in East Timor, the Indonesian Government had more broadly succeeded by end-2004 in de-linking the latter experience from its international image and its standing vis-à-vis what it now openly called the «terrorist» challenge in Aceh.

Here, again, the 26 December tsunami had a massive impact: the province of Aceh was among the territories closest to the epicentre of the under-sea earthquake that caused it, and the provincial capital of Banda Aceh was almost literally swept away. In principle, the same benign consequences (in conflict terms) as were described above in the case of Sri Lanka should have ensued. The dynamics thus far have, however, been more complex in Aceh: not just because of its remoteness which would have impeded outside aid in any case, but because of the Indonesian armed forces' reluctance to relinquish their grip on the province, the fear of each side in the conflict that the other will exploit the situation, and hence the fragility of the ceasefire that the GAM initially declared. Tension

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(55) —if they wish to. For some governments such as the Russian and Chinese, the terrorist label has been used for the opposite purpose, i.e. to stave off external «interference».

(56) Brokered by the Henry Dunant Centre for Humanitarian Dialogue in Geneva, Switzerland.

has also started to become evident between the interests and intentions of the Indonesian military on the one hand and the civilian-led government in Djakarta on the other. The one more definitely positive factor is the way that the international community's attention has been drawn to the realities of the Aceh situation, making it likely that leading countries' and institutions' efforts to explore the new potential for peace-making will be not just more proactive, but also more nuancé in their understanding of the basic issues than before.

Paralleling the earlier handling of Aceh, the Government of President Gloria Macapagal Arroyo in the Philippines has managed to get the Abu Sayyaf rebel group in the South of its territory —previously seen more as a criminal phenomenon focussed on extortion and kidnapping— classified by the USA as a «foreign terrorist organization». 600 US troops were sent in 2002 to assist in operations against the group, and in May 2003 the Bush Administration committed more than \$114 million in military aid to assist counter-terrorist activities in the Philippines. The Philippines Government has since also classified the Communist Party of the Philippines (CPP) and its military wing the NPA as terrorists, and has effectively broken off any kind of peace process with them. On the other hand, it succeeded in driving a further group —the Moro Islamic Liberation Front (MILF)— to the negotiating table by threatening to brand them as terrorists if they did not forswear violence. In this case the MILF complied, and an agreement opening the way for substantial peace talks (with monitoring assistance from Malaysia) was duly signed on 18 July 2003.

Fourthly, and as this last story illustrates, the new implications of the terrorist «label» tend to polarize the options available to insurgent movements themselves. Some have been moved to abjure terrorism and to seek international respectability by all other possible means (e.g., unilaterally committing themselves to respect the laws of warfare and humanitarian restrictions on weaponry) (57). In almost all conceivable circumstances this is a good thing for the cause of peace. However, other movements may make the contrary choice, stiffening their resistance and perhaps resorting more wholeheartedly to terrorist tactics, as well as invoking help from other terrorists or terrorist-friendly governments outside. There is evidence of this trend among the more extreme players in Afghanistan,

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(57) Valuable initiatives to this end have been promoted by the NGO «Geneva Call», see <http://www.genevacall.org/home.htm>.

Chechnya, Iraq, and in the new strides made by the Maoist rebels in Nepal in addition to the cases of Indonesia and the Philippines already mentioned. Combined with the relevant government's new access to outside aid, there is a clear risk that such developments will move the conflicts in question further away from, not nearer to, a solution - with the civilian populations (as usual) as the main losers.

Last but not least, military actions undertaken to overthrow «rogue» régimes—on the grounds i.a. of their supposed terror-friendliness—can create particularly tough post-conflict environments opening up new possible fronts for terrorism. To be fair, the problem in these cases arises not only from the possible mistakes made by external actors attempting reconstruction and democracy-building, but from the depths which such societies have previously plumbed in terms of bad governance, corruption, and unresolved internal (ethnic, provincial, religious, etc) contradictions. The result in any case may be an extended period of «not-conflict, not-peace» in which the inadequate grip, and perhaps questionable legitimacy, of the intervening authorities creates the classic «authority gap» that is most likely to give rise to terrorism. Iraq is, unfortunately, now providing a model case of this, but there are signs of the same syndrome in the continued operations of Al Qaeda and their allies in Afghanistan and neighbouring parts of Pakistan. These situations create a double challenge: for external peace-keeping forces who have to become expert in «counter-insurgency» techniques as well as the (possibly even more alien) disciplines of peace- and nation-building; and for these forces together with the nascent local authorities, in creating a self-sustaining new order that will be capable of suppressing the terrorists without oppressing the whole population (something that even the most developed Western states do not find easy).

## **INTERNATIONAL «PEACE MISSIONS»**

This last topic provides a natural transition to the final one in this paper: the pattern and evolution of international conflict management efforts in the form of military, non-military or combined interventions. Data on multilateral deployments for this purpose since 1993 are set out in Table 4. One of the first things they make clear is that there is no one-on-one correspondence between deadly conflicts and international responses. Neither the UN nor anyone else has the resources to intervene in all conflicts and even if the resources were there, the necessary international consen-

sus to produce universally supported (or tolerated) actions would not be forthcoming in all cases (58). Though the topic is too large to be done justice to here, it may generally be said that the pattern of intervention has been dictated more by outside actors' own strategic priorities, policies and perceptions (in turn strongly influenced, i.a., by media and NGO reporting) than it has by the inherent gravity of conflicts or the degree of human suffering involved. Some of the longest-running and most bloody conflicts have, to date, seen no external *military* intervention at all: for example Myanmar, Colombia, and Sudan up to 2004.

The issues arising from the changing pattern of international missions and their experiences are manifold, but for reasons of space just three aspects will be touched on here (59): the demand for an increasingly multi-functional and «full-cycle» approach to conflict management and peace building; the changing pattern of intervention sequences and burden-sharing among different international actors; and the increasingly recognized importance of post-conflict justice (60).

