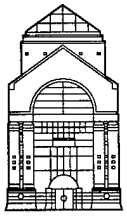
Strategic Challenges for the Bush Administration

Perspectives from the Institute for National Strategic Studies



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Introduction

by Stephen J. Flanagan

As the Bush administration settles into office, the United States confronts an international environment marked by growing volatility and rapid change. What security challenges will the new administration face, and what strategies are available for managing these challenges? To answer these questions, leading policy specialists in the Institute for National Strategic Studies at the National Defense University recently prepared a series of assessments for the Department of Defense. These perspectives are presented in this occasional paper. Together with the Institute's previously published *Report of the National Defense University Quadrennial Defense Review 2001 Working Group*, these assessments offer a broad menu of security policy choices. The key challenges ahead include:

In East Asia, the administration has a unique opportunity to strengthen the U.S.-Japan security alliance and manage change on the Korean Peninsula. At the same time, it will have to deal with several points of friction in U.S.-China security relations, particularly the risk of conflict in the Taiwan Strait, and address the complex political and social crises in Indonesia that threaten regional stability.

In Europe, the administration must come to terms with the determination of its allies to develop a distinct security and defense policy, while adjusting U.S. and allied goals in the search for a sustainable peace in the Balkans, developing an allied consensus on development of missile defenses, and crafting a credible strategy on the further enlargement of NATO.

In the Middle East, the collapse of the Arab-Israeli peace process and the dynamics of the oil market pose grave concerns, but the most vexing security issues in the region concern the Arab states of the Persian Gulf, Iraq, Iran, and the proliferation of weapons of mass destruction (WMD). With support for sanctions evaporating, crafting a sustainable Iraq policy that eliminates its WMD and promotes regime change is a clear priority. Internal political changes in Iran will not alter Iran's foreign and security policies considerably, including its determination to acquire nuclear weapons.

With Russia, the key challenge will be to develop a new strategy for dealing with a declining power whose ambitions generally exceed its capabilities. This calls for a more focused, but limited, engagement with Moscow on key issues of strategic stability, WMD proliferation, and select regional concerns on the Russian periphery.

In South Asia, enduring tensions between India and Pakistan that could erupt into a nuclear war, the vulnerability of Pakistan to growing Islamic militancy, and mounting competition between India and China

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cloud the security environment. This situation calls for stabilizing the Indo-Pakistani nuclear competition, broadening the U.S. security cooperation with India, and rebuilding the relationship between Washington and Islamabad.

In the Western Hemisphere, the general outlook is hopeful and there is great opportunity to implement a new regional security strategy. The administration can best address instability and state weakness across the Andean region—and support Plan Colombia advanced by President Andres Pastrana—through a new subregional partnership to address the causes and consequences of these problems.

On strategic nuclear forces and missile defenses, the administration should consider developing a comprehensive framework to determine the size, composition, and posture of U.S. strategic offensive and defensive forces that integrates new assessments of the nature of deterrence and stability. At the same time it should develop hedges and reconstitution options against greater than expected threats and approaches to strategic force reductions outside formal treaties.

East Asia and the Pacific

by James J. Przystup *and* Ronald N. Montaperto

Overview. The United States has enduring economic, political, and strategic interests in the Asia-Pacific region. The region accounts for 25 percent of the global economy and nearly $600 billion in annual two-way trade with the United States. Asia is vital to American prosperity. Politically, over the past two decades, democracy has taken root in and spread across the region. Former authoritarian regimes in the Philippines, South Korea, and Taiwan have been transformed into vibrant democracies. For over a century, U.S. strategic interests have remained constant: access to the markets of the region, freedom of the seas, promotion of democracy and human rights, and precluding domination of the region by one power or group of powers.

While major war in Europe is inconceivable for at least a generation, the prospects for conflict in Asia are far from remote. The region includes some of the world's largest and most modern armies, nuclear-armed major powers, and several nuclear-capable states. Hostilities that could involve the United States could arise at a moment's notice on the Korean peninsula and in the Taiwan Strait. The Indian subcontinent is also a major flashpoint. In each of these areas, war has the potential for nuclear escalation. At the same time, lingering turmoil in Indonesia, the world's fourth largest country, threatens stability in Southeast Asia and global markets.

China is facing momentous social and economic changes, the consequences of which are not yet clear; meanwhile, Taiwan's future remains an unresolved and sensitive political issue for China's leadership. The modernization of China's conventional and nuclear forces continues to move ahead, while transparency on force structure and budgeting continues to lag behind Western standards. At present, Beijing reluctantly tolerates Asia's de facto security architecture, the U.S. bilateral alliances with Japan, the Republic of Korea, Australia, the Philippines, and Thailand, which support the U.S. forward-deployed presence.

Indonesia is important to U.S. regional interests and military strategy. The largest nation in Southeast Asia, stretching 5,000 miles from east to west, the Indonesian archipelago straddles the critical sea lanes of communication that run from the Persian Gulf to Northeast Asia. The combination of size, location, population, and resources has made Indonesia the center of gravity in Southeast Asia and the acknowledged leader of the subregion. Indonesia's stability is critical in turn to the stability of Southeast Asia and a matter of vital interest to U.S. allies, Australia, the Philippines, and Japan, as well as to friendly Singapore.

This paper will focus on four key areas that require early attention by the Bush administration—

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the U.S.-Japan Alliance, the Korean peninsula, China-Taiwan, and Indonesia—and suggest elements of a strategy for addressing policy challenges effectively.

Strengthening the U.S.-Japan Alliance

For the United States, the alliance with Japan remains the keystone of involvement in Asia and a central element in global security strategy. The use of bases, granted by Japan, allows the United States to affect the security environment from the Pacific to the Persian Gulf. For both countries, the alliance has grown in importance and value as each nation attempts to deal with the uncertainties of the post-Cold War world. Adapting the alliance and strengthening it to deal with a wide range of new security challenges will be key tasks for the new administration. Our objective should be to build an alliance that will be politically sustainable over the long term in both countries.

There are a number of continuing security issues the new administration will face, which include:

- ***Implementation of the recommendations of the 1996 U.S.-Japan Special Action Committee on Okinawa.*** The recommendations focus on the consolidation and reduction of U.S. bases on Okinawa, including the Marine Corps Air Station at Futenma and the relocation of operations elsewhere on the island. This is essentially an exercise in alliance management aimed at addressing burdens borne by Okinawans as a result of U.S. presence and intense operational tempo. Successful implementation will be a significant contribution to enhancing political sustainability of the alliance.
- ***Implementation of a review of U.S. force structure in Japan and the Asia-Pacific Region.*** Any adjustments should be based not on an artificial number, but made in response to changes in the regional security environment. Adjustments should be made through a process of consultation and dialogue and be mutually agreeable. The East Asia Strategy Initiative of April 1990, which set out a long-term strategy for U.S. force reduction in East Asia, offers a useful model for thinking about the process of force adjustments in the region.
- ***Implementation of the revised Guidelines for U.S.-Japan Defense Cooperation, including passage by the Diet of crisis management legislation.*** The Guidelines provide for Japanese rear-area support for the United States in contingencies in "areas surrounding Japan" and potentially mark a significant expansion of Japan's security policy.

  Implementation, thus far halting at best, involves a complex interaction, first among multiple ministries of Japan's central government and then between the central government and provincial and local authorities. It will also require the strong political support and involvement of Japanese political leaders at a time when Japan's leadership, which is adverse to risk, is focused on its own survival and not making waves, either in Tokyo or back home. Failure to implement the Guidelines would put the alliance at risk, should legal hang-ups immobilize Japan and prevent it from supporting the United States in a security contingency. Success will serve to enhance political support for the alliance in the United States.

  Getting the job done will require close coordination between the United States and Japan. Implementation should be at the top of the next administration's security agenda. The complexity of the process argues for the President's strong involvement and attention.
- ***Theater missile defense.*** Similar to cooperation under the revised Guidelines, technical cooperation in the development of missile defense holds the promise of enhancing the U.S.-Japan security relationship. At present, the Japanese are in for table stakes, paying to see what the next round of development will bring. Although initially aimed at the North Korean missile threat, Japan's interest in missile defenses reflects its increasing concerns with China as a long-term threat. China has made clear its opposition to National Missile Defense, while various officials have offered differing views on the deployment of theater missile defenses in Japan. Their major objection is over the potential of Japanese Aegis ships being deployed to Taiwan in the event of a cross-strait crisis.

  Given the weakness of Japan's political leadership and Japanese sensitivities with respect to China, missile defense cooperation can be advanced best by keeping references to China out of public dialogue.
- ***Expanding U.S.-Japan-Republic of Korea trilateral cooperation.*** This trilateral cooperation developed as part of the Perry Process with respect to North Korea. Over the past 2 years, it has proven effective in aligning differing interests among the three parties in a coordinated strategy toward Pyongyang. The current administration has worked to build on this and to promote trilateral cooperation in defense exercises and workshops.

The next administration should look for ways to expand this cooperation and to move it from its present focus on the Korean peninsula to a broader regional role. This would correspond with the enhanced U.S.-Japan security cooperation set out in the Guidelines and with Korea's own increasing interest in a regional role. Sea-lane security, antipiracy, and humanitarian relief operations offer new areas for trilateral cooperation.

The one caveat, of course, is that Japan's prohibition against collective self-defense is a constraint on alliance cooperation. Lifting this prohibition would allow for closer and more efficient security cooperation. This is a decision only the Japanese people can make, however.

The United States should make clear that it welcomes a Japan that is willing to make a greater contribution and become a more equal alliance partner. A greater Japanese contribution, in the context of the alliance, is something that would be welcomed by allies and friends in the region—Australia, Singapore, and Taiwan, each for somewhat different perspectives. This willingness to accept a greater Japanese security role reflects the reality of generational change across Asia. As one senior diplomat from the region remarked, "The war's been over for 55 years, and we have different security concerns today."

- ***Initiation of a U.S.-Japan Strategic Dialogue.*** Given the dynamism of the Asia-Pacific region and the U.S. enduring interests in it, the next administration should put the initiation of a U.S.-Japan Strategic Dialogue near the top of its priority list. The effort should involve senior defense and foreign policy officials. It is important that both countries understand where interests correspond and where they differ on the key security challenges facing our two peoples.

Managing Change on the Korean Peninsula

Long regarded as one of the major flashpoints of Asia, the Korean peninsula today is experiencing the first signs of a political thaw between long-standing adversaries, the Republic of Korea, a treaty ally of the U.S., and the Democratic People's Republic of Korea. The thaw is in large part the result of South Korean President Kim Dae-Jung's consistent commitment to a policy of engaging North Korea, the Sunshine Policy, and the measured steps toward the South taken by North Korea's leader, Kim Jong-il. Analysts in Seoul consider North Korea's economic distress as the key driving force behind Kim Jong-il's willingness to deal directly with South Korea's president at the historic Summit meeting in Pyongyang in June 2000.

The Summit, in short order, generated a series of events such as family reunions in August, a Defense Ministers meeting in September, and agreement to reopen a railroad and highway link through the demilitarized zone (DMZ). These events have raised hopes in the South for a further expansion of contacts and the beginning of a process of reconciliation between the two Koreas. At the same time, the general euphoria about a new era on the Korean peninsula, along with highly politicized Status-of-Forces Agreement (SOFA) and environmental incidents involving United States Forces Korea (USFK), is eroding public support in the South for the U.S. military presence. In a recent survey, close to 65 percent of South Koreans thought that U.S. forces should be reduced.

Notwithstanding public euphoria, the Summit has not produced any real change in the internal structure of the North Korean political and economic system. Neither has it resulted in any change in North Korea's forward-deployed forces along the DMZ. Even as diplomacy between the two governments moves ahead, North Korea has strengthened its military deployments in areas north of the DMZ and maintained a high level of readiness.

Thus, there is a growing disconnect between diplomatic, cultural, and economic developments and the on-the-ground security environment. The award of the 2000 Nobel Peace Prize to Kim Dae-Jung will likely result in a widening of this disconnection. Kim viewed his 1997 election, in the midst of South Korea's economic crisis, as an act of God. From sources close to the President, it appears that his sense of a divinely inspired mission is also a driving force behind his engagement policy.

A key element of the Sunshine Policy, as originally articulated, was reciprocity, albeit deferred reciprocity. As a result of the breathtaking pace at which events have moved since the Summit, the issue of reciprocity—what the South is getting in return for its generosity—has produced a moderate/conservative backlash. Nevertheless, Kim is committed to pushing his Sunshine Policy as far as he can, as fast as he can, within the limits of the politically possible. At the same time, the dynamic of the engagement process has evoked a resurgence of Korean nationalism, which will get a boost from Kim's Nobel Prize. Korean nationalism can carry with it an anti-American bent and, in the past, has been directed against the U.S. presence.

It is in this context that the Bush administration will likely have to deal with a number of key security issues affecting the peninsula and the U.S.-ROK alliance. These divide roughly, but not exactly, into two groups: pre- and post-Sunshine Policy. The pre-Sunshine Policy issues deal with carryovers from the pre-Summit period; post-Sunshine Policy issues grow out of the potential of the Sunshine Policy for reconciliation.

- *PRE-SUNSHINE: The Agreed Framework.* In 1994, the Clinton administration and North Korea concluded that this agreement aimed at suspending the operation of North Korea's heavy-water reactors in exchange for the construction of

replacement light-water reactors (LWRs). Although the project has lagged behind construction timelines, it is possible that sometime in the term of the new administration, North Korea will be faced with a decision to accept International Atomic Energy Agency (IAEA) inspections/inventory of its nuclear past. This is a decision that the North chose to defer until a later date under the terms of the Agreed Framework. Nevertheless, the IAEA inspection remains a prerequisite for the conclusion of a nuclear cooperation agreement between the United States and North Korea, which would allow the transfer and installation of the two LWRs. Failure on the part of Pyongyang to accept IAEA inspections could significantly increase tensions on the peninsula and across Northeast Asia.

- *PRE-SUNSHINE: Perry Process and North Korea's Missile Program.* In response to North Korea's test flight of its Taepo-Dong missile over Japan (August 31, 1998) and to growing congressional criticism, the administration asked former Secretary of Defense William Perry to undertake a review of North Korean policy. The Perry Report laid out a comprehensive diplomatic, economic, and security strategy for dealing with Pyongyang. On the diplomatic front, the report called for the creation of a trilateral coordinating group (TCOG) to allow Washington, Seoul, and Tokyo to align their respective policies toward North Korea. A central focus of the security strategy was North Korea's missile program. Perry secured North Korea's agreement to suspend missile testing as long as Pyongyang was engaged in dialogue with the United States. However, North Korea's existing deployments and missile export program remain in place.