## Peace making in the round

Even before the end of the 20<sup>th</sup> century, harsh experience in the Western Balkans and Africa had brought home to international policymakers and analysts alike that in conflict management, getting a sufficient grip on the situation to stop the violence is only the first point in the battle. Without a political settlement that addresses the issues at the source of the dispute, conflict could break out again as soon as the intervener's hand is lifted. Without active efforts to mend whatever was broken or missing in a previously «weak», and/or abusively governed, state, human rights and the proper political, economic and international functioning of the successor régime cannot be guaranteed—whether or not it actually falls back into

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(58) The Darfur conflict in Sudan provided a particularly controversial instance of this in 2004, see section III (c) above..

(59) For further analysis see DWAN, R. and WIHARTA, S., «*Multilateral peace missions*», in SIPRI Yearbook 2004: Armaments, Disarmament and International Security, OUP for SIPRI summer 2004.

(60) This choice of topics is not intended to side-line or belittle the question of the *conditions* for intervention: legal, political and moral. However, in the authors' opinion, this issue could hardly be handled better than in the report of the UN High Level Panel (note 3 above) which lays out five basic criteria of legitimacy for deciding upon (non-consensual) interventions: seriousness of the threat, the proper purpose of the action, force as an *ultima ratio*, proportionality of the means used, and the likely balance of consequences (paragraph 208, p. 67).

**Table 4**

**NUMBER OF MULTILATERAL PEACE MISSIONS**

Year	1993	1997	2000	2001	2002	2003
<b>Total number of multilateral missions</b>	<b>34</b>	<b>52</b>	<b>55</b>	<b>51</b>	<b>48</b>	<b>52</b>
Number of new missions	9	11	3	5	4	14
Missions carried out by:						
United Nations	20	23	22	18	19	19
OSCE	5	12	12	13	11	10
NATO	—	1	2	4	4	4
EU <sup>a</sup>	1	1	3	3	1	5
CIS	3	4	4	3	3	3
Other regional organizations <sup>b</sup>	1	4	5	3	3	4
Non-standing coalitions <sup>c</sup>	4	7	7	7	7	8

<sup>a</sup> Includes missions led by WEU.

<sup>b</sup> For example: AU, ECOWAS, CEMAC, OAS.

<sup>c</sup> Includes missions that are directly tasked authorized by the UN, but are carried out by and ad hoc coalition of states.

Source: SIPRI Yearbooks 1994, 1998, 2001-2004 (Oxford University Press: Oxford, 1994-2004).

violence and terrorism. Solving these challenges is now increasingly seen, not just as a humanitarian duty of the interveners (when they choose to intervene at all), but as a matter of enlightened self-interest for the international community. Given the increasingly transnational or globalized nature of many dimensions of security—notably the fight against terrorism, proliferation, disease, climate change and environmental decay—the international family needs to know that a post-conflict state is functioning properly on the inside, not just refraining from making trouble externally. Moreover, botched peace-keeping almost always means either the prolongation of conflict (as discussed above) or a periodic relapse into it. Some of these cases have in the past led to enormously lengthy international peace-keeping missions (e.g. UNFICYP in Cyprus), which not only constitute a permanent reminder of the world community’s failure to finish what it started, but eat up all-too-scarce resources that might be better employed for new preventive or rapid-reaction deployments.

Reflection on these factors has led analysts increasingly to see conflict as a cyclical or recidivist process, in which good peace-building after a

conflict should be viewed as one of the best and most tangible routes to conflict prevention. Ideally, this effect could operate not only in the affected state itself but in the whole region, by turning the post-conflict régime into a model of good governance and responsible international conduct that can both be supported by, and have benign osmotic effects upon, its neighbours. In the best case the former problem state can quickly be promoted to a supplier, itself, of international peacekeeping forces (61). This full-cycle philosophy was most notably and recently reflected in the recommendation by the UN High Level Panel (December 2004) to establish a UN Peace Building Commission able to support problem states in *both* pre-conflict and post-conflict conditions (62).

The obvious corollary is that the international community's inputs must be much more than just military, and must be sustained well beyond any formalistic «end-date» linked, for example, to entry into force of a political agreement or cease-fire, or the holding of new elections. In the past, the international community has generally managed to see the need for follow-on engagement in the economic, development assistance, and humanitarian assistance fields: the problem has been rather with the failure to draw the scope of these programmes generously enough, or to stick to the promises made over an adequate period (63). Most new thinking about international roles (both in peace operations and post-conflict support) has, therefore, gone into the fields of governance that lie somewhere between military security and economics: the reform of the security section in a broader sense (including both measures of demilitarization/disarmament and positive measures to establish adequate anti-terrorist, border control, export control, arms control etc. systems); direct support (operational and/or through training) for the maintenance of internal order and security; the building of structures of law and justice, and of central and local administration in general; measures to remedy social injustices linked with gender, religion, ethnic identity etc and to guarantee adequate political participation and the protection of equal opportunities for the future;

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(61) This sequence has been seen, notably, in the Western Balkans where countries like Croatia and Serbia-Montenegro are now keen to contribute to NATO- or EU-led peace missions (as part of their drive for eventual full NATO and EU membership). Over the longer term it has also operated in Africa.

(62) See paras. 228 and 261-9 of the UN *High Level Panel* report, as in notes 3 and 54 above.

(63) The converse problem arises when too much aid is given and too little commercial investment or market stimulation, leading to «aid dependence»—as seen in the recent cases of Bosnia-Herzegovina and Kosovo.

and several more. An increasing number of international missions have in recent years been designed to operate in these parts of the spectrum: notably UN missions like UNMA in Angola, UNAMA in Afghanistan and UNMISET in East Timor, and various functional missions launched by the European Union (police missions in Bosnia-Herzegovina and the Former Yugoslav Republic of Macedonia, FYROM, and the EUROJUST THEMIS advisory mission on law and order in Georgia). Missions launched under the mandate of the Organization for Security and Cooperation in Europe (OSCE) have, in practice, always been of this non-military kind, geared most often towards conflict prevention through the peaceful resolution of disputes and the observance of political standards and civil (including minority) rights.

The consequences of *not* paying proper attention to these aspects of peace-building, or of tackling them with the wrong implements and models and inadequate legitimacy, have been all too painfully obvious in Iraq. However, even the best-conceived missions of this kind have serious challenges to face. One is that of procuring the right human resources, since it is only very recently that police capacities have started to be identified and prepared on the analogy of military ones for such international uses, and even more recently that thought has been given to other civilian functions (64). Another great challenge is coordination and the achievement of synergy, not just between different human contingents operating in the field — and it is difficult enough for soldiers, police, aid workers and NGOs from a variety of nations to work harmoniously! (65)— but between the different branches of international peace-building and reconstruction policy. The need is increasingly recognized, for example, for programmes of Disarmament, Demobilization and Reintegration (DDR) following a conflict in which military forces have become inflated (i.a. by unwilling recruits and possibly child soldiers): but these will not have the desired effect on overall security unless properly coordinated with overall economic reconstruc-

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(64) DWAN, R., «*Civilian tasks and capabilities in EU operations*» paper presented at an Expert Seminar on «Towards a Global Security Policy for Europe: Tasks and capabilities» Berlin 18-19 May 2004. See also «*A Human Security Doctrine for Europe: Report of the Study Group on Europe's Security Capabilities*», published on 15 Sep. 2004 at <http://www.lse.ac.uk/Depts/global/#Recent%20contributions%20by%20our%20staff>. A good direction for international work and study in the future would be to consider building non-military intervention capacities for cooperative use in non-European regions, such as Africa.

(65) For a succinct account of this debate (with further references) see HOLMQUIST C., «*Private Security Companies - the case for regulation*», SIPRI Policy Paper no. 9 of Jan. 2005, available at <http://www.sipri.org>.

tion and development strategies and —if needed— with the positive re-shaping and modernization of national defence and security forces. (Reflection on this has become linked with a very interesting broader debate on the relationship between defence, disarmament and development in international security). Last but not least, the paradox of international involvement in such intimate aspects of the re-shaping of a given society, nation and state apparatus is that it works best when it most quickly does away with the need for such interference. The military practicalities of stopping conflicts do not vary greatly, but the pre-conditions for viable and stable new régimes do, according to region and culture, degree of development, and many other internal and environmental features. The more local actors can be drawn into the process to express their own preferences and take their own responsibilities from the beginning, the better, and in this sense a hard-headed and well-phased «exit strategy» is just as vital for peace-building missions as for the more traditional military kind.

### **Patterns of intervention**

The first thing that stands out from Table 4 is the continued supremacy of the United Nations in the peace-keeping business, if assessed globally—carrying out around two-fifths of all international missions under its own direct authority, and providing some degree of mandate for most of the others. Despite all the criticism and scepticism levelled against the Organization notably by the USA after 9/11, the UN has continued to launch new missions with wide international support and in 2003, was deploying an average of over 38,500 peace-keepers in the field (66). Even in the case of Iraq, after the political furore caused by the breakdown of efforts in early 2003 to secure a UN mandate for military action and the subsequent non-mandated invasion by a US-led coalition, the coalition partners rapidly had to turn back to the UN to find legally effective solutions for issues like Iraqi debt and the lifting of sanctions. (Many would say that the work of the UN disarmament and monitoring missions in Iraq, UNSCOM and UNMOVIC, was vindicated when it turned out that Saddam Hussein had not actually been holding any WMD). Peace-building efforts

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(66) In the past, this figure has oscillated from a high of 72,000 in 1994 to 13,600 in 1999. The trend has been upwards since the latter date. Figures published by the UN Dept. of Peacekeeping Operations at <http://www.un.org/Depts/dpko/dpko/contributors/index.htm>.

in Iraq have suffered from the lack precisely of those well-honed and specialised services that the UN and its agencies can provide, and the US has found itself in the position of pressing for the UN to play a *greater* role— analogous to that in Afghanistan—while the UN holds back *inter alia* because of coalition forces' inability to guarantee an adequate level of security. There could be no clearer illustration that «going private» with conflict management very, very rarely works.

At the same time, another striking trend of the last years has been towards new forms of complementarity and burden-sharing between the UN and other capacity providers, both in «horizontal» and in «serial» terms. «Horizontal» burden-sharing occurs when a UN mission and another presence exist side by side with different functional responsibilities: this has been the case for a while in Kosovo (UN civil administration and NATO military forces), and now happens (for instance) between the UN and a NATO-led force (ISAF) in Afghanistan, and the UN presence (MINUCI) together with ECOWAS and French forces in Côte d'Ivoire. The UN mission (MONUC) in the Democratic Republic of the Congo (DRC) was supplemented for a while in 2003 by the EU-led Operation Artemis, sent to control a threat of breakdown of order in the Bunia region. However, it is more typical for institutions to succeed each other serially over time, usually as the required capacity «softens» in nature from operational military peace-keeping to monitoring, re-training and reconstruction. What is interesting is that, especially recently, there does not seem to be any fixed order to these hand-overs. Sometimes regional institutions have looked after the «tough» phase of the operation before the UN took over, or brought their efforts under a wider framework—Liberia, DRC, Burundi. In one well-known case, NATO took over when the UN approach proved incapable or inappropriate to deal with a deteriorating military situation (the transition from UNPROFOR to IFOR in Former Yugoslavia). However, there have also been cases when the UN has presided during the immediate conflict resolution on post-conflict period, to be succeeded by local organizations possessing the models and resources for more thoroughgoing reconstruction (like the EU in the Western Balkans). The only process that seems to be unidirectional is when the «hard» phase of an action is taken on by a self-appointed coalition, and the UN may or may not choose to legitimise and take responsibility for the subsequent phases—as in Afghanistan and Iraq, but also various African instances.