  Meanwhile the North's missile program will remain potentially divisive among the United States, South Korea, and Japan. While North Korea's missile export program is a nonproliferation priority for the United States and deployments are a national security issue for Japan, the missile program is less a priority for South Korea, which has lived under the missile threat for years. Ending the missile program will require unprecedented transparency from Pyongyang.
- *POST-SUNSHINE: Engagement Linked to Change in the North.* Following the June Summit, the prospects for tension reduction measures on the peninsula brightened, at least for the South. While the South has long studied the confidence-building measure (CBM) process in Europe and has a well-prepared list of such measures, it is clear from recent Institute for National Strategic Studies (INSS) discussions in Seoul that little thought has been given as to how to integrate military-related CBMs into the Sunshine Policy of engagement. Indeed, it appears that the South is prepared to move ahead to deepen relations in a number of fields, while deferring reciprocity in the area of security. This could widen the growing gap between the positive direction of diplomatic, cultural, and economic trends and the unchanged nature of the security equation and could lead to strains between Seoul and Washington, as Seoul builds equities in nonsecurity areas. Moreover, the North will likely add to the strains by attempting to deal directly with the United States on security-related issues.

  During recent meetings in Seoul with the Korean Institute for Defense Analyses, INSS Director Stephen Flanagan proposed ***joint INSS–KIDA studies on the phasing and integration of CBMs into overall policy and on possible linkages between progress on South-North cultural and economic cooperation and concrete measures on military disengagement.*** Within the South Korean security bureaucracy, it was freely admitted that events since June have moved too fast to allow much thought for such fine-tuning of CBMs.
- *POST-SUNSHINE: U.S. Presence.* Generational change in South Korea has contributed to a growing sense of Korean nationalism. This holds at least two significant implications for U.S. presence on the peninsula: one short-term, the other mid to long term. The short-term issue relates to ROKG efforts to revise the existing SOFA, with the objective of putting the U.S.-ROK SOFA on an equal footing with the U.S.-Japan SOFA. The current inequality is perceived as a national slight, which serves only to build resentment against the U.S. presence. Negotiations to revise the SOFA are now underway.

The mid-to-long term issue deals with the continuation and nature of a U.S. presence on the peninsula. Although Kim Dae-Jung has made clear his belief that a continuing U.S. presence on the peninsula is in South Korea's national interest and reported that Kim Jong-il shares this view, reconciliation/reunification will significantly alter the numbers and nature of the U.S. force presence.

Indonesia: U.S. Security Interests

Establishing effective governance and advancing critical economic, political, and military reforms in post-Suharto Indonesia have been the central tasks of President Wahid. The reform agenda would be difficult for an advanced democracy, which Indonesia is not; all involve a fundamental restructuring of the country. To date, the economic reform agenda has stagnated, and critical foreign investors have remained wary and on the sidelines.

Political restructuring has yet to produce effective governance, and disaffected areas, such as Aceh and Irian Jaya, are the grounds of separatist movements while violence between Christian and Muslim communities has flared up in the Moluccas, Lombok, and Sulawesi.

The failure of the political leadership to produce effective governance has, in turn, slowed the prospects for the reform and professionalization of Indonesia's

military, the Tentera Nasional Indonesia (TNI). Given the TNI's well-entrenched old guard and its economic and political interests, military reform would be a significant challenge for any government. While reformers do exist within the TNI, they are a minority, and even their interest in reform is secondary to their concern with the nation's territorial integrity and the governing ability of the political leadership. Thus, within TNI prospects for reform are inextricably linked to the success of political reform, and both depend on the success of economic reform.

The dilemma for the Indonesian government is that successful political and economic reform cannot advance without domestic order. But the task of creating an effective national policy force will require at least a decade to complete. In the interim, the TNI remains the only institution with the potential to respond effectively to separatist movements and political demonstrations that might challenge public order. Historically, TNI has always had a constabulary function to deal with civil disturbances, but local area commands lack special training for such tasks and have all too often resorted to firing upon crowds.

- Engaging the TNI can serve to advance the cause of military reform and professionalization and, in the process, enhance the prospects for Indonesia's internal stability and unity, prerequisites for successful economic and political reform. At present, however, U.S. policy toward Indonesia's military is constrained by legislation and restrictions imposed by the Clinton administration. Engaging the TNI will entail a high-level policy decision.

The U.S.-China Security Agenda

An impending leadership transition, a stagnating economy, a perceived threat of social unrest, and a subsequent challenge to the legitimacy of the regime will promote an internal focus in Beijing and a concomitant desire to maintain a stable external environment. Beijing, however, will not tolerate any perceived move by Taiwan toward independence.

Beijing will also be concerned about defining a context or "bumper sticker" within which to describe the overall relationship between itself and the United States. For example, are the United States and China strategic partners, strategic competitors, or something in between? Chinese positions on the more operational issues of theater missile defense (TMD), ballistic missile defense (BMD), proliferation, the Korean Peninsula, and U.S.-Japan security ties will be influenced by its perceptions of the U.S. stance on the first two. In this sense, the challenge is more philosophical than operational.

Early on, the Chinese are likely to seek clarification of how the administration evaluates China in its strategic calculus. They suspect that the idea of a "strategic partnership" is dead, and they may appear prepared to accept that reality. Nonetheless, they will be concerned about the nature of any new formulation and will try to ensure that it is as positive as possible.

Taiwan. Taiwan will continue to be the most difficult issue in U.S.-China relations. Indeed, at this moment, Taiwan is perhaps the only issue that could lead to armed conflict between the United States and China.

Policy in the Taiwan Strait will be the major criterion by which Beijing will judge U.S. intentions and, therefore, the credibility of the U.S. declarations on the character of its relations with China. A perceived discrepancy between declaration and reality will produce recrimination and tend to increase both rhetorical and actual resistance—and, in some cases, opposition to U.S. policy objectives within and outside of the region. ***Key issues will center on U.S. arms sales to Taiwan, in particular Aegis destroyers and TMD systems.*** Beijing regards Aegis/TMD as establishing a virtual alliance relationship between Washington and Taipei.

However, given the press of domestic concerns and the general political weakness of their respective leaderships, both Beijing and Taipei will continue to try to stabilize cross-strait relations and avoid confrontation. Beijing is awaiting the political demise of Chen Shui-bian and the emergence of a new leadership group that is not part of the Democratic Progress Party. Accordingly, it is bypassing Chen and dealing directly with other Taiwan government officials and business leaders in an effort to increase political and economic pressures on Chen and the DPP to accept the one China principle.

Beijing will continue its harsh rhetoric and military posturing as a deterrent against "separatism" and independence, and Taipei will continue to resist accepting the one China formulation by offering proposals that respond to mainland demands but fail to meet them entirely. This dynamic, which serves the interests of both sides at this time, is likely to continue through at least the first half of the Bush administration.

- For the United States, this is not a time for bold new initiatives. Less is better. Neither Beijing nor Taipei is politically

able to give much ground. Rather, the administration should maintain continuity in U.S. policy by continuing to fulfill the terms of the Taiwan Relations Act (TRA).

- Washington should simultaneously encourage Taipei to increase the efficiency of the process by which it prioritizes its arms acquisitions, reaffirm a commitment to a peaceful solution, express a willingness to support changes in the cross-strait relationship agreed to by both parties, and eschew comment about possible U.S. responses under various situations and scenarios.

National Missile Defense (NMD). Beijing will continue its effort to mobilize regional and global anti-NMD forces by asserting that projected NMD deployment will negate the effectiveness of its self-styled limited deterrent capability, destroy the Antiballistic Missile Treaty, and prompt an offense-defense arms race that will destabilize the region. Secondary concern will focus on the alleged possibility of transferring such technologies to Japan, and especially to Taiwan. Chinese rhetoric will be extremely negative and will escalate in intensity and negativity depending on how U.S. relations with Taiwan are perceived to be evolving.

More concretely, if any of the U.S. options presently under consideration are actually deployed, Beijing will almost certainly respond by hastening its effort to defeat the system. This will include increasing the size of its strategic rocket forces as well as enhancements in the ability of Chinese systems to penetrate or overwhelm any U.S. defense.

- The Chinese appear to lack a good understanding of the nature of projected U.S. NMD systems. Whether this is the result of ignorance or a deliberate stance adopted to gain political advantage is a matter of dispute in Washington. It would be useful to determine the truth of the matter by direct discussion of the technical parameters of the systems involved. There is also some evidence to suggest ***that Beijing might respond favorably to a U.S. initiative for official discussion of the longer term strategic relationship.*** A key question would concern Washington's willingness to accept a Chinese second strike capability.

Relations with Russia. Beijing's relations with Moscow are likely to develop along their present trajectory through the next few years. There will be continued high-level meetings, many affirmations of strategic cooperation, a robust transfer of scientific and technical information relevant to defense, and, of course, continuing arms purchases by the People's Liberation Army (PLA). Although these will not have an immediate impact on the balance of military power within the region, they will make a significant contribution to the long-term development of the PLA into a more modern fighting force. However, both Beijing and Moscow are aware that history, nationalism, and different strategic circumstances and perspectives impose limits on their ability to make common strategic cause. The United States should utilize the considerable resources available to it to remind Moscow of its European focus and of the benefits that can accrue to Russia by implementing such a perspective.

Proliferation. Despite the recent protocols, Beijing's proliferation behavior will continue to complicate the bilateral relationship. The Chinese remain willing to proliferate, in the Middle East for example, if they judge it possible to gain concessions on other matters of vital interest, such as Taiwan. Also, in some areas, such as Pakistan, Beijing assesses it will lose more politically than it will gain by ending completely its assistance to Islamabad. All in all, although Beijing's incentive to play by the rules of nonproliferation is growing, considerable time will be required before China is willing to abide entirely by the norms of the nonproliferation community. In the meantime, constant vigilance and verification of Chinese behavior will be required. So, too, will a willingness in Washington to bear the political and economic costs of imposing penalties on Beijing, should these be deemed necessary.

Regional Security Relations

Except for Taiwan, Beijing will make every effort to maintain a stable and peaceful external environment. This is apparent in recent Chinese overtures to Japan, its generally helpful role on the Korean Peninsula, and in its burgeoning relations with the nations of Southeast Asia. It is fair to say that Chinese actions in these three areas represent a trend in policy that is likely to continue through the term of the administration.

However, if there is real change on the Korean peninsula—and even if the change remains only apparent—there will be considerable pressure to reduce the U.S. force presence there and eventually in Japan as well. Beijing is likely to do what it can to encourage such developments. The Chinese are also likely to try to use such venues as the ASEAN Plus Three and proposals for regional trading arrangements as a means of offsetting U.S. influence. The administration can thus expect to encounter a pattern of low-level, low-key competition throughout the

region. This will require that special attention be paid to alliance management and to maintaining communication with such U.S. friends as Singapore.

In Southeast Asia, there is a broadly based feeling that the United States slights the subregion in defining its strategic priorities. ASEAN concerns could be met in part by a systematic effort to upgrade the level of political interaction by demonstrating a willingness to hear the strategic concerns of ASEAN members and especially by demonstrating a willingness to interact more closely with the government of Indonesia.

Europe

by Kori N. Schake *and* Jeffrey Simon

Despite substantial successes, U.S.-European security relations have been surprisingly acrimonious in the past several years. Transatlantic friction is rooted in differing perceptions of power. Europeans consider U.S. power the predominant fact of the international system and the only influence able to upset a status quo beneficial to their interests. Americans consider Europe to be like the United States, whereas the European perspective is regional rather than global. U.S. policy has focused on preventing emergence of a Europe that is too assertive, whereas the more likely and damaging prospect is a Europe unwilling or unable to more equitably share the burden of our common interests.

The new administration should adopt policies more confidently based on U.S. strength and on promoting more responsibility and leadership by European allies on regional and global issues. This approach would more advantageously manage relations, especially ***on the four security issues likely to be most important: the Balkans, arms control, development of European Security and Defense Policy (ESDP), and NATO enlargement.***

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Policy Context

The difficulties in the transatlantic relationship have not resulted from major new challenges, which in fact have tended to reinforce the security partnership; NATO revitalized its mission, expanded its membership, and mustered consensus (mostly) for effective action in the Balkans. Despite these achievements, the relationship has soured because of routine irritations and disappointments: the gap between European Union (EU) rhetoric and capabilities, the condescending American "three Ds" approach to ESDP, insults traded over burdensharing and leadership in the Balkans, and the passage of legislation with sweeping impact on European interests because the administration failed to build congressional support for its policies. That the United States and Europe are economic competitors with enduring disputes over industrial competition and trade policy exacerbates this acrimonious context for solving new security problems.

European Perceptions of the United States. The critical difference that remains between the United States and Europe is in power, both actual and perceived. When French President Jacques Chirac called the United States a "hyperpower," he intended it as a statement of fact, not an insult. The United States has an economy twice the size of the closest national competitor (Japan) and four times the size of the

most powerful European economy (Germany). The U.S. defense budget is five times the size of Russia's, and the defense budgets of France and Britain (the third and fifth largest in the world) each constitute less than 15 percent of U.S. defense spending. American English has become the world standard, and American culture is so widespread that it is perceived as a threat to nearly every other form of Western identity. U.S. abstention from key international agreements would prevent them from meaningful operation. Europeans consider the United States the determinant factor in the world, able to act unhindered by others' interests. To a much greater degree than do Americans themselves, Europeans view U.S. actions in virtually every sector of society as affecting other states and societies.

American Perceptions of Europe. If Europeans perceive the United States to be much more powerful than do Americans, Americans assess Europe (meaning the EU) to be much more capable of action than do Europeans. Americans tend to see Europe as a peer, not only because of our many shared values and close attention to European affairs, but because the EU's combined gross domestic product and population are equivalent to America's. But European states do not have the broad capabilities to shape the international environment enjoyed by the United States. Except for occasional action by Britain or France (usually confined to a colonial legacy), European states are manifestly regional in their thinking and actions. Their horizon line is Europe. To the extent that they engage beyond Europe, it is to attempt to establish internationally the norms and laws governing Europe—because the protection of institutions and laws is the best refuge of states that cannot unilaterally defend and advance their interests. European states are so far from thinking about using state power coercively that their reflexes are to use economic power for encouraging good relations with potentially hostile states.