The variety of such intervention sequences also reflects the diversity of partners now available. Since 2001 both NATO and the European Union

have developed their policies and capabilities to the point where they can offer, in principle, to contribute to interventions anywhere around the globe. NATO's coming-of-age in this respect was marked by its take-over of responsibility for the International Security Assistance Force (ISAF) in Afghanistan in August 2003, following a period in which individual NATO countries had succeeded each other in command of the force with backstage NATO assistance (67). The EU, as already noted, carried out a brief «autonomous» (68) intervention in the DRC from July 2003, and its new Security Strategy (adopted by the European Council in December 2003) spells out the rationale for such global activism: «With the new threats, the first line of defence will often be abroad» (69). Both organizations have shown themselves able in practice to work (horizontally and serially) with the UN, but the EU has especially stressed its wish to put its operational services at the disposal of the latter, and signed a Joint Declaration with the UN to that effect in September 2003 (70).

The EU has also shown an interest in supporting, and operationally supplementing, African regional peace-keeping efforts (71), and this leads to the last point to be made in this section. There has been a striking growth in the ambition, and practical efforts, of African regional and sub-regional organizations to provide primary peacekeeping services for conflicts on their own continent during the past decade. In 1994, of 11 peace operations in Africa, 8 were carried out directly by the UN and 3 by local organizations; in 1998 the balance tipped to 4 UN-led and 7 local-led missions; and in 2003 there were 6 of each. Earlier operations were dominated by the West African group ECOWAS, which was sometimes open to the charge of being dominated by Nigerian national interests, but in the last couple of years there has been less room for such concerns as ECOWAS has been more careful to seek appropriate UN mandates and the pan-

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(67) At the time of writing NATO has also taken on certain military re-training tasks in Iraq, but not with any direct operational component (and with some nations declining to take an active part at least inside Iraq).

(68) In context, autonomous means without NATO assistance (such assistance was drawn upon for the EU military deployments in FYROM, 2003, and Bosnia-Herzegovina, end-2004).

(69) See note 2 above.

(70) The remaining European security organization, the OSCE, has not yet mandated any military operations and has no evident competence to do so outside the European area: but it has worked with the UN in the Western Balkans, notably in Kosovo (UNMIK).

(71) The EU agreed to give financial help to African peacekeeping in July 2003 and has set up a standing «*Peace Facility*» for this purpose. Another international support programme has been promised by the G8, which will return to the topic at its Gleneagles Summit in 2005.

regional African Union has also emerged as a (highly norm-conscious) framework for such actions (72). The main challenges facing these African forces are now of a resource nature, including the need for higher and better harmonized standards of personnel and equipment (73). Even so, the continent is well ahead of any other in its degree of self-sufficiency in this regard. Countries like India and Pakistan make massive personnel contributions to UN-led peacekeeping missions, but their region has no truly functional local cooperation framework of its own, while other regional organizations like ASEAN (South-East Asia) or the Organization of American States *et al* in Latin America are only gradually tip-toeing towards a degree of «securitization» where joint operations might come into question. Elsewhere, recent «multilateral» peace-keeping missions have in reality been *ad hoc* coalitions led by a single country: this was true of the Australian-led operations in the Solomon Islands and Papua New Guinea, and true in effect of various «Commonwealth of Independent States» (CIS) missions in the area of the former Soviet Union that were initiated and dominated by Russia. While attracting far less international attention, these last examples are intrinsically open to the same questions of legitimacy and answerability that have been debated *ad nauseam* in the case of Iraq.

### **Post-conflict justice in peace building and conflict prevention**

Over the past decade there has been an increased focus on the issue of transitional justice, particularly in the post-conflict setting. Confronted by atrocities committed during the armed conflicts in the former Yugoslavia and Rwanda, the United Nations Security Council responded by authorizing the creation of two international *ad hoc* tribunals (the ICTR and ICTY respectively) to deal with gross violations of international humanitarian law. The 1990s also saw several repressive dictatorships giving way to more democratic regimes in Central-Eastern Europe, South America and South Africa (74), where experience again underlined that the ade-

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(72) The same trends have been reflected in recent missions undertaken by groups of Central African and South African countries; for details see DWAN AND WIHARTA, as in note 60 above.

(73) See the Chapter by R. WILLIAMS in SIPRI Yearbook 2004: Armaments, Disarmament, and International Security.

(74) This occurred in, e.g., Argentina, El Salvador and South Africa. For a discussion of transitional justice see KRITZ, N. J. (ed.), «*Transitional Justice: How Emerging Democracies Reckon with Former Regimes*», vol. 2, *Country Studies* (United States Institute of Peace: Washington, DC, 1995).

quate review and punishment of past injustices can be one key to a successful transition.

Injustice is often conceived as a *consequence* of conflict, but more often than not it is also a *symptom* and *cause*. Injustice may take several forms, notably: a) the structural and systemic, for instance, the political, social and economic marginalization of certain groups or individuals compounded by the absence, or corruption, of the rule of law; and b) injustice inflicted on individuals in times of conflict through the committing of atrocity crimes (75). Thus, justice is perceived to have been done only when ethnic discrimination, unequal access to resources, and abuse of power can be addressed in a legitimate and fair manner. This has led to a growing consensus within the international community that the delivery of justice and accountability is integral to peace and stability. As espoused by UN Secretary-General Kofi Annan in his recent report on «The rule of law and transitional justice in conflict and post-conflict societies», «Justice and peace are not contradictory forces...The question, then, can never be whether to pursue justice and accountability, but rather when and how.» The extent to which the international community has embraced this emerging norm is reflected in the presence of a nascent system of international justice —consisting of the permanent International Criminal Court (ICC), ad-hoc international criminal tribunals, «hybrid courts», national courts, and truth and reconciliation commissions— all of which convey a promise to end the offenders' impunity. Equally important is the understanding that international courts represent just one element in, and need to be balanced and coordinated with, a wider range of instruments for conflict prevention and for post-conflict (or post-régime change) stabilization. Deterrence is also part of the rationale behind the setting up of such mechanisms.