Consequently, the United States and Europe routinely misjudge each other's actions, and the current climate of acrimony leads to misjudgments of intentions. Europeans genuinely don't understand how Americans can feel threatened by a few weak states with ballistic missiles and possibly nuclear weapons, and they suspect the United States is recklessly endangering a status quo they perceive as stable. The United States considers ESDP an effort to push it out of Europe rather than a process for European governments to maintain their self-respect in a world so dominated by U.S. power. U.S. policies toward Europe need to be founded on a better understanding of how weak Europe feels in comparison to America, and how much Europeans resent the uncoordinated exercise of American power affecting their interests.

Why Europe?

For all the difficulties, the European states remain America's closest allies in the world and are the states with which the United States does most of its work. Importantly, globalization appears to be having similar effects in both Europe and the United States, making us more similar economically and technologically to each other than to the rest of the world. Specifically, the United States continues to have four abiding national interests in Europe:

Maintaining a Prosperous Western Europe. European firms are the primary investors in the United States, and Europe is a critical market for U.S. goods and services. American firms are similarly invested in Europe and dependent on European consumers, especially for lucrative service-intensive sectors. Our economies are so intertwined that American prosperity requires a prosperous Europe.

Preventing European States from Impeding U.S. Interests. It is unlikely that Europe would intervene with military forces in areas or ways that would damage U.S. interests. However, Europeans can use international institutions, the establishment of global norms, and multilateral political or commercial action to prevent the United States from achieving certain goals. European states have major roles in the institutions that shape the international environment (the United Nations, International Monetary Fund, Organization of Economic Cooperation and Development, World Bank, World Trade Organization, and International Court of Justice) and occasionally utilize them to impede U.S. policies and constrain U.S. action. European efforts have reduced the impact of U.S. sanctions against Cuba and Iran and established an International Criminal Court that will ostensibly have jurisdiction over the United States, although we are not signatories to the treaty and are increasing the political cost of U.S. withdrawal from the Antiballistic Missile Treaty. Europeans frequently justify their actions in terms of limiting U.S. power. These efforts

not only impinge on American interests in the near term, they also negatively shape the perception of American power and intentions in the international community. The cumulative effect of such European behavior is corrosive to U.S. interests.

Sustaining European Military Forces. Because the United States and Europe have intertwined economies and many similar values, European states are the ones most likely to help protect and advance American interests in the world. If the United States goes to war or takes some other military action, the odds are good that some European states will help. However, defense is not a priority issue in most European states (average defense spending in NATO Europe is less than 2 percent of GDP) at a time when the United States is beginning to reap the benefits of revolutionary technologies and experimenting with organizational changes to maximize their benefits. Without American pressure, most European allies will field armies, navies, and air forces of diminishing utility to U.S. war efforts. European participation in those efforts not only spreads the burden of defending American interests, it also has enormous political value in building international support for U.S. actions. Although the United States should not plan on European participation in conflicts outside Europe, it is in American interests to keep the functional basis for coalitions to include Europeans.

Expanding Market Democracy. While there are reasons to be skeptical about the theory of democratic peace and the emphasis Clinton administration strategy placed on democratization, the United States has an interest in seeing the Western model succeed throughout the greater European area. Virtually all states of central, southern, and eastern Europe want the prosperity, rule of law, and representative government we have and (with varying resolve) are making domestic sacrifices to achieve those goals: creating institutions of democratic governance, breaking historical traditions of civil-military relations, demanding tolerance of minorities, settling disputes with neighbors, reforming economies, and tackling cross-border crime and corruption. These difficult adaptations—supported by generally complementary U.S. and EU economic and technical assistance and political and military engagement programs—are making a much greater contribution to the security of Europe than would NATO or EU membership of those same states, and at much less cost to the United States. However, these governments would have a very difficult time sustaining these reforms without the incentive that the promise of NATO and EU membership provides.

Without economic advancement and effective representative governments in the former Warsaw Pact and Soviet states, problems within and among these states are likely to trigger an array of problems inimical to our interests. Even if the United States and EU should choose not to intervene, Europe will be unable to prevent a flood of refugees into the EU area or deal effectively with other spillover effects, as the wars of Yugoslav secession demonstrated. More directly important for U.S. interests, the failure of democracy on Europe's edges would likely breed criminal or authoritarian states that cannot or will not work with the West to control crime, drugs, terrorism, and weapons transfers. In addition to impeding efforts to control transnational threats, such regimes also are more likely to conflict with one another and to seek to draw Russia and the West into competition, as Serbia has done.

Why Not Russia?

Although Russia is a major security concern, it is not included in the following discussion of key issues because the United States and Europe are largely in agreement: policies on both sides of the Atlantic seek to include Russia in the international order as much as possible, encourage reform and the rule of law, prevent proliferation of weapons of mass destruction (WMD), and treat a weakened Russia with respect but (for the most part) without exaggerating its importance. Both view Russia as having very little to contribute to the existing international order. Both are concerned about the potential for Russia's becoming a more serious threat by using its marginal political, economic, and military power to blackmail the West. The United States and Europe also seem to have made the same mistakes in Russia by investing in leaders rather than institutions. As a result, there is very little friction over Russia, except in the area of arms control.

Europeans do exhibit a tendency to employ political and economic engagement rather than the confrontation more evident in U.S. policies, but there is little risk to U.S. interests of Europe's developing a special relationship with Russia, despite encouragement by the Putin government. Prime Minister Putin has stoked European concerns about U.S. national missile defense (NMD) programs and offered a vague plan for a Russian-developed European missile defense. He also

has encouraged ESDP as an alternative to NATO. However, British Prime Minister Blair's rush to meet with Putin, and confusing statements by German Chancellor Schroeder after the Russian missile defense offer (which Germans explain as both misrepresented and a reflection of Schroeder's lack of international affairs experience) are best understood as efforts to demonstrate their involvement in Europe's most pressing security challenges rather than to chart a separate course. Europeans are sufficiently concerned about further dangerous Russian decline, and they assess their ability to influence this decline as so low that they want a common policy with the United States.

The security issues that are likely to dominate the transatlantic security agenda—and would most benefit from a U.S. approach better grounded in differing perceptions of American and European power—are the Balkans, arms control, ESDP, and NATO expansion.

The Balkans

The violent collapse of Yugoslavia dominated the transatlantic security debate in the past decade and is likely to do so in the next. For Europeans, Bosnia and Kosovo cemented the lesson of America's pervasive power: our actions affected the conflict whether or not we participated, our military could operate with a degree of superiority approaching impunity, and our involvement was a choice rather than, as Europeans saw their participation, a necessity. As a result, European ambitions have been reduced from the 1991 high of asserting "this is the hour of Europe, not of the United States" to confessing in 1999 that "Europe could not have done Kosovo without the United States."[1] While it is not true that Europe could not manage a regional crisis without U.S. participation, Europeans no longer want to exclude the United States. They simply want more credit for their contribution.

All indications are that creating a sustainable peace in the former Yugoslavia is the work of at least a generation. Some argue that peace is impossible; no responsible analyst argues it is at hand. The current burdensharing arrangement has the United States largely determining the course of events although providing less than 15 percent of the forces and funding.[2] However, the Warner-Byrd amendment demonstrates that U.S. dissatisfaction with the Balkan missions is growing, as is the chasm between European rhetoric and the delivery of military capabilities and assistance on the ground. NATO also lacks a working consensus on how to implement the peace in Kosovo; the French government continues to have a different approach to both the political and the military tasks. Bringing more coherence to Western policy in the Balkans at this point will require a major U.S. effort.

Why Remain Engaged? Remaining engaged in the Balkans is in American interests because, without a long-term commitment by the United States, there will be no peace in the Balkans and, therefore, less stability and prosperity in Europe. European allies will remain focused on the region to prevent the export of crime and refugees and to assuage public apprehension of "war in Europe." If the Balkans are not managed, Europeans will pay little attention to the broader security obligations the United States hopes they will undertake. NATO will cease to be involved in the main military operation in Europe, likely reducing its range to Article V responsibilities, and, with divergent planning requirements, Europeans are likely to maintain forces suitable to policing but unable to perform high-intensity combat operations in conjunction with American forces.

Because Europeans have a regional rather than a global perspective, the Balkan experience will continue to dominate European security thinking and will define EU CFSP organization and the structure of military forces. NATO's Balkan engagement has Europeans working to keep us involved, committed to an "in together, out together" policy reinforcing America's importance, participating in the "bad cop" responsibilities that hone their strategic thinking and preserve warfighting militaries, and substantially contributing to the long-term civil and military implementation tasks. It is in American interests to remain engaged in the Balkans if involvement continues to accrue these benefits, the overall cost remains this modest, and the U.S. contribution stays a disproportionately low 15–20 percent of the total.

NATO allies have the right objective in the Balkans: building tolerant societies with democratic governments and economies integrated into the wider European economic space. American interests in the Balkans are not vital, and therefore it will be difficult to justify a commitment on less meritorious grounds. In addition, the Balkans are unlikely to be peaceful unless a culture of coexistence among communities can be made to take root. Obviously, this is a long-term, oversight-intensive task; it took more than a

decade under more receptive conditions in postwar Germany and Japan. Military forces are essential to prevent a recourse to violence, but they are marginal to the real work of constructing institutions and fostering leaders vested in advancing the West's agenda.

Policy Recommendations. NATO—and therefore American—failings in the Balkans are in implementation: articulating achievable goals consistent with our interests and executing a coherent strategy that fosters long-term transatlantic cooperation. A sustainable Balkan policy that is in American interests would require five elements not currently part of U.S. policy:

- ***Presidential leadership in developing, articulating, funding, and implementing a long-term strategy to create tolerant democratic societies in the Balkans.*** The President has not done enough personally to educate Americans about the facts, justified America's long-term commitment, or engaged a public debate evaluating alternative courses of action. This is unsatisfactory. We are understating the costs and challenges of building leaders and institutions. The current policy undercuts prospects for success, overemphasizes the security aspects of the problem in the former Yugoslavia, and undermines NATO credibility. The approach also has negative civil-military consequences in the United States, because our military resents being committed when the government won't follow through with the resources needed to address the full scope of the problem.
- ***Substantially more attention to and better implementation of the civil and economic mandates in both Bosnia and Kosovo.*** Skimping on the money and expertise needed in the Balkans not only will impede efforts to build peace in the region, it will also reduce support for future interventions. Both the United States and Europe need to redouble efforts to make the peace work in Bosnia and Kosovo. The United States spent several billion dollars and committed the Nation's premier experts to planning during military operations, but committed nowhere near that amount on assistance, training, and planning in the first year of UN operations. At issue are not only money and attention to the international institutions conducting the intervention, but also interagency coordination to produce integrated civil-military planning within the U.S. Government. Committing to the civil tasks with the same determination as the military would have facilitated Kosovar compliance, demonstrated to Serbs the benefits of behavior consistent with Western interests, and buoyed UN and EU credibility, which is important to the momentum of the operation.
- ***Building a common allied implementation strategy.*** Many believe the approach to Kosovo taken by the French is inconsistent with the goals NATO is espousing. The French and several other European states primarily value stability in the Balkans. If stability becomes the overriding objective, a multiethnic state is unlikely to take root over the long term. The United States needs to force the issue to resolution and build unity of purpose among the major Western states. Either a stronger consensus on implementing the current objective will need to be developed, or the United States will need to accept a less ambitious end-state, such as "peaceful coexistence" between communities. Otherwise, prospects are poor for success of the intervention or cohesion among contributors during a long-term commitment. The French have made a major contribution and deserve consideration for their positions, but if they are unwilling to join a consensus on objectives and a strategy for achieving them, the United States must either find France a role that does not impede progress or proceed without France. NATO already has a concept for operating in "coalitions of the willing"; the United States should be willing to put it into practice if the French or others cannot become part of a team.
- ***Negotiating an EU–NATO register of national and institutional contributions.*** Competing accusations of who is doing less in the Balkans are snatching defeat from the jaws of marginal success. The EU counts money and police committed, whether or not they have been delivered. The United States ceded the lead in the Stability Pact but continues to irritate Europeans by sniping at their performance. Both the EU and the United States need to be honest about what they are—and are not—contributing in the Balkans. Both need to engage in public education efforts to build understanding of the goals, strategy, and burden-sharing among allies. This has particular importance in the United States, where congressional and public misperceptions have slighted European contributions. Confusion could be reduced by a common base of information on equipment, personnel, financial resources committed and delivered to date, assistance of several kinds provided to the UN and Organization on Security and Cooperation in Europe (OSCE), activities of nongovernmental organizations, and other measures of merit. This should preferably be undertaken in a forum that would standardize U.S. and EU data, such as NATO or the G–24 process.
- ***Planning and organization of paramilitary forces under the EU, OSCE, or NATO to eventually replace NATO troops.*** Military forces are doing the work of police in the Balkans. This is a major cause of military and congressional dissatisfaction with the mission. NATO military forces should be phased out of routine police operations in the next two years but kept tethered as over-the-horizon reserves to back up civil police units in crises. There is strong consensus that paramilitary units are needed and that their work will need to be linked as seamlessly as possible to military operations. As a priority, the EU, and possibly the OSCE and NATO, should plan for, organize, and train paramilitary or special police units to take over many of those responsibilities. Doing so in the EU would provide an ESDP force to fill an urgent security gap and give reason for autonomous planning that does not compete with NATO. NATO could further ESDP by developing training guidelines, doctrine for operations, and a command structure led by an EU ally with respected paramilitary forces (for example, France or

Italy). Similar work in the OSCE would give the organization a niche in crisis management and greater preventative capacity, but perhaps risk states' willingness to accept OSCE intervention; in NATO it might revitalize the force planning process (which is drifting toward irrelevance) while reducing the burden on active units, but at the risk of jeopardizing focus on and investment in warfighting forces. Although the United States has no *carabinieri*, Guard and Reserve units could be trained to manage the impact on deploying units, especially combat support and services units.

Arms Control and Proliferation

No security issue better demonstrates the divergent American and European perceptions of power than arms control. Europeans consider U.S. conventional and nuclear forces so powerful that they simply cannot fathom anyone attacking us. Despite efforts by NMD supporters and (belatedly) the Clinton administration, Europeans remain convinced that missile defenses are a cure worse than the disease of vulnerability to WMD attack. Because the Clinton administration was opposed to NMD and had slowed work on key programs, Europeans were not paying attention to the growing support for defenses in Congress and the public nor to the pace of U.S. decisionmaking toward deployment. Not even the January 1999 White House road map announcement caused concern. It took the combined effects of congressional refusal to ratify the Comprehensive Test Ban Treaty (CTBT) and the successful November 1999 ballistic missile intercept for Europeans to see the pattern.

Because European states generally are not strategic actors, they do not share U.S. concerns about balancing beneficial international norms and institutions with preserving an ability to take unilateral action. They do not believe they could achieve their objectives by unilateral political, economic, or military action, and therefore their reflexes lie in multilateral action and legal and normative constraints on unilateralism:

- requiring UN mandates to justify the use of force;
- preserving and expanding arms control regimes, such as the CTBT and Chemical and Biological Weapons Convention, despite concerns about their verifiability and contribution to security;
- preferring engagement and nonmilitary means to mitigate threats;
- creating new supranational bodies, such as international tribunals and the International Criminal Court, to investigate war crimes; and
- believing that the Anti-Ballistic Missile Treaty is a cornerstone of their security, although they are not signatories, and Russia already possesses a nuclear arsenal sufficient to threaten them.

Even Europeans who understand the proliferation threat are unwilling to concede that Europe might become a target. Responding to the strategic threat of WMD and long-range delivery systems would so up-end European defense priorities (*sayonara* Helsinki Headline Goal), and they are so uncertain of their ability to manage the problem and its cost, that they are assuming it away. They are committed to preserving the Cold War nonproliferation regimes, even though the emerging threat demonstrates the erosion of those regimes.

Europeans are unlikely to support a U.S. national missile defense in the near term, even if they come to acknowledge the threat to the United States and tacitly accept the principle that defense is preferable to retaliation. Yet, we need active participation by the UK and Denmark in order to use and upgrade radars at Fylingdales and Thule critical to early functioning of an NMD (subsequent configurations could employ spacebased or seabased platforms). It will be a difficult decision for both governments. France is setting this up as the acid test of Britain's European vocation, and Denmark has to contend with secessionist sentiment in Greenland. However, both governments are likely to accede to use of their radar sites if the United States keeps them informed and engaged and holds off on asking publicly until the system is ready for deployment.

Policy Recommendations. Even if the essential minimum for NMD can be assured, it is in U.S. interests to build a stronger foundation of European support for America developing and deploying defenses. The United States wants to minimize the degree to which European allies consider American defenses in conflict with their interests, prevent European allies from increasing the difficulty of the unilateral actions that may be necessary to deploy NMD, and reduce Russian and Chinese leverage on negotiations. In order to achieve these objectives in the areas of arms control and defenses, the United States will need to:

- ***Reduce European resistance by making NMD seem inevitable.*** As even Europeans admit, the United States tends to lead the alliance best when it knows what it needs to do and offers European states the choice of joining in coalition. Both the Gulf War and European reaction to the 1993 Christopher trip to discuss Bosnia policy demonstrate that Europeans want their concerns about U.S. policies addressed, but do not want to be full policymaking partners. The United States is unlikely to be dissuaded from

eventual NMD deployment by European concerns, so, while it should consult frequently (particularly to address the concerns of the UK and Denmark), it should make clear to Europeans that we will proceed with NMD as soon as technically feasible, irrespective of international reactions. This will focus European attention on consequences rather than on preventing deployment. It will reduce the pressure on the UK and Denmark to prevent their radars from being upgraded if the Russians and European opponents know that the United States will build an autonomous system based on spacebased or seabased assets.

- *Engage NATO in NMD planning.* NATO has been the venue for U.S. briefings on the proliferation threat, but Europeans have largely resisted U.S. efforts since 1991 to make managing proliferation a central NATO mission. Sharing information has had little effect on European attitudes toward NMD; allies prefer to rely on diplomacy, trade, and nonproliferation regimes that the United States considers insufficient, rather than take serious military preparations. The United States should engage Europeans in exploring the negative consequences it envisions resulting from NMD deployments. This would get NATO into the business of addressing both U.S. and European concerns without requiring a common threat perception. Demonstrating a willingness to consider European fears and exploring the possible consequences of U.S. national decisions would reassure Europeans and reinforce NATO's role as the arena for transatlantic arbitration and may even produce useful compromises. It would also force Europeans to engage the problem of proliferation at the strategic level on which the United States is engaged, reducing the likelihood of a fundamental divergence over arms control.
- *Encourage development of European strategic intelligence.* European allies lack the strategic intelligence networks to make transparent the progression of nuclear and long-range missile programs or the daisy chain of proliferation among states (for example, China, Pakistan, North Korea, and Iran). They don't see it for themselves and don't believe us when we show it to them. Improving their intelligence gathering and, perhaps even more importantly, assessment will help validate U.S. threat assessments and support European advocates of more assertive policies. Europeans are so suspicious that the United States would "turn off the spigot" of government or commercial U.S. systems that they are unlikely to utilize the more cost-effective routes available through transatlantic cooperation. The United States should seek to maintain interoperability with European intelligence systems where possible, but encourage Europeans to improve their intelligence collection and assessment.
- *Demonstrate willingness to further reduce U.S. and Russian arsenals through multilateral, bilateral, and unilateral means.* Europeans are concerned that NMD is a reckless decision likely to increase nuclear stockpiles rather than promote disarmament. Traditional arms control is lagging, in part because we have not succeeded in conjuring the tools relevant to effectively constraining the weapons and practices of concern. Serious study should be given to parallel mutual declarations of restraint on the development of offensive nuclear forces, both to advance the issue and to reassure Europeans that we are willing to constrain our own force and are putting energy and effort into arms reduction.
- *Engage China, India, and Pakistan on strategic issues to reduce the likelihood of an arms race in South Asia.* The strongest argument against missile defenses is that it could precipitate arms races in unstable regions, such as South Asia. The nuclear programs are strongly driven by regional dynamics, but even an unrelated U.S. action could trigger a Chinese buildup, with ripple effects on nuclear choices by India and Pakistan and any countries supplied with technology or systems by these three. Taking a leadership role in bilateral or multilateral discussions to understand the national plans of these countries and the dynamic among them, and exploring ways to manage security at reduced levels of armaments would reduce concern about the unintended consequences of U.S. national missile defense.
- *Outline a positive vision of U.S. support for and participation in multilateral institutions.* Europeans consider the NMD program symptomatic of a broader rejection of multilateralism. American unwillingness to pay full UN dues and accept the necessity of a Security Council mandate for the use of force, and U.S. efforts to restrict the UN operational role in conflicts have created concern that the United States prefers unilateral action. American concerns about verification of multilateral treaties (Comprehensive Test Ban Treaty, Chemical Weapons Convention) and the application of global norms to U.S. practices (Land Mines Convention, International Criminal Court) accentuated the belief that the United States is unwilling to be bound by any restriction. Identifying the terms under which the United States could actively and positively shape multilateral institutions (besides NATO) and broad international practices would demonstrate that the United States is committed to managing problems through multilateral norms and institutions, where possible.

European Security and Defense Policy

ESDP is the main item on Europe's foreign policy and security agenda. Current U.S. policy emphasizes prioritizing improvements to military capabilities through NATO's Defense Capabilities Initiative (which, magically, is not supposed to require increased European defense spending), "preventing unnecessary duplication" of NATO, establishing transparency between NATO and the EU, and enforcing the rights of non-EU states (especially Turkey) to participate in EU defense decisions. These practical policies are an improvement over earlier formulations, but they miss the fundamental point: the wellspring of momentum for ESDP is a desire for more latitude and more credit relative to the United States, not for

better forces or a stronger NATO. A U.S. template for building a European security and defense policy defeats the purpose of Europe's undertaking it.

Instead of drawing red lines beyond which Europe goes at its peril, or threatening Europeans that their ambitions will lead to American withdrawal from Europe, the United States should encourage any efforts by the EU to improve its forces, organize its decisions, and shoulder more of the burden in defending our common interests. It is unquestionably in our interest that Europe become much more capable; in fact, sustaining American interest in European security requires it. The alternative trajectory of a European course without ESDP is for NATO allies to become self-satisfied, law-promulgating states with regional aspirations and marginal military capability, more intent on preventing than facilitating American interests.

America's message should unequivocally be, "come on in, the water's fine;" the United States wants an ambitious Europe and will help it succeed. This approach would place responsibility for ESDP success solely on the Europeans themselves. It would get the United States out of the penalty box for seeming to prevent Europe from becoming a full partner—which is what the French flatter ESDP to suggest. The United States also needs to be much more willing to allow our initiatives to redound to the credit of our European allies. Secretary Albright's "indispensable nation" rhetoric may be true, but it is bad alliance management. Instead, we should be setting our European allies up to lead and succeed with initiatives we develop together.

The United States should be much more confident in its long-term relevance to Europe. We bring the political influence, economic resources, and military might of a hyperpower. As long as the EU has to go to NATO for the political attention and military contribution of the United States, the alliance will remain central to European security. The EU cannot afford to replicate the 13,000 staff members in NATO commands who ensure that alliance military forces can work together. The only way European militaries can have the ability to fight in effective multinational coalitions—both with the United States and among themselves—is through U.S.-led NATO integration efforts.

Policy Recommendations. A program of policies better suited to harnessing Europe to our common interests would include:

- ***Give European allies more visibility bilaterally and through NATO.*** This would reduce the friction associated with the subject of ESDP by giving Europeans more of the political credit the initiative is designed to produce, while reducing their need for separate (that is, non-American) structures.
- ***Make the EU responsible for maintaining links to NATO.*** Europeans need and want U.S. and NATO involvement but are not accountable for producing it. Since EU states are seeking something different from the current arrangement, the onus should be on them to find terms fostering a willingness to provide the support the EU will need. This approach would also push from NATO into the EU the divisive debate over structuring the EU's defense activities in ways that will ensure U.S. support, freeing up NATO to work on issues of greater strategic importance.
- ***Ignore French efforts to create confrontation between the United States and the EU.*** France cannot carry an EU consensus on its agenda. Responding to every insult or exclusionary proposal increases France's stature in the EU; indifference is the best retaliation. Other EU members adroitly rejected French efforts to create duplicative EU planning capabilities at the Nice EU Summit.
- ***Coordinate bilaterally and multilaterally with non-EU NATO and Partnership for Peace (PFP) members.*** This will reduce their sense of isolation and offer the benefit of U.S. consultations when the EU denies them access.
- ***Advocate new EU force structures available to NATO that give incentives for improvements in areas of key capability.*** This will anchor the forces of European allies on the high end of the conflict spectrum: a stand-off strike force, sea/land/air transportation, ground surveillance/theater missile defense, and combat search and rescue.
- ***Support constructive duplication.*** Intelligence, transportation, communications, and strike forces are just four of the areas in which more European capability would be welcomed by U.S. military commanders. Instead of using NATO to press Europeans to buy systems the United States already uses, we should encourage any improvement and make NATO the place where interoperability gets figured out.
- ***Set a positive agenda in NATO of issues central to U.S. security.*** The United States has allowed NATO to become too involved in the inside baseball of the EU, to the detriment of addressing issues more important to the U.S. agenda, such as managing proliferation and improving interoperability. For Europe to expand its strategic horizons, the United States will need to focus on issues beyond the ESDP agenda.
- ***Ensure NATO's primacy by making it the place to which the EU must go for U.S. discussion of crises and decisions on assistance to EU operations.***

NATO Enlargement

The 2002 NATO Summit will address enlargement. Political, geostrategic, and technical factors will frame the policy options on enlargement, though the shifting weight among the three will likely influence the final decision. Four potential policy options exist, each with a different impact on the alliance objective of enhancing stability and security beyond NATO borders and in building a Europe whole and undivided.

If NATO extended no invitation, its Article 10 credibility would be called into question. If it invited one or more countries for accession negotiations, NATO would maintain momentum but would find it difficult to demonstrate sufficient development to the excluded Membership Action Plan (MAP) Partners. If it invited all nine aspirants, NATO might temporarily remove unpleasant political pressure, but at political and geostrategic costs. Barring radical political or geostrategic upheavals, the United States should support a 2002 Summit policy announcing that the alliance will invite one or more new members at a future summit, perhaps in 2005 or 2006.

Since the revolutions of 1989–90 and the fall of the Berlin Wall, NATO has emerged as the backbone of European security architecture. In response to the demands of outsiders for collaboration, NATO has consistently adhered to a strategy of inclusion, with the aim of creating a Europe whole and undivided.

The next NATO summit scheduled for 2002 will have enlargement on its agenda, not just because the April 1999 Washington Summit stated that the next summit would "review the (enlargement) process," but also because the nine MAP foreign ministers launched a political initiative on May 18–19, 2000 in Vilnius to remind the member states of NATO "to fulfill the promise of the Washington Summit to build a Europe whole and free . . . [and] at the next NATO Summit in 2002 to invite our democracies to join NATO." This political initiative is to be followed by another gathering of the nine MAP defense ministers in Sofia and foreign ministers in Bucharest in October 2000. In sum, although alliance internal conditions may not yet be sufficiently ripe for consensus on enlargement, NATO will be faced with increasing political pressures from the nine MAP aspirants, and a new U.S. administration will need to develop a policy on this issue well before 2002.

Framing Enlargement Policy

Political Factors. The guiding principle behind all NATO activities with the MAP partners who desire membership is that all enlargement decisions remain political. Although this principle will remain a cornerstone of our policy, we need to recognize that as NATO moves down the MAP road we are slowly embedding ourselves in an implicit contractual relationship with the nine aspirants that will increasingly limit our future political choices. In other words, as we encourage MAP aspirants to implement political, economic, and defense reforms, NATO increases its obligation to choose invitees (or at least to justify their rejection) on fulfillment of these necessary criteria. This will limit our political choices in that it will prove difficult for NATO not to invite a MAP partner that has clearly succeeded in implementing serious reforms, and also difficult to invite a partner that has not fulfilled them. If NATO were to disregard these criteria, it would undermine NATO credibility and the legitimacy of the MAP for those partners (probably the majority) that did implement defense reforms but were not invited, hence destabilizing the process.