Perhaps one of the most singular developments in the sphere of post-conflict justice has been the establishment of the International Criminal Court (ICC). The idea of creating such a court took root after the end of the World War II, but only began to assume concrete form at the end of the Cold War, and was finally crystallized on 1 July 2002 with the entry into force of the Rome Statute (76). The ICC has jurisdiction only over individ-

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(75) The term atrocity crimes is used here to cover war crimes, crimes against humanity, the crime of genocide and crimes of aggression.

(76) The Rome Statute, the treaty establishing the ICC, was adopted on 17 July 1998 at the UN Diplomatic Conference of Plenipotentiaries on the Establishment of an International Criminal Court. See «*Rome Statute: International Criminal Court*», *International Legal*

uals, may not try governments, and can claim jurisdiction over crimes against humanity, genocide, war crimes and crimes of aggression only if certain conditions have been met. The act under investigation must have occurred on the territory of a state party to the Rome Statute, or the accused must be a national of a state party; one or more of the parties involved must be a state party; or a non-state party must have accepted the jurisdiction of the ICC. Under the principle of complementarity, the responsible state has the duty to prosecute in the first instance. Only in circumstances where the national court is unable or unwilling to try the case will it proceed to the ICC. In situations where non-state parties are involved, the case will only fall under ICC jurisdiction if the UN Security Council, acting under Chapter VII of the UN Charter, decides to refer a situation to the Prosecutor. Finally, the ICC has no retroactive power and can only try crimes that have been committed after the statute entered into force on 1 July 2002 (77).

At the time of writing the ICC, although fully operational since 2003, has yet to hear any cases. The Office of the Prosecutor (OTP) is at present conducting investigations on atrocity crimes allegedly committed in the Ituri region of the Democratic Republic of Congo and in Northern Uganda; and in January 2005, the situation concerning the internal conflict in Central African Republic was also referred to the OTP. However, the progress of the ICC has been beset by continued opposition, particularly from the United States, which has maintained its policy of pursuing Bilateral Immunity Agreements with states parties and non-states parties alike (ensuring that they will not refer cases involving US citizens or employees to the Court), and in other respects continuing to implement the American Service Members' Protection Act.

In view of the constraints on the ICC and in particular of the ICC's forward temporal jurisdiction (rendering it unable to address crimes that occurred prior to 1 July 2002), alternative mechanisms have had to be found to bring those guilty of grave war crimes to account. More general-

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*Materials*, vol. 37 (Sept.1998), pp. 1002-69, and «*Rome Statute of the ICC, as corrected by the procès-verbaux of 10 November 1998 and 12 July 1999*», URL <http://www.un.org/law/icc/statute/contents.htm>. The Statute entered into force on 1 July 2002. For an account of the foundation of the ICC see Wiharta, S., «*The International Criminal Court*», SIPRI Yearbook 2003: Armaments, Disarmament and International Security (Oxford University Press: Oxford, 2003), pp. 153–66.

(77) WIHARTA, S., «*Post-conflict justice: Developments in international courts*», SIPRI Yearbook 2004: Armaments, Disarmament and International Security (Oxford University Press: Oxford, 2004), pp. 191–206.

ly, too, the hard-learned lessons drawn from the ICTR and the ICTY have added new dimensions to the debate on post-conflict justice. It can now be seen that too often, the emphasis has been on foreign experts, foreign models and foreign-conceived solutions. There is an increasing understanding that in any aspect of post-conflict peace-building, and in the case of post-conflict justice above all, local ownership is paramount for the viability, legitimacy and sustainability of the process. Hence, any mechanism employed to address past injustices must carefully consider the nature of the existing legal system, the particular requirement and demand for law and justice, and most important of all, the traditions and values of the country in question - while still upholding international legal requirements. In concrete terms, the approach taken to incorporate these lessons has been to establish various «hybrid» courts, which are part international and part national. Hybrid courts combine international laws of accountability with local norms of justice. The motive for developing this model has, however, reflected other considerations as well: notably the recognition that the long-drawn-out procedures and steep costs typified by the ICTR and the ICTY have risked sapping the political will and also the readiness to provide funds for post-conflict justice. The limited mandates and relatively low budgets of hybrid courts are an attempt to address this problem. Lastly, the hybrid model promises to be less politically-charged than the ICTR and the ICTY: the Special Court for Sierra Leone and the Extraordinary Chambers for Cambodia (the first major experiments with this approach) are treaty-based organizations and fall outside of UN Security Council authority.

Within this model, a distinction can be made between the international-domestic and the domestic-international type of court. The former refers to an international body with domestic elements, of which the Special Court for Sierra Leone (SCSL), located in Freetown, is a prime example. The SCSL assumed its functions on 1 July 2002, is composed of both international and local judges, and applies international and domestic criminal law. The other type of hybrid court is one where international elements have been «grafted onto» the domestic legal system. In March 2003, the UN and the Cambodian Government came to an agreement on the terms of the creation of the Extraordinary Chambers to address war crimes committed under the Khmer Rouge regime (78). The only remaining stumbling block to this Phnom-Penh based court is its financial viabil-

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(78) The Special panel for Serious Crimes in East Timor and the «*Regulation 64 Panels*» in Kosovo are other examples.

ity—it is thus far financed entirely from voluntary contributions from UN member states. Although a controversial case, the Iraqi Special Tribunal, established by the Iraqi Governing Council on 10 December 2003 can also be loosely classified as a hybrid court. International involvement in it, where it occurs, comes through the use of advisers, observers and specially appointed judges. However, the internationally appointed advisers have little authority within this tribunal's framework and it is not clear to whom the former would report if it became evident that the tribunal was not following international standards. The organization of the Iraqi Special Tribunal thus raises many questions (79), and many in the human rights community are sceptical that it will be able to hold fair trials, given its predominantly domestic nature (80). The establishment of the Iraqi Special Tribunal could, indeed, arguably be seen as a reversion to a system based on «victors» justice', which is exactly what the international community has recently been striving to move away from (81).