The alliance has always said, however, that enlargement will not be based purely on technical progress in defense or success at democratic and market reforms. Enlargement decisions will also be influenced by the domestic politics in member states, intra-alliance politics, and international developments. Thus, there will have to be consensus within and among current member states that adding a new member will contribute to overall alliance security, not just technical realization of the NATO *acqui.*[3] This is not easy to game out and will clearly be influenced by a range of issues difficult to predict, including economic trends, the EU enlargement process, and developments in Russia.

Geostrategic Factors. Since the end of the Cold War, the influence of geostrategic factors on membership decisions has been changing, because the probability of NATO's operating under an Article 5 defense has shifted to the more likely contingency of participating in an Article 4 operation, which carries different obligations for alliance members.

Geostrategic factors were dominant during the Cold War, when execution of main defense actions and support to reception and onward movement of heavy defense forces were at the forefront of membership criteria. The 1995 principles on enlargement

made clear that membership should be based on a number of considerations, not just on ability to contribute to alliance security.

Some have focused on geographic position as a key criterion. Yet, even during the Cold War, when Article 5 operations were more plausible and defense requirements were greater, NATO lived with "islands"(Iceland, Norway, the United Kingdom) that required reinforcement. Today, many potential candidates are discussed in geostrategic terms with Article 5 obligations in mind. For example, Slovakia and Slovenia are seen as providing a land bridge to the NATO island of Hungary, while membership by Romania and Bulgaria has been cast as a way to contain Serbia and stabilize Macedonia while linking Hungary to Greece (and Turkey).

It can also be argued that having the states of southeastern Europe in NATO would have geostrategic value in the context of any future Balkan crisis and with respect to advancing and protecting alliance interests in Caspian Basin energy developments and even in the Middle East. But the importance of such geostrategic factors in the post-Cold War world may be overstated.

Now, though, when Article 4 actions are more likely, geostrategic factors remain important, but in a different way. For example, in NATO's first Article 4 post-Cold War campaign, in return for their wartime support in Kosovo, NATO extended a limited (in space and time) Article 5 guarantee to non-NATO members—Bulgaria, Romania, Albania, and Macedonia—threatened by Belgrade. Hence, formal accession was unecessary for the alliance to gain compliance of and access to a MAP (or PFP) partner. (Correspondingly, formal membership does not necessarily guarantee the new member's compliance nor alliance access to its territory during a non-Article 5 contingency; in fact, it might actually *diminish* alliance leverage.[4])

In sum, while geostrategic factors probably will remain important in the post-Cold War world, they play a different role in the more likely non-Article 5 contingencies that will challenge NATO, and extending formal membership to MAP partners in southeast or northeast Europe may not provide the necessary solution that many adherents claim.

Technical Factors. When NATO adopted PFP at the Brussels Summit in January 1994, few had any notion of how important the PFP program would become, and many aspiring NATO members were disappointed, perceiving PFP as a "policy for postponement." In response to persistent partner pressures to join, in September 1995 NATO produced a *Study on NATO Enlargement* that stressed that the goal of enlargement was to "render obsolete the idea of 'dividing lines' in Europe" and outlined alliance expectations of new members.

In its Washington Summit in April 1999, NATO introduced the MAP, in part to convince the remaining nine aspirants that Article 10 and the Open Door policy were not hollow and to assist the aspirants in developing forces and capabilities that could operate with NATO under its new Operational Capabilities Concept (OCC). The MAP went further than the 1995 *Study on NATO Enlargement* in defining what the aspirants needed to accomplish on the path to membership. It was designed to incorporate lessons learned in the accession discussions with Poland, Hungary, and the Czech Republic. The comprehensive MAP program has created the necessary NATO *acqui* with which the alliance can assess the nine MAP partners' technical preparations and capacities and to judge readiness for membership. At the same time the process is reinforcing and deepening the nine MAP partners' expectations of NATO reciprocation.

NATO's Four Policy Options

From the perspective of the shifting weight among political, geostrategic, and technical factors, each of the following four 2002 Summit enlargement policy options can be assessed. Each option solves one set of problems and results in different challenges.

Option 1. Assert NATO's Article 10 commitment to remain open, but invite no new member.

If the alliance simply reiterates its commitment to remain open and invites no new member, the key challenge will be to maintain NATO credibility among the nine MAP partners and to keep them engaged in the MAP process to maintain its stabilizing role. Although this option has the advantage of not undermining alliance efforts to further develop cooperative relations with Russia and Ukraine and of eliminating the need to justify why partners did not receive an invitation, MAP partners will expect more than this. Some are likely to perceive an alliance brush-off, make claims that NATO is pursuing a new "Yalta-2" policy, and argue that a divided Europe is emerging. In sum, the alliance will probably find this option difficult to implement and justify, particularly in the face of MAP partner pressures and in light of its objective of maintaining a Europe free and whole.

Option 2. Invite one or more aspirants to begin accession negotiations.

Inviting one or more aspirants to begin accession negotiations maintains political momentum and demonstrates and reinforces NATO credibility on Article 10, but it raises the challenge of dealing with the uninvited MAP partners. NATO would need to persuasively demonstrate to the excluded MAP partners that the invited MAP partner(s) had actually achieved reforms sufficiently differentiating it (them) from the excluded. If the NATO argument were not credible, it would be difficult to sell the invited candidate(s) to the U.S. Senate,[5] and some MAP partners would conclude that they would never get an invitation and might disengage from further cooperation.

In the fall of 1998, the North Atlantic Assembly (Roth) report suggested that NATO invite Slovenia at the April 1999 Washington Summit to demonstrate the credibility of NATO Article 10. The alliance did not adopt this proposal, in part because consensus did not yet exist and because Slovenia simply had not shown sufficient effort in the development of its defense capabilities and structures compared to other aspirant partners. The political argument for maintaining enlargement momentum in order to demonstrate alliance credibility and the geostrategic argument for a NATO land bridge are gradually becoming *less* persuasive as a result of the Kosovo conflict experience and the changes in MAP since its launch. The net effect is a slow shift toward *increasing* the weight of technical performance at the expense of political and geostrategic factors.

Inviting a new member for accession talks in 2002 presents more of a challenge to NATO now, because the alliance has acquired additional (and less than exemplary)[6] performance experience with the three new members and has a more finely-tuned and developed MAP process in place. Whereas previous summits—the 1994 Brussels Summit, 1997 Madrid Summit, and 1999 Washington Summit—were able to develop new programs (the PFP, the enhanced PFP and Euro-Atlantic Partnership Council, and the MAP, respectively) to maintain credibility, future programmatic options are becoming more limited. NATO has installed the MAP and needs to use the process and its technical criteria to justify an invitation. Unfortunately, all nine MAP partners have very limited technical capacities at the present time, and making a credible case for any of them on NATO *acqui* grounds is not yet possible.

Option 3. Extend an invitation to all nine aspirants, with the caveat that actual accession will occur only after the specific five MAP chapters of NATO *acqui* have been completed.

This so-called Big Bang proposal to invite all nine MAP members gained political momentum with the Vilnius Statement in May 2000 and likely will be followed by additional political efforts. The argument of the nine MAP members is that a NATO accession invitation would permit them to stop politicking to join (and thereby also remove a political burden from NATO) and would give their governments political ammunition to build domestic social support to carry through defense reforms and justify continued participation in the MAP. The argument that such an invitation would remove political pressure from NATO, though, is questionable. Many of the same MAP partners who have been designated future EU members are continuing to express impatience and vent frustration, arguing that the EU is stalling or delaying the date of accession. In addition, an invitation to the nine would not necessarily help them build social support for defense programs or for NATO. On the contrary, since accession, the three new members have been unable to generate additional social support for defense budgets or for NATO.[7]

Offsetting the potential benefits that the nine believe would accrue from an invitation are potentially substantial political and geostrategic costs. First, this option would mark a distinct shift in NATO post-Cold War policy, in that the (unintended) result would be a *perception* that NATO had drawn lines, that Europe was once again divided. To countries like Croatia and Moldova (perhaps less so for Austria, Sweden, and Finland) it would signal they were outside the NATO membership circle, stretching the credibility of Article 10. Second, Ukraine, a fragile non-MAP PFP partner with a population of 52 million, is delicately balancing internal forces pushing toward the West and pulling toward Moscow and would find its strategic position challenged. A NATO move to invite nine could tilt that balance, driving Ukraine outside the line. Third, such a policy would make it very difficult (if not impossible) for Russia to maintain a cooperative relationship with NATO. This

policy would push Russia to become more competitive and to draw a line, perhaps with reverberations in Bosnia-Herzegovina and Kosovo. In sum, an invitation to nine MAP partners at the next Summit would probably remove temporarily some unpleasant political pressure from the alliance, but incur substantial political and geostrategic costs.

Option 4. Announce that the alliance will invite one or more new members at some future summit, perhaps in 2005 or 2006.

Announcing the intention to invite one or more new members at a future Summit in 2005 or 2006 represents a variation of the December 1996 formulation that committed the alliance to invite "one or more" at the July 1997 Madrid Summit. Politically, this differs from Option 1 in that it would demonstrate and reinforce NATO credibility on enlargement while remaining consistent with the strategy of building an undivided Europe. Technically, the option provides the (hopefully sufficient) 3–4 years necessary to permit germination and maturation of some MAP partners' technical capacities in fulfilling NATO *acqui.* Geostrategically, it would provide necessary time to see how Russia evolves under Vladimir Putin, as well as to observe the reform efforts in Ukraine. Whether cooperative or competitive relations evolve in Russia or Ukraine will be the result of their internal evolution, not the result of NATO's push.

Success will be defined if the MAP process succeeds in "growing" one or more MAP partners who could be invited to accede to the alliance on NATO *acqui* grounds—partners whose reforms will be credible enough to the excluded partners that the latter will want to remain engaged in the MAP program. Hence, enlargement of NATO will result not in the inclusion of weak "consumer" partners for the sake of political momentum, but in a stronger NATO with "producers" of security, and in continued stabilization of MAP and PFP partners. For these reasons, barring radical political and/or geostrategic upheavals, the United States should support a 2002 Summit policy announcing that the alliance will invite one or more new members at a future (2005 or 2006) summit.

Coda

One rightfully could ask regarding enlargement, to what end? Do limits exist? Does the alliance have boundaries beyond which it should not trespass? The answer, of course, is yes, but these limits are not yet perceptible, because the geographic space of the common Euro-Atlantic values that define that area cannot yet be drawn with clarity. While many PFP and MAP partners espouse those values, their rhetoric masks the difficulty of transforming stated intentions into reality. With the MAP, NATO sketches the path and provides the tools. It remains to be seen who among the PFP and MAP partners has the will and capability to travel that path.

Notes

[1] Quotes are from Luxembourg Foreign Minister Jacques Poos and NATO Military Committee Chairman Admiral Venturoni, respectively.

[2] Burdensharing breaks down as follows:

Category	U.S.	EU	Europe
Troops	13% of total	63%	80% of total
Civilian police	18%	24%	40%
Nonmilitary aid	900M*	2,976M**	
UNMIK funding	13%	74%	n/a

Source: EU Presidency and EU Delegation, 4 April 2000.

* The United States has delivered on funding commitments at a faster pace than the EU.

** EU figures were originally denominated in Euro and have been converted to dollars.

[3] Just as the European Union has developed volumes of rules and regulations known as *acqui communitaire,* NATO has developed principles for accession that might be called "NATO *acqui.*"

[4] For example, during the Kosovo conflict NATO found it difficult to contain the independent diplomatic efforts of the Greek and Czech foreign ministers.

[5] Although the U.S. Senate overwhelmingly supported the accession of the Czech Republic, Hungary, and Poland, it did go on record noting that next time it expected guarantees that additional new members would be "producers" and not "consumers" of security. The experiences thus far of the new members will only make this more salient in the next enlargement round.

[6] Since accession on 12 March 1999, all three new NATO members have implemented so-called strategic reviews and lowered the force goal commitments. Over the next 6 years, Poland will reduce its forces to 150,000, the Czech Republic probably to 40,000, and Hungary to 37,500. One could argue that these reviews are the result of defense planning failures in all three countries.

[7] After becoming a member, Hungary revised downward its pre-accession commitments to raise defense expenditures 0.1 percent per year.

Middle East and Persian Gulf

by Judith S. Yaphe

Overview. U.S. foreign, commercial, security, and defense interests have long been intertwined with the stability of the Middle East region. The collapse of the Arab-Israeli peace process and the current delicate balance in the oil market pose grave concerns, but these developments will not be the main drivers of U.S. strategy and defense policy in the region. The key security issues that will confront the next administration in this region relate to the Arab states of the Persian Gulf, Iraq, Iran, and the proliferation of weapons of mass destruction. Dual containment as an effective and enforceable policy has run its course.

- ***Support for sanctions against Iraq is evaporating.*** Saddam Husayn is challenging the limits of postwar security and sanctions restrictions on all fronts, including the No-Fly Zones, import-export controls, weapons inspections, and oil-pricing policies and methods of payment. All the options on Iraq are difficult ones, including sanctioning, accepting, eliminating, or ignoring him. To pursue the first three options is risky enough, and we may be forced eventually to do so unilaterally. To ignore Saddam, however, would be far more perilous for the West and the United States.
- ***Political change in Iran may come smoothly or violently, but it will not alter a defense strategy based on acquiring a nuclear capability.*** Regardless of the means, change is unlikely to lead to major reversals in Tehran's foreign and security policies. We will need to shape strategies to reduce the risk once Iran acquires advanced weapons and delivery systems, including a nuclear capability, since we are unlikely to be able to stop its development. That said, there might be opportunities to develop cooperation, albeit limited, regarding Iraq, the Taliban in Afghanistan, terrorism, and energy-related issues.

U.S. policy in the region, including the defeat of Iraq, the liberation of Kuwait, and the successes of the United Nations Special Commission (UNSCOM) inspectors, has achieved impressive results, but it may also be a victim of its success. Ten years after Iraq invaded and occupied Kuwait, and 20 years after the Iranian revolution that threatened to disrupt the Gulf by exporting its revolution, the Gulf states are trying to resume the balance of power as it existed more or less before August 2, 1990. This transition paper will examine these issues and discuss options policymakers may want to consider.

Policy Context

The United States has been involved in planning and/or providing security and military support in the Middle East since the end of World War II. The U.S. emergence from the war as a dominant military and political force, the end of the British imperial role and

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collapse of British military power, and the start of the Cold War ensured U.S. diplomacy, and especially military power, a secure foothold in the region.

U.S. interests in the Middle East have long been centered in the Persian Gulf region. Our primary security interests include maintaining access to stable and inexpensive energy resources (oil and gas); keeping open seas open; stemming the proliferation of weapons of mass destruction; promoting stable governments that are pro-Western in policy; reducing threat levels and enhancing the regional security environment; and—where it does not conflict with our other interests—promoting democratic institutions and processes, civil society, and human rights. U.S. policies toward North Africa—Algeria, Libya, Mauritania, Morocco, and Tunisia—have tended to follow and to support European interests and policies, except where Libyan threats to regional security and support for international terrorism were involved. By the same token, the United States has, in effect, helped to exclude Europe from engagement in the Arab-Israeli peace process, to the frustration of France, Germany, and the United Kingdom in particular. U.S. support for Israel has led to accusations by Arabs, and sometimes by Europeans, that the United States follows a double standard in its Middle East policies. The United States, they say, promotes Israeli interests and security at the expense of the Arabs, demanding, for example, Iraq comply with all UN Security Council resolutions while Israel could pick those it will observe.

Evolution of U.S. Security Commitments in the Persian Gulf

Since their independence in the early 1960s, the six Arab Gulf governments that comprise the Gulf Cooperation Council (GCC)—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates—have preferred, or better yet allowed, outsiders to define their security policies and needs. New to acting like states rather than tribes, not yet as wealthy from oil as some would become, and accustomed to letting tradition determine their governance and institutions of civil society, the Arab states of the Arabian (not Persian) Gulf followed first their colonial protector, Great Britain, to shelter from the Arab and Persian nationalist storms that periodically swept through the neighborhood. Iran under the Shah and Iraq under kings, military dictators, and Ba`thist republics alternately stormed through the Gulf threatening to re-take Kuwait and Bahrain and to seize islands and oilfields in the Gulf itself. When the British decided that they could no longer afford to protect the Gulf Arabs and withdrew in 1971, the United States began its gradual assumption of the British mantle.

The Gulf Arabs' Security Vision Then... Through the 1970s and 1980s, the Arab states of the Gulf faced the hegemonic ambitions of Iran first under the secular and intensely nationalistic regime of the Shah, and then under the revolutionary Islamic Republic of Iran determined to export its revolution across the Gulf. In between Iranian challenges came Iraqi feints at territorial acquisition as well as influence in decisionmaking on Gulf and wider Arab political, economic, and strategic affairs. After the British withdrawal east of Suez in 1971 and concerned about possible Soviet encroachments in the Gulf, President Richard Nixon created the Twin Pillars policy, which designated Iran and Saudi Arabia as proxies for U.S. military presence in the region.[1] With the fall of the Shah in 1979, the United States increased its presence and role in the Gulf. In November 1979, the Carter administration defined the Gulf as vital to U.S. interests and established the Rapid Deployment Joint Task Force (RDJTF) as its principal tool.[2]

U.S. military involvement increased dramatically during the Iran-Iraq War with the reflagging of commercial vessels (Operation *Earnest Will*). When it seemed that Tehran might succeed in defeating Baghdad and increase its ability to subvert the smaller Gulf states, Washington provided limited assistance to Baghdad. It was still a process of balance of power, with Baghdad now the short-term "protector." The U.S. presence was still considered to be offshore and over-the-horizon, with no bases or home porting rights, except for Bahrain and Oman, where access agreements had been established to allow prepositioning of equipment.

The GCC was formed in 1981 as a means of self-protection against Iraq and Iran. Although protection from the war may have been on their minds, in reality GCC leaders use the council primarily as a sounding board for regional security issues and cooperation on economic policy. Along with Egypt, Iran, Iraq, Israel, and other Middle Eastern governments, the GCC states joined the arms race, spending significantly large portions of their budgets on weapon systems,

aircraft, and training packages that they could barely absorb. Interoperability was never a key concept in defense planning in the Gulf states. All bought what they wanted in bidding wars from whomever they wanted without a serious thought to how they could be used by them in a combat situation. Arms purchases were not intended to bolster defense; rather, they were an extension of Gulf foreign policy, intended to give as many arms-merchant states as possible a stake in their survival. Kuwait, for example, bought equipment often inferior if not obsolete, from the Soviets, Eastern Europe, and China as well as from all the European sellers because it helped to ensure political alliances.

The end of the Cold War meant an end to regional military brinkmanship in the Middle East. No longer, it seemed, would countries such as Egypt, Iran, Iraq, and Syria be able to play off East versus West to obtain cheap arms and aid packages. The collapse of the Russian economy and Moscow's insistence on cash sales only meant cash- and oil-poor governments could not get easy loans or weapons on credit from Moscow. This should have meant the end of the arms race in the region and lowered expenditures on weapon systems. Instead, governments in the Middle East continued a spending spree begun in the late 1980s with new acquisitions to include nuclear, biological, and chemical (NBC) systems and the long-range ballistic missiles necessary for delivery. By the early 1990s, Iraq and Iran had experimented with biological and chemical weapons—against each other in their 8-year war and Iraq against its Kurdish population. Egypt, Libya, and Syria had chemical intentions and missile systems.

Iraq's invasion of Kuwait shattered the myth of self-protection by arms sales, GCC solidarity, and U.S. over-the-horizon presence. It exposed the Arabs to their inability to prevent their large, powerful, and angry neighbors—now Iraq, then Iran—from taking out their wrath or seeking succor in the oilfields of Kuwait and the Gulf at large. And, to the relief of the rulers and the concern of the ruled, it brought the U.S. military into the region with reshaped strategic doctrine and security perceptions. For a while after the war, it seemed as if the United States would continue to maintain a significantly large footprint and the GCC would stay under a U.S. security umbrella to protect the regimes, their oil, and sealanes from hegemonic threats from Iraq and/or Iran.

. . . And Now. Today, the security preference of the Gulf governments is to reestablish the kind of balance of power in the Gulf that they once felt comfortable under—a balance maintained by de facto partnership with Iran and backed up by a more distant United States. Washington remains committed to defend its friends from external aggression and to maintain freedom of seas in the Gulf. Training exercises are held by the GCC, most of them bilateral ones with the United States, and occasionally some members raise the prospect of a 100,000-man GCC military force.[3]

The GCC states have been especially supportive of the UNSCOM efforts to detect, inspect, and destroy Iraqi NBC capabilities. They are much more complacent about similar potential threats from Iran. Hopeful that President Khatami's election presaged changes in Iran's Islamic militancy toward them, they have welcomed all signs of moderation in Iran and rejected any suggestion that Tehran supports terrorism or intends to threaten them once it has developed the technology for and tested new, more sophisticated long-range missiles that could carry biological or chemical warheads. Similarly, the GCC states have shrugged off dire predictions of the dangers of a nuclear-armed Iran.

Good feelings about the U.S. presence did not survive the end of the war for the liberation of Kuwait. While the Gulf Arabs acknowledged the need for U.S. protection and monitoring of the uneasy set of relationships between the Gulf states and Iraq and Iran, those governments that were pro-Western or pro-American in orientation began to feel uneasy about life with only one superpower. They welcomed a U.S.-created and sustained coalition when Iraq invaded Kuwait for its ability to provide protection against real and potential aggressors and to help the Gulf return to a stable and more peaceful region. U.S. support for weapons inspections in Iraq by UNSCOM was especially welcomed. But Gulf governments, in particular the Saudi ruling family, began to come under domestic criticism for hosting the U.S. military presence and for spending hard-earned oil riyals on expensive military hardware while the government remained unable to defend the country.

The United States, as a result of the defeat of Iraq and the discoveries by the UNSCOM inspectors, may be a victim of its success. Except for Kuwait, Iraq's Gulf neighbors appear to believe that the war and

sanctions have eroded Iraqi military capabilities to the point that they perceive little immediate threat. Long accustomed to depending on foreign—usually Western—governments for their security needs, the Gulf states are weak on long-term strategic planning. As critical as they are of U.S. policies—including dual containment and sanctions on Iraq—they are moving cautiously in developing ties with Iran. Those ties, for now and for the foreseeable future, will be limited to cooperation on trade, commerce, police matters, and sharing of intelligence on drugs and narcotics trafficking. They are not likely to conclude any significant security pact whose terms would include a demand for the withdrawal of U.S. military forces from the region. Gulf governments prefer to avoid antagonizing their larger and dangerous neighbors, but they also realize that the U.S. commitment to their security and a presence, however invisible they may pretend it is, allow them the freedom to negotiate with former enemy Iran and, at some point in the future, current enemy Iraq.

Iraq: Are There Any Good Options?

As policy choices, the options for dealing with Saddam Husayn are few and simple: sanction him, ignore him, accept him as the ultimate survivor, eliminate him, or pray someone will. Sanctioning him and seeking to eliminate him as the ruler of Iraq are options the United States has been willing to pursue. Ignoring Saddam or accepting him, while preferable to some governments, remain unacceptable choices for the United States. Whatever the option, Saddam and the country that he rules cannot be ignored, accepted, or eliminated without great risk.

Option 1: Sanctioning Saddam. Sanctions initially were seen as a way to influence, shape, or modify the behavior of a wayward state much the same way parents deal with a wayward child—you will not develop and use weapons of mass destruction (WMD), you will not frighten or invade your neighbor, you will not terrorize or oppress your people or any other people. Two kinds of sanctions were applied to Baghdad in 1990: economic sanctions, which could be lifted when Iraq was found by the UN Security Council to be in compliance with the resolutions calling for elimination of its NBC weapons and long-range ballistic missiles. The second set of sanctions prohibits acquisition of military hardware and must be removed by a separate UN Security Council vote.

In 1993 the Clinton administration enshrined sanctions in its policy of dual containment. Dual containment was meant to force the rogue states of Iran and Iraq to modify their behavior and to abide by international norms and UN Security Council resolutions (UNSCRs). For Iran, this meant abandoning support for international terrorism, ending its opposition to the Arab-Israeli peace process, and ending its quest for weapons of mass destruction. For Iraq, it meant forcing Saddam to comply with UNSCRs dictating Iraq surrender for destruction all WMD programs, stockpiles, and sites; to return to Kuwait all prisoners of war and stolen property; and to pay reparations to those harmed by his military occupation and near destruction of Kuwait. Saddam was also to end persecution of Iraq's so-called minorities—so-called because the "minority" of Shiah Muslim Arabs comprises nearly 60 percent of the population of Iraq, and the Kurds comprise approximately 20 percent.

To enforce sanctions on Iraq, the United States refined its containment strategy. It soon became containment plus military operations, plus WMD inspections by UNSCOM, plus efforts to overthrow Saddam. In early 1993, shortly after his inauguration, President Clinton authorized military operations against Iraq as punishment for plotting the assassination in Kuwait of former President George Bush. Military operations could be authorized when Iraq was found to be "in breach" of UN Security Council resolutions—the term is included in UNSCR 687 and was to be applied when Saddam banned or otherwise obstructed UNSCOM in its inspection activities.

In 2000, Clinton administration officials restated the U.S. policy of containing Iraq. Several senior Clinton administration officials asserted that Saddam, who would not relinquish his WMD arsenal or live in peace with his neighbors, remained a threat to regional peace. Iraq under Saddam, they insisted, "cannot be rehabilitated or reintegrated as a responsible member of the community of nations." U.S. policy remained committed to containing the regime, alleviating the suffering of the people of Iraq, and supporting Iraqis who seek a new government. New redlines for U.S. military operations were also defined—if Saddam deployed weapons of mass destruction, if he threatened his neighbors, or if he attacked the Kurds. To underscore its commitments, the Clinton administration took several measures:

- It released money to support the INDICT campaign—war crimes charges against Saddam and a dozen senior regime officials—and began providing nonmilitary training and equipment to elements of the Iraqi opposition (primarily the Iraqi National Congress, led by Ahmad Chalabi in exile in London).
- It eased sanctions to allow Iraq to import chemicals and equipment for water purification and spare parts for repair of oil industry equipment. Dual use items—those having military as well as civilian application—are still banned.
- It supported a British resolution in the UN Security Council—UNSCR 1284—that would suspend economic sanctions temporarily if Baghdad agreed to allow a new UN arms inspection team under Hans Blix to resume full and unfettered inspections for Iraq's weapons programs as required by previous UN resolutions.
- It allowed a cut in the amount Iraq must put into the reparation account in exchange for payment of the Kuwait Petroleum Company's damage claim.

Sanctions have worked in denying Saddam sovereignty and unfettered use of Iraqi oil revenues, in weakening his military, and in denying him the ability to acquire components necessary to rebuild his weapons systems or reconstitute wholesale WMD programs easily. Nor has Saddam been able to threaten his neighbors, although there have been military feints and rhetorical warnings against Kuwait and other governments allowing the United States access to military facilities. Saddam accepted the first oil-for-food resolution, UNSCR 986, which allowed Iraq to sell $1.8 billion in oil every 6 months in 1996, 5 years after it was first proposed. He almost certainly did so because he was unable to supply his loyal support base in the military and security services. By 1999, the amount of oil Iraq could sell had risen to $5.2 billion every 6 months and then to virtually whatever it could sell.

The additional income should have allowed Saddam to provide much-needed goods for Iraqis suffering under sanctions. It did not. The result of 10 years of sanctions and mostly desultory airstrikes has been the impoverishment of Iraq's traditional middle class of bureaucrats, technocrats, intellectuals, professionals, and civil servants; and higher mortality rates for the old, the weak, the children, and those otherwise undervalued or dispossessed by the regime (Shiah areas of southern Iraq that had engaged in the 1991 rebellion, for example). While Iraq provides the only statistics available and therefore not independently verifiable, the United Nations Children's Fund (UNICEF) reports that infant mortality has doubled since sanctions were imposed in 1990. Conditions are worse in central and southern Iraq where the death rate for children under 5 rose from 56 per 1,000 live births in the period 1984–1989 to 131 per 1,000 in 1994–1999. In the predominantly Kurdish north, however, where Iraqis are not in charge of food and humanitarian aid distribution, deaths of children under 5 have dropped from 80 per 1,000 live births in 1984–1989 to 72 per 1,000 in 1994–1999. UNICEF reports that young children are chronically malnourished and that diarrhea is the major killer of the young.