The hybrid model (regardless of type) does help to underscore that, more often than not, there is a lack of a functioning judicial system in post-conflict states. Court systems may have collapsed, or may be corrupt and subject to political manipulation. The model is an attempt to address this gap through the infusion of international expertise, but with the aim of strengthening domestic capacity in the judicial sector of the country in question. Moreover, the international presence gives the court greater legitimacy and objectivity for both the accused and the victims; and it can serve to attract extra funding. It is far too early to assess whether the hybrid model is the ideal one, but for now it is seen as the most efficient prospect for timely delivery of post-conflict justice.

To judge from the various formal legal mechanisms now in place, there seems to be a strengthening consensus among policy makers and acad-

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(79) The commission, which was predominantly made up of US representatives but also included other international and Iraqi legal experts, was set up to look into judicial reform in Iraq.

(80) ROTH, K., «*Now try him in an international court*», International Herald Tribune, 15 Dec. 2003, p. 10.

(81) The debate on Iraq parallels the situation in Afghanistan, where captured individuals are being detained at Guantanamo Bay, Cuba, under unclear legal conditions. Captured detainees are not accorded «prisoner of war» status and await trial by a US Military Commission. For further discussion on the nexus between terrorism and international law see ROBERTS, A., «*Counter-terrorism, armed force and the laws of war*», *Survival*, vol. 44, no. 1 (spring 2002), pp. 7–32; and WEDGWOOD, R., «*Al Qaeda, military commissions, and American self-defense*», *Political Science Quarterly*, vol. 117, no. 3 (fall 2002), pp. 357–72.

emics that the delivery of justice is important for sustainable peace-building. However, there is still a debate about how, and in what form, justice should be administered: and questions hanging over the extent to which justice is pursued. The limited mandate of the hybrid models, and the decision by the ICC to target only those bearing the greatest responsibility, are a reflection of the *de facto* limits to the international community's commitment to justice. They also provoke the question whether, in its haste to complete as many trials as visibly as possible and to fulfil the mandates of the international courts, the international community may be doing itself a disservice. Plea bargains can make victims feel that justice is not being served; and the severity of the crimes committed may not be recognized by the relatively light sentences passed. Furthermore, if only the top leaders are prosecuted, ordinary citizens do not always feel that their grievances have been adequately addressed. A key point of contention at present is precisely that the existing models have not matched the actual expectations and needs of the victims. On the other hand, it could be argued that *absolute justice*, involving total and maximum punishment of all perpetrators of atrocities crimes and grave human rights abuses, is not always necessary or even conducive for successful peace-building. Such an absolutist approach to the issues of truth and accountability can be destabilizing, and may prolong and even obstruct the transition to and consolidation of democracy and peace in the short-term (82). There is therefore an obvious need for other processes to complement and supplement the internationally led process of judicial retribution. This can be done through mechanisms such as truth and reconciliation commissions, which function as tools of reparative justice, and local judicial processes – both of which are often more victim-oriented. Truth and reconciliation commissions offer the opportunity for a rigorous accounting of the past, which is important to restore the dignity of the victims, and allow victims and perpetrators alike a chance to heal and move forward with their lives. The recent experiments with different models of judicial mechanisms illustrate a movement towards a more holistic and interwoven approach to justice which more effectively closes the «impunity gap».

In addition to a multi-tiered approach of retributive justice, post-conflict justice must help to lay foundations for avoiding future injustice and conflict through the reform and strengthening of the rule of law. Lastly, the

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(82) NEWMAN, E., «*Transitional justice: The impact of transitional norms and the UN*» in *International Peacekeeping*, vol. 9, no.2, Summer 2002, pp.30-50.

concept of post-conflict justice also needs to be expanded beyond retributive justice to include social and economic aspects (83).

The financial viability of post-conflict justice is an important practical issue to address. The international community, particularly a select group of states, has by now spent well over \$1 billion on international courts. With so many international courts now in place, the question arises of the financial sustainability of maintaining this commitment. Nor is further devolution to the local level always a solution because, in territories like Bosnia and Herzegovina where wide areas of administration are still the responsibility of the international community, the costs will still fall to the latter. There is thus more than enough fuel for a continuing debate about how to strike the delicate balance between resource constraints on the one side, and on the other a symbolically and psychologically adequate provision of justice that ensures optimal and appropriate levels of punishment.

## LAST WORDS

The complexity of the modern challenge of conflict, as reflected in all the above sections, itself rules out anything that could be described as a «conclusion». All recent experience and analytical advances underline the need to see conflict not in isolation but as one symptom of more general dysfunctions both in security and governance, within and between states and in the global community. All the evidence points to the need to approach any form of «treatment» of conflict – prevention, containment, management or conclusion and re-building –in a holistic, multi-dimensional and multi-functional way.