Option 2: Ending Sanctions. Many Americans believe that sanctions at some point have to work, that Saddam will be forced to comply to alleviate the impact of sanctions on the Iraqi people, or that Iraqis will be so frustrated by hardship as well as by their political, economic, and diplomatic isolation from the outside that they will overthrow Saddam. When these factors were coupled with the application of sanctions on the military, Saddam, it was assumed, would have to comply with UNSCRs to save Iraq. But sanctions have not modified Saddam's behavior; neither have they changed his aggressive nature, the brutality of his regime, nor his pursuit of weapons of mass destruction. Their singular success was due to the consensus in the international community that sanctions were the proper tactic to apply until Saddam complied with UN resolutions.

Two problems have arisen with sanctions as policy: Saddam has changed tactics, and international consensus is fading. Saddam has been able to divert international attention away from his internal policies of punishing potential opponents by withholding access to food and medicine and hoarding imported goods for his supporters. Instead, he blames the West—and specifically the United States and the United Kingdom—for the deaths of Iraqi children, for the increased incidence of malnutrition and disease, and for the impoverishment of the Iraqi middle class. Iraq's neighbors, members of the UN Security Council, and many other governments have come to similar conclusions regarding the inefficacy of sanctions if not the culpability of the United States

International support for a containment strategy on Iraq is waning. Many European and Asian nations—including our coalition partners France, Russia, and Italy—agree that Iraq has not complied with UNSCRs on weapons inspections and that Baghdad must not threaten its neighbors again. They argue, however, against sanctions without end and without

incentive. Nearly all the Arab and Muslim states oppose sanctions. The Arab street and Islamist critics of Arab regimes sympathize with the Iraqi people, and Arab governments in increasing numbers are seeking ways to join the public consensus without openly forgiving Saddam. Kuwait, Saudi Arabia, and the United Kingdom are exceptions to the waning of interest in sanctions, but dissent to the policy and sympathy for Iraq's people is growing even in Riyadh and Kuwait City, bringing with it the risk of criticism of the regimes for maintaining the embargo at the expense of Saudi and Arab self-interest. As of October 10, 2000, 10 countries, including France, Jordan, Morocco, Russia, Syria, Tunisia, Turkey, and the United Arab Emirates, had flaunted the embargo to fly people and humanitarian goods directly into Baghdad.

These regimes, which have been supportive of other U.S. regional policies, including the Middle East peace process, now feel even more vulnerable as the peace process collapses and violence in Jerusalem and its environs increases. The risk of a new war with Israel could unite the Arab world as opposition to our sanctions policy has not. Battling Israel for the sake of Jerusalem has a resonance among all Arabs and Muslims that supercedes saving the Iraqi people, and Baghdad will return to the Arab fold under the guise of opposing Israel.

Two issues dominate the discussion: What is the endgame of sanctions, and how do we get there from here? Opinions vary on what Iraq must do to comply with UN Security Council resolutions. There is disagreement on which resolutions Iraq must comply with—all the resolutions, as the United States, the United Kingdom, and Kuwait insist? Or is the only operative resolution UNSCR 687 and its Paragraph 22, which says that sanctions can be removed when Iraq has satisfied the UNSCOM and the International Atomic Energy Agency that it no longer possesses NBC weapons or the ballistic missiles to deliver them?

If the endgame is to rid Iraq of its weapons of mass destruction, then Saddam's rule is not at issue. For Washington, however, Saddam is the issue. He is seen as the prime threat to regional security. U.S. policymakers assume that his objectives and behavior are unlikely to change while he in power. They link his fate to that of sanctions and say that only his removal will offer some prospect for change. In contrast, Paris, Bonn, and Moscow have concluded that regime change is unlikely and, if it were to occur, would produce no shift in policy. They are unwilling to support efforts to change the regime and argue instead that policy change could occur under Saddam. They say that they are willing to deal with him, although with considerable reserve.

The second issue involves tactics. What tactics are likely to work to get Saddam to comply with the UNSCRs? Will isolation or engagement work, punishment or incentives?

- European, Russian, and most Arab leaders argue that engagement and not isolation or punishment by military attack is the key to defusing crises with Baghdad. The most recent oil-for-food resolution, UNSCR 1284, is deliberately ambiguous in offering Baghdad temporary relief from economic sanctions if it complies with weapons inspections. The resolution in theory combines a newly designed UN weapons inspection team—called UNMOVIC, or the UN Monitoring, Verification, and Inspection Mission—with the freedom of action (full, unfettered access to sites) accorded UNSCOM and a grace period for a compliant Iraq. France and Russia want to lower the threshold even more by creating "UNSCOM Lite" inspection teams—ones that would operate under the tighter restrictions long demanded by Baghdad—and would include a timetable for ending economic sanctions.
- Others advocate a controlled opening—gradual sanctions relief, modest diplomatic engagement, opening cultural centers, and unfreezing assets. They recommend incentives, such as closing the files on Iraqi nuclear and ballistic missile programs, to encourage Iraqi good behavior.
- None believe Baghdad is close to complying on biological or chemical weapons programs, and all agree on the need to monitor Iraq closely for signs of new programs. No one—except possibly China—appears to envision a dramatic or sudden removal of sanctions, but no one appears willing to agree to any new sanctions. UNSCR 1284 was kept deliberately vague to woo support from France and Russia. The Iraqi government rejects any compliance with the resolution, and Iraq remains uninspected since October 1998.[4]

Iraqis will benefit little from lifting sanctions. Lifting sanctions will not mean overnight recovery for the country or its long-suffering people. Under the best of circumstances and highest of oil prices, it will take a long time to rebuild Iraq. Iraq will have a desperate need for development assistance, for water purification plants, sewage treatment facilities, adequately staffed and supplied health care centers not controlled by the regime. The question is how can this be turned to U.S. advantage. If recognizing Saddam means more outside experts and observers get into Iraq to work on project aid and more Iraqis can leave Iraq, then it may be worth it.

Option 3: If We Ignore or Forgive Saddam, What Then? A key question must be answered by those who would ease or eliminate sanctions while Saddam remains in power and unrepentant. Can Iraq be held accountable for compliance with UN Security Council resolutions, including those on monitoring its WMD programs, without sanctions in place? The simple answer is no. Without sanctions, Iraq has no reason to fear or to abide by UN resolutions. Saddam effectively ended the UNSCOM monitoring and inspection regime by denying inspectors access to sites. He probably will do the same with UNMOVIC when or if it attempts to enter Iraq. Perceived disarray in the UN Security Council and higher oil revenues earned this year with a barrel of oil at more than $30 give Saddam additional incentive to stonewall the UN as an institution while Baghdad courts energy-deprived Europe and Asia.[5]

Without sanctions, what is at risk? Verification of WMD programs—including monitoring, identification, and elimination of WMD programs with no new development as required under UNSCR 687—would be impossible. Independent activities of UN agencies and nongovernmental organizations in monitoring equitable food and humanitarian aid distribution would not be permitted. Efforts to get Iraq to acknowledge and to return Kuwaiti prisoners of war or property or to pay reparations would be over. Baghdad is likely to challenge the Kuwait-Iraq boundary settlement and the peacekeeping activities of the UN border commission, UNIKOM. Saddam warned Iraqis in a speech in August not to "pay those to whom you are under no obligation more than their due." While this statement may be only a subtle hint at his unwillingness to continue to pay reparations, it came at the same time that the Kuwait Petroleum Company presented its reparations claims. Payment into the compensation fund would become debt repayment to "friends." Money would be spent on domestic recovery, but few believe that Saddam would delay military reconstruction for civilian redevelopment. While claiming Iraqis are starving, Baghdad has been caught trying to export baby food and medicine.

Would Saddam be a good neighbor in the region? In a speech commemorating the end of the Iraq-Iran War, Saddam accused Turkey and the Gulf Arabs of "treachery and disgrace" for harboring the planes that kill the men, women, and children of Iraq. He criticized "those rulers and kings who have sold out their souls and appointed [the occupying foreigner] to rule over everything that is dear and precious in the values and wealth of their people." Would he seek revenge? Saddam warned Iraqis "*not to provoke a snake before you make up your mind and muster up the ability to cut its head*," and in vintage Saddam style, he warned Iraqis, "*Do not give your enemy any chance to get the upper hand of you. . . . Do not exaggerate a promise you cannot fulfill or a threat your ability cannot support. . . . Keep your eyes on your enemy. Be ahead of him but do not let him be far behind your back.*"

In September 2000, Baghdad probed U.S. and UN resolve further. It inexplicably continued media campaigns against Kuwait and Saudi Arabia. At a time when world sympathy seemed to be moving toward Iraq and when Russia and France resumed civilian flights to Baghdad, Iraq accused Kuwait of oil theft. In tones reminiscent of the prelude to the invasion in 1990, Baghdad claimed Kuwait was once again digging wells and stealing oil from the oil fields that border the two countries. Saddam, his son Qusay, and senior officials joined the Iraqi press in calling once again for the armed overthrow of the Gulf regimes. The charges came days after Iraq had overflown the southern No-Fly Zone and, apparently for the first time since the Gulf War, penetrated Saudi air space. And Saddam has reiterated his threats to attack Israel and called for aid to the Palestinians since the latest confrontation between Palestinians and Israel began in October. Again, the threats are similar to those issued in the spring of 1990 when Iraq warned Israel it would face "incendiary weapons."

Finally, would Saddam pursue weapons of mass destruction? He has done so while UNSCOM inspectors were operating in Iraq. It is possible to read Saddam's intentions in his more recent speeches. For example, on eliminating weapons systems, Saddam told officials of the Military Industrial Organization in June 2000 that he was willing to limit weapons on condition that Israel did so first. The evidence lies in what Baghdad has been doing in the two years that it has gone uninspected. In early July 2000, the U.S. Government announced that Iraq had test-fired a short-range, liquid-fueled ballistic missile—the *Al-Samoud* ("resistance" in Arabic)—that could carry conventional explosives or the chemical or biological weapons that Iraq is still suspected of hiding.[7] U.S. officials said the tests are evidence that Iraq is working

to perfect its ballistic missile technology, which could be easily adapted to missiles with a longer range.

Option 4: Eliminating Saddam. This option could include both overt and covert methods, neither of which has held much promise so far. Overt methods include the use of sanctions and a containment strategy that employs random military operations, diplomatic isolation, and support for anti-regime opponents abroad. The use of sanctions is discussed above; diplomatic isolation is failing as more countries allow commercial overflights and send emissaries to Baghdad. Saddam is not exactly in the box envisioned in 1990 when sanctions were first applied, and recent events in Israel—the violence between Palestinians and Israelis and the potential collapse of the peace process—could have the unintended consequence of restoring Iraq and Saddam to respectability in the Arab world.

The remaining part of this option is the opposition, but there is confusion on what it is and how to deal with it. The U.S. Government has been dealing with the Iraqi National Congress (INC) since its inception as an umbrella opposition group in 1993. The results have been mixed. While many opponents of Saddam's regime living in exile have come out in support of efforts to remove him, they are not coalescing under the banner of the INC. Leadership rivalries and disagreements over tactics—should we accept U.S. money, should we plan a military response to fight Saddam, should we meet on Iraqi soil—keep the camps at odds. There is not one Iraqi opposition—there are several oppositions based in London, Damascus, Paris, Amman, Washington, and elsewhere in Europe. Where they are *not* is Iraq. It is impossible to evaluate their claims to have connections to or supporters in Iraq. Indeed, with the exception of a few representatives of well-known traditional families (Adnan Pachachi and Hatim Mukhlis are examples of Arab Sunnis with impeccable credentials as Iraqi Sunni and Arab nationalists), few are known or respected in Iraq.

The key elements missing to make a credible opposition with the INC are the Kurds and the Shiah. The two major Kurdish factions—the Kurdish Democratic Party led by Masud Barzani and the Patriotic Union of Kurdistan led by Jalal Talabani—remain outside the INC, although they both have representatives on the executive board. The major Shiah opposition group—the Supreme Council for the Islamic Revolution in Iraq (SCIRI)—is led by an Iraqi Arab cleric, Ayatollah Muhammad Baqr al-Hakim, and is based in Iran. SCIRI is not part of the INC, although a representative in London attends some meetings. The Kurds and the Shiahs are the warfighters of the Iraqi opposition; without them operating against the regime in Iraq, there is no Iraqi Liberation Army.

Policy Recommendations

- *The United States should remain committed to keeping sanctions in place, returning weapons inspectors to Iraq, and protecting Iraq's people.* It is irrelevant how much oil Iraq pumps or how much money it earns from oil sales. It is important that Saddam be denied access to those revenues, that food and medicine be distributed equitably throughout Iraq, and that Baghdad not be allowed to rebuild forbidden weapons programs. Operations *Northern* and *Southern Watch* are important politically to demonstrate to Saddam and Iraqis the limits of Saddam's authority and Western intention to monitor his activities. The costs include a disgruntled U.S. military and the commitment of U.S. assets perhaps needed elsewhere, but the benefits include enhanced and obvious security protection for Iraqis and their neighbors, who have valued coalition efforts to monitor Iraqi military operations and detection of weapons of mass destruction.
- *The new administration should review what the Iraqi "opposition" is or needs to be if it is to confront Saddam effectively.*
- *The new administration might need to consider how long a policy of containment—especially if it becomes a unilateral policy—could be pursued or at what point does Saddam fatigue—tacit recognition of Saddam—become permissible.*

Several key issues need to be resolved. What actions by Saddam will trigger a U.S. military response? Saddam is certain to test the new administration. He may try a feint into Kurdish territory or toward Kuwaiti and Saudi borders. He always challenges the No-Fly Zones to tempt U.S. aircraft into an act of reckless endangerment—his goal is to shoot something down or, short of that, trick the U.S. or British pilots into doing major damage to civilians. He will continue to refuse the UN access to Iraq—be it inspections by UNMOVIC or surveys of needs by humanitarian groups. He is well on the way to "disarming" the No-Fly Zones. He senses dissension within the Security Council and will try to exploit this by encouraging the international community to ignore the embargo, fly to Baghdad, implement contracts and understandings, and open full diplomatic relations.