Some last thoughts may, however, be added regarding the bigger picture. Historically, we are living in a period of declining quantity of conflict linked with important (and sometimes alarming) proportional shifts in its nature or «quality». Since the end of the cold war in particular, successive trends in security discourse have tried to provide the one illuminating insight and one set of weapons that might bring the remaining problems under control: conflict as an ethnic deconstruction of the state, conflict as a «weak state» symptom more generally, and now, conflict as a trigger or

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(83) For an elaboration of the 3 dimensions of justice—legal, rectificatory and distributive—see Mani, R., *Beyond Retribution: Seeking Justice in the Shadows of War* (Polity Press: Cambridge, 2002).

manifestation of «new» and «asymmetrical» threats. None of these approaches has yet provided the «silver bullet» that was hoped for. They all neglect one point that emerges much more compellingly from the statistical study: namely, the disproportionate amount of suffering, and of danger to the general international security order, that emanates from a relatively limited number of very stubborn, long-term, and protean conflicts – the most obvious example being in the Middle East. These are, as it were, the sharp point of the gradually narrowing thrust of armed conflict world-wide. As such, they should logically demand a greater effort from the world community both in terms of analysis and resources, leading to new and more inventive attempts at solutions (which in these cases above all, would have to be individually custom-made). Such a fresh look at the issue might also bring a much-needed sharpening of focus to policy discussions on conflict prevention. Rather than taking the way of least resistance which is to try to prevent the causes of the last conflicts we are familiar with (as military planners constantly re-fight the last war), we could aim, on the one hand, to look at instruments specifically suited to tackle the challenge of recidivism; and on the other, to stretch our imaginations and plans to cover new drivers of conflict (environmental, biological/demographic, infrastructure and cyber-related, etc., etc.) that could before too long replace the latest «new threats» in a constantly evolving globalized society.

## COMPOSITION OF THE WORKING GROUP

- Coordinator:*       **D. JOSÉ ANTONIO BALBÁS OTAL**  
*Admiral, Spanish Navy.*  
*Naval War College Graduate.*  
*Formerly Director of the Centro Superior de Estudios de la Defensa Nacional (1996-2001) and Admiral of the Fleet.*
- Secretary:*       **D. ALFREDO RODRÍGUEZ FARIÑAS**  
*Commander, Spanish Navy.*  
*Naval War College Graduate.*  
*Currently posted to the Instituto Español de Estudios Estratégicos.*
- Members:*       **D. FÉLIX SANZ ROLDÁN**  
*Army general.*  
*Holds diplomas in General Staff and International Affairs from the Instituto de Cuestiones Internacionales.*  
*Chief of Defence Staff.*
- D. FERNANDO REINARES NESTARES**  
*Professor of Political Science at the Universidad Rey Juan Carlos, Madrid.*  
*Senior analyst in terrorism at the Real Instituto Elcano.*  
*Member of the group of experts supporting the United Nations Counter-Terrorism Committee.*  
*Advisor to the Minister of the Interior on antiterrorist policy matters.*
- D. JOSÉ IGNACIO TORREBLANCA PAYÁ**  
*Lecturer at the Department of Political Science and Administration, Universidad Nacional de Educación a Distancia (UNED).*  
*Senior analyst in European studies at the Real Instituto Elcano.*  
*Member of the editorial board of the «Foreign Policy en español» journal.*

**DÑA. ALICIA SORROZA BLANCO**

*Political scientist with a degree in International Relations.*

*Holds a Master's degree in International Cooperation and a higher studies diploma in European Studies.*

*She currently works as a research assistant at the Real Instituto Elcano.*

**D. MANUEL COMA CANELLA**

*Founder of the Grupo de Estudios Estratégicos (GEES).*

*Lecturer at the UNED.*

*Security and defence analyst at the Real Instituto Elcano.*

**D. CARLOS MALAMUD RIKLES**

*Lecturer in Latin American History at the Universidad Nacional de Educación a Distancia.*

*Lecturer at the Instituto Universitario General Gutiérrez Mellado.*

*Currently senior analyst for Latin America and the Ibero-American Community at the Real Instituto Elcano.*

**D. PEDRO LÓPEZ AGUIRREBENGOA**

*Diplomat.*

*Ambassador to Egypt and Sudan.*

*Formerly Ambassador on Special Mission for Mediterranean Affairs (1997); Ambassador to the Holy See and Sovereign Order of Malta (1992); to Israel (1986); and to Greece (1982).*

**DÑA. GEMA MARTÍN MUÑOZ**

*Lecturer in Sociology of the Arab and Islamic World at the Universidad Autónoma de Madrid.*

*Member of the scientific councils of the European Institute of the Mediterranean, L'Annuaire de la Méditerranée (Rabat), the Real Instituto Elcano and the journals «Foreign Policy», «Confluence Méditerranée» (Paris) and «Cahiers d'Etudes sur la Méditerranée et le Monde Turco-Iranien» (Paris).*

*Member of the council of the Anna Lindh Foundation for Dialogue between Cultures.*

**D. CARLOS FERNÁNDEZ-ARIAS MINUESA**

*Diplomat.*

*Holds a degree in Law.*

*Deputy Director General for North Africa at the Ministry of Foreign Affairs.*

*Executive advisor at the cabinet of the Defence Minister between July 1995 and July 1998.*

*Collaborates with the CESEDEN, the Escuela Diplomática and the Real Instituto Elcano.*

**D. JOSÉ LUIS CALVO ALBERO**

*Infantry Lieutenant-Colonel, Spanish Army. Holds a diploma in General Staff.*

*Lecturer in Strategy and International Relations at the Escuela de Guerra del Ejército.*

*Analyst of international military doctrine, Training and Doctrine Command. Awarded the 2004 Defence Prize, the 2002 Hernán Pérez del Pulgar prize and the 1999 Revista Ejército prize.*

**D. FERNANDO DELAGE CARRETERO**

*Deputy Director of the journal «Política Exterior».*

*Teaches regularly on Asia at the Universidad Complutense, the Escuela Diplomática and the Escuela de las Fuerzas Armadas.*

*Formerly a lecturer in Security in Asia-Pacific at the Instituto Gutiérrez Mellado (UNED) and a guest lecturer at Yokohama National University (Japan).*

**D. ÁNGEL LOBO GARCÍA**

*Army Lieutenant General (R).*

*Holds a doctorate in Economic Sciences.*

*Holds a diploma in Command and General Staff from the US Army.*

*Lecturer in International Security Relations at the Instituto Universitario General Gutiérrez Mellado and on the Doctorate course in Economics and International Relations, Universidad Autónoma de Madrid.*

# INDEX

	<i>Page</i>
<b>LETTER FROM THE DIRECTOR</b> .....	7
<b>CONTENTS</b> .....	9
<b>INTRODUCTION</b> .....	13
<i>Chapter I</i>	
<b>INTERNATIONAL CONFLICT LANDSCAPE</b> .....	19
The world conflict map .....	21
— Eurasia .....	22
— Sub-Saharan Africa .....	29
— The Americas .....	33
The strategic position of the major international players .....	35
Looking ahead to the future .....	38
<i>Chapter II</i>	
<b>INTERNATIONAL TERRORISM</b> .....	45
About international terrorism .....	45
Objectives of Neo-Salafist Jihadism .....	47
Strategies of pan-Islamic terrorism .....	50
International terrorism in 2004 .....	53
Scenes of the Neo-Salafist Jihad .....	57
A new international terrorism? .....	62
In conclusion .....	66
<i>Chapter III</i>	
<b>THE EUROPEAN UNION</b> .....	71
Introduction: the European Union in transition .....	71
— The outcome of enlargement and its consequences .....	73
The European Constitution and Spain's power in the enlarged Europe .....	80
Spain and security and defence in the European Union .....	87
The impact of 11 March .....	93
Conclusions .....	95

	<i>Page</i>
<i>Chapter IV</i>	
<b>UNITED STATES</b> .....	99
Introduction .....	99
The strategic framework: the struggle against hegemony .....	100
The war on terror .....	103
— The reform of the Greater Middle East and North Africa .....	104
— Iraq .....	105
— Afghanistan .....	112
— Iran and North Korea .....	113
— The Israeli-Palestinian conflict .....	116
The home front .....	117
— Elections and war .....	117
— The question of intelligence on Iraq .....	119
— Human rights and war on terrorism .....	122
— The military and economic fundamentals of American power ....	123
Outlook .....	125
<i>Chapter V</i>	
<b>LATIN AMERICA</b> .....	129
Political situation and public opinion .....	130
Economic growth and combating poverty .....	139
International relations .....	141
Defence and Security .....	144
Conclusions .....	146
<i>Chapter VI</i>	
<b>MIDDLE EAST AND MAGHREB</b> .....	151
<b>THE ISRAELI-PALESTINIAN CONFLICT</b> .....	151
Overview of the situation .....	151
Developments in 2004 .....	155
Prospects and suggestions .....	160
<b>POLITICAL REFORM IN THE ARAB AND ISLAMIC WORLD</b> ....	167
The fight against terrorism and the Rule of Law .....	172
Democratic reform and the islamist parties .....	173
Which should come first—economic development or democracy? .	176

	<u>Page</u>
Europe and the USA vis-à-vis the political reform of the arab and muslim world .....	177
What changes are needed? .....	181
<b>STABILITY PROBLEMS IN THE MAGHREB</b> .....	183
Introduction .....	183
Changes in the Maghreb .....	184
The challenges of the Maghreb .....	186
— The resurgence of terrorism .....	186
— Islamism as a political alternative .....	187
— Illegal immigration .....	188
The Western Sahara conflict .....	188
— Regional integration .....	189
Conclusions: future outlook .....	190
<i>Chapter VII</i>	
<b>IRAQ</b> .....	195
The strategic problems in the pre-conflict stage .....	196
The conventional operations (March-April 2003) .....	198
The attempts at stabilisation and the consolidation of the rebel forces (May 2003-Mach 2004) .....	200
Falluja and the april 2004 crisis .....	207
The transfer of authority. The local forces (June-October 2004) . . . .	210
Sizing up the situation before the elections (November-December 2004)	214
Conclusions and outlook .....	216
<i>Chapter VIII</i>	
<b>ASIA</b> .....	223
Introduction .....	223
China .....	225
— Taiwan .....	229
— Hong Kong .....	232
Japan .....	233
The Korean peninsula .....	235
— The nuclear crisis .....	235
— South Korea .....	239
Southeast Asia .....	241
— Indonesia .....	241
— The Philippines .....	242

	<i>Page</i>
— Thailand . . . . .	243
— Malaysia . . . . .	244
— Burma . . . . .	244
The Indian subcontinent . . . . .	245
Conclusions . . . . .	247
 <i>Chapter IX</i>	
<b>DEFENCE EXPENDITURE WORLDWIDE . . . . .</b>	<b>253</b>
Defence expenditure and the concept of security . . . . .	253
— Security and defence . . . . .	253
— Broad concept of security . . . . .	255
The «New Threats» . . . . .	258
— Need for a grand multilateral strategy . . . . .	260
The State and defence expenditure . . . . .	262
— Assessing defence effort. Its complexity and heterogeneousness . . . . .	262
— Defence expenditure as a measurement of defence effort. Its limitations . . . . .	263
— Defence expenditure as an indicator of power . . . . .	265
Defence expenditure worldwide . . . . .	266
— An overall assessment . . . . .	266
— Regional analysis of defence expenditure . . . . .	267
Conclusion . . . . .	277
 <i>Appendix I</i>	
<b>ARMED CONFLICTS AND INTERNATIONAL SECURITY. A FACTUAL AND ANALYTICAL REVIEW . . . . .</b>	<b>281</b>
Introduction . . . . .	281
Statistical Trends . . . . .	285
— Trends since 1990 . . . . .	285
Conflict analysis: some contemporary issues . . . . .	292
International «Peace Missions» . . . . .	318
— Peace making in the round . . . . .	319
— Patterns of intervention . . . . .	323
— Post-conflict justice in peace building and conflict prevention . . . . .	326
Last words . . . . .	332
<b>COMPOSITION OF THE WORKING GROUP . . . . .</b>	<b>335</b>
<b>INDEX . . . . .</b>	<b>339</b>