What should our response be? Will we punish him for crossing into the No-Fly Zones or feinting toward Kuwaiti or Saudi territory? To ignore these infractions is to encourage him, unless we intend to alter our redlines. The coalition that opposed Saddam for much of the 1990s is no more. If the remaining governments supporting U.S. operations—the United Kingdom, Kuwait, and occasionally Saudi Arabia—withdraw their support, then do we go it alone? Today, only the United States and the United Kingdom fly the missions over the No-Fly Zones in northern and southern Iraq. The Clinton administration may have been considering this possibility when it had one senior official warn that "While multilateral sanctions were preferable, [we] should not abjure ourselves of the use of more unilateral methods when diplomacy cannot bring about the result we want."

Supporting Saddam's Opponents. There are several major difficulties in determining who to support, and how, in the struggle against Saddam.

- *Who should be supported?* There is not one united Iraqi opposition, and there probably never will be. Once loosely bound in the INC headed by UK-based dissident Ahmad Chalabi, many key elements have left the umbrella group. Most complain about the domineering role of Chalabi, resenting his assumption of authority and control over organizational infrastructure. The Kurdish and Shiah opposition groups—both of whom are the warfighters of the opposition movement and vital to its credibility—refuse to recognize Chalabi as sole leader and have withdrawn from active participation in the INC. Regardless of the status of opposition politics, it is rare in history that any revolution has been made by outside elements.
- *How much, if any, military assistance is to be given to an Iraqi Liberation Army that does not yet exist?* Without raising the specter of a Bay of Pigs if an Iraqi Liberation Army is trained and sent into Iraq to do battle with the still-effective Republican Guard, the United States could not abandon it to a slaughter. Yet, no administration, including that of President George H. W. Bush, has been willing to commit U.S. forces to fight inside Iraq to overthrow Saddam.
- *Should the same protections guaranteed the Kurds in northern Iraq be extended to the south and the Shiah?* Unlike the territory above the 36th parallel, southern Iraq below the 33d parallel is not a No-Drive Zone, and Iraqi forces are not warned against operations in the south as they are against those in the north. This disparity is an important one to Iraqi Shiah militants, who see discrimination and lack of U.S. resolve in this. If the United States does make the south a No-Drive Zone, it could stimulate attacks on Iraqi forces that would occasion broader U.S. military involvement in the zone.

Should the United States be prepared to recognize a son of Saddam in the event of Saddam's death or removal? This is an important issue. Does U.S. policy change if Saddam is gone? U.S. policy choices could be determined by the way in which Saddam "goes." If he dies because of illness—rumors that he has cancer have been circulating for months—or old age, then he will have had time to arrange a succession of his choice. One cannot learn many lessons in transferal of power in Iraq by observing the process in Syria. Bashar al-Assad was a relative political unknown with a reputation for opposing corruption and favoring technocrats and modernization. Oldest son Uday cannot be transformed from a figure of fear and loathing into one of sympathy, education, and strength. Second son Qusay, who has traditionally been the less visible but equally lethal of the sons, lately has surfaced not just as head of Saddam's multiple and redundant security forces, but has begun speaking out publicly on political matters.[7] If there is time to plan the transition, then Qusay will be able to place loyalists in positions of power and authority and to eliminate any immediate challengers, including his brother. This might ensure a relatively stable succession process.

If Qusay is the successor, then the United States will have to decide whether it can deal with a son of the regime it has declared rogue. Qusay appears to be much like his father—a cunning and suspicious figure who trusts no one and places survival of the regime above Iraqi security and well-being. He may be willing to offer vague concepts of reform, broaden the base of government, accept some limits on Iraqi actions, but he will not compromise on Iraqi independence, territorial sovereignty, or right to defend Iraqi national interest, however he may define it.

A coup by military or political factions that removed Saddam might be more tolerable for U.S. policymakers. It would certainly be welcomed by Iraq's neighbors and by European and Asian governments longing to deal with Baghdad again. Their rush to approve could preempt the impact of a U.S. decision to recognize or not to recognize or delay recognition to influence Baghdad's new government. If Saddam is overthrown by a revolt, then it is likely that blood revenge against the family—as well among the family's rival cousins and clans—would eliminate Uday, Qusay, and others from the more disreputable side of the family. Iraq's neighbors would hope that by quick recognition of the successor government, they

would shore up a sufficiently strong successor who could hold the country together. They would have little interest in the form of government to be reconstructed in Iraq, so long as it were led by a Sunni Arab military figure with little interest in sharing power with the Shiahs or extending autonomy to the Kurds.

Going It Alone

Pursuit of a foreign policy dominated by an Iraq agenda could have serious consequences for other U.S. policies and interests. What is the price Washington is willing to pay to ensure international—or P–5—solidarity on maintaining sanctions and Iraq's status as a rogue state? Do we offer Russia concessions on NATO enlargement, missile defense, or loans? Do we offer China concessions on Taiwan to get Beijing to back the UN resolutions? Perhaps we ease up on other sanctioned states, such as Iran and Cuba, in return for European support for our Iraq policy. In the short term, we probably will continue to have support from the United Kingdom and France on upholding the UN Security Council resolutions. But Paris and Moscow will also push for easing restrictions, allowing trade, and opening Iraq to development and investment.

The United States may in the longer term have to "go it alone." With or without the support of other governments, it will be much more difficult to maintain sanctions if and when Saddam is gone. The United States needs to have policies now for the time when change comes to Iraq, for it will come unannounced and undeterred by outside events. The United States will have to decide whether it can deal with any successor and whether it is prepared to offer an end to economic sanctions in return for a promise of stability, lessened tensions with neighbors, and an end to the persecution of Iraq's people. Washington will need to remind the Kurds of their commitment to remain within Iraq and that it is not prepared to support a Kurdish entity independent of Baghdad. It will need to remind the neighbors—Iran, Saudi Arabia, Syria, and Turkey—of their commitments to respect the integrity of Iraq and warn them not to interfere as Iraq's ethnic, sectarian, tribal, and institutional factions determine the make-up of a post-Saddam Iraq.

If Saddam remains in power for the indefinite future—he is only 63—then the United States needs to follow a consistent and coherent policy toward Iraq. Declaring redlines and then ignoring violations by Baghdad encourages Saddam to act more aggressively toward both his neighbors and Iraqis in pursuit of his goals. Several policy guidelines seem appropriate:

- Don't declare "redlines" unless we mean to defend them.
- Don't declare as our objective goals that are impossible to accomplish (such as claiming military operations are intended to eliminate all WMD stocks, programs, and facilities).
- Don't arm an opposition that is not a credible threat or support an opposition just to annoy Saddam; they aren't and he isn't.
- Don't link ending sanctions to regime change; this could have the effect of pulling Iraqis toward Saddam and not the desired consequence of turning them away from him.
- Decide now what kind of successor we are willing to accept and be prepared to follow through as events unfold. This assumes that policymakers must decide how important it is to U.S. interests and regional stability to keep Iraq stable rather than to see it slip into chaos or civil war.

Finally, the United States must be prepared to maintain its commitments to regional security and to the GCC states. We should be able to encourage rapprochement with Iran while calibrating Iraq's reentry into the international community.

Iran: Hidden Risks and Opportunities

Shiah Islam, the religion of 90 percent of Iran's population, has a custom born of repression and life as a minority culture. The custom is called *taqiyah* and is sometimes defined as deception; it is a way of denying publicly to the dominant political culture (usually Sunni) what is practiced or acknowledged privately (Shi`ism).[8] In a sense, trying to divine Iran's official view of reestablishing relations with the United States and to calculate what gestures to make falls under a similar definition. What we see in public discourse is not what we may hear in private conversation.

We assume that Iran's leaders under Khatami—if he and the reformists survive the conservatives' onslaught—will continue their uneven but determined pursuit of improving ties with the West and the United States. In terms of Department of Defense interests, our military in the Persian Gulf, especially the Navy, has daily, low-level contacts with Iranian counterparts that have been friendly and positive. These contacts are helped by transparency in our military operations. Iranian scholars have also participated in military-to-military conferences on regional

security issues hosted the Arms Control Agency at the State Department and an academic contractor, despite the risk such activities could pose if they were to be widely known in Iran.

This section concentrates on Iran's perceptions of threats to its security, how it intends to meet those threats, and the options for U.S. security policy should Iran continue its drive to acquire weapons of mass destruction, especially nuclear.

Iranian Security Perceptions

The Shah's views of Iran's role in regional affairs, perceptions of security threats, and visions of Persian national destiny were shaped by the same factors and threats that shape the security vision of his successors, the leaders of the Islamic Republic. Iran's leaders see their country as encircled by real and potential enemies—Iraq, which used chemical weapons against Tehran in the 8-year war; the Arab states of the Persian Gulf, which host the U.S. military presence and repress their Shiah communities; Pakistan, which is occasionally involved in hostile skirmishes with Iran on their mutual border and encourages anti-Iranian activity in Afghanistan; and Central Asia, once pro-Soviet, now a source of economic opportunity and sectarian risk. Above all, the United States and Israel are viewed as enemies, with Washington seen as keen to place a pro-U.S. regime in Baghdad and militarize Central Asia, while Israel is a nuclear-armed power determined to control Muslim holy places.

Iran's leaders—whether moderate Persian nationalist or conservative Islamist—view the world with trepidation. Regardless of where they stand on the political spectrum, we believe that they share a common view of the threats to the security of the Iranian homeland and of the kinds of measures necessary to protect Iran. This consensus includes agreement that at some point they will fight Iraq again and alone—just as they did from 1980 to 1988—and that Iran must be able to defend itself. Several factors shape Iran's strategic and military thinking:

- *Independence and self-sufficiency in strategic and tactical terms.* If Iraq or Israel has NBC capabilities, then so too must Iran. Iran must build its own military industries, reconstitute a modern military force, and have minimum reliance on foreign suppliers. This includes acquiring nuclear weapons to compensate for military weakness and relative strategic isolation.
- *Reassertion of Iran's traditional role of regional hegemon in the Gulf and beyond.* Iran's clerical leaders believe that it is Iran's natural right and destiny to dominate the region as well as to lead the world's Muslims.
- *Enhanced capability to defend Iran against any threat of military aggression.* While Tehran is almost certainly grateful for the success of UNSCOM in uncovering Iraq's multiple NBC programs, it nevertheless assumes that Baghdad will rebuild those capabilities once sanctions are removed and regardless of who rules Iraq. It also probably views nuclear weapon systems as the only way to reach a strategic parity with Israel or the United States, a balance it could not achieve through a reliance on a conventional arms buildup.

Iran began its pursuit of weapons of mass destruction, in particular a nuclear capability, under the Shah in the 1970s, at roughly the same time Iraq embarked on its NBC acquisition efforts. Iran's acquisitions include Russian and North Korean-designed Scud missiles and chemical and biological weapons. Russia is building at least one and possibly as many as three nuclear power plants at Busheyr and is providing nuclear training and technology to Iranian scientists. Its newest missile—the Shahab-3—has a range of 1,200 kilometers, putting targets in Israel, Iraq, Turkey, and the Persian Gulf within its reach.[9]

U.S. policy has tried to dissuade, if not prevent, suppliers—Russia, China, and North Korea in particular—from providing Iran with training and technology; we have used sanctions, threats of secondary boycotts of suppliers who have U.S.-based investments, and other forms of suasion. None have worked and, at best, U.S. efforts have delayed but not denied Iran the technology and material necessary for the development of a nuclear capability. The key will be acquisition of fissile material.

U.S. Policy Options toward Iran

There is little the United States can do to dissuade Iran from pursuing a nuclear weapons program. Moreover, a change in Iranian leadership is unlikely to change suspicions of U.S. behavior. Several factors might influence how far it goes and how it chooses to cross that nuclear threshold.

Option 1: Containment. U.S. containment policy toward Iran was intended to modify its behavior to stop supporting international terrorism, stop opposing the Middle East peace process, and stop seeking to acquire weapons of mass destruction. The sanctions include a trade embargo and sanctions on those who provide investment and development assistance to

Iran. Scholars and analysts disagree on the impact of sanctions, but one thing is clear: sanctions, including the arms embargo and efforts to block foreign loans to and investment in Iran, have delayed but not denied Iran the ability to acquire unconventional weapons capabilities. Spending on conventional military reconstruction did not reach the levels U.S. Government experts estimated that they would reach in the early 1990s. At the same time, demands for domestic spending on subsidies, job creation, and economic infrastructure in years of low oil prices did not preclude spending on acquisition of NBC technology. In fact, low oil prices and domestic economic woes probably did more damage to the Iranian economy than sanctions. Sanctions have delayed but not denied Iranian efforts to procure the expertise, technology, and material for unconventional weapons. U.S. sanctions policy has eroded relations with Europe, whose preferred policy has been engagement and not containment, critical dialogue and not isolation. Until Khatami became president of Iran, with an agenda to re-open relations with the West, critical dialogue also failed to influence Iranian behavior. Our recommendations, therefore, are to:

- *Drop economic sanctions.* Instead, encourage foreign investment in Iranian domestic and economic infrastructure.
- *Maintain military sanctions.* The new administration will need to be more selective with the controls that it will probably try to maintain on technology transfer, especially where dual-use technology is involved.

Option 2: Transparency. Iranian leaders, for the most part, assume that the United States maintains a large military force in the Gulf to monitor Iran, not Iraq. They also assume that we are intent on militarizing Central Asia (where our military-to-military relationships with the new republics of the former Soviet Union are highly visible). To prevent Iran from misinterpreting U.S. intentions and activities, especially in the Persian Gulf, U.S. military moves should be as transparent as possible. Three measures could help in this regard:

- *Confidence-building measures*, such as help in de-mining, an incidents-at-sea agreement, and joint-rescue exercises;
- *The gradual inclusion of Iran in regional security discussions.* This would not amount to a security pact or Iran's inclusion in a GCC- or NATO-style arrangement; it could mean a new venue where tensions could be reduced without risk of military confrontation (similar to the Association of Southeast Asian Nations model).
- *Greater transparency in U.S. military operations* in the Greater Middle East/Central Asian region. The more predictable and transparent the United States is in its military operations in the Gulf and the more continuity before and after Iran crosses the nuclear threshold, the less value there will be to Iran in acquiring nuclear weapons.

Option 3: Leverage the Suppliers. If preventing the proliferation of WMD is a top policy priority, then U.S. policy should look for ways to prevent the suppliers from making, or encouraging them not to make, the material and training available. What price are we willing to pay to prevent Russia, China, and North Korea from aiding Iran? There is no evidence to suggest leveraging proliferation stops proliferators. There is, however, the distinct danger that we will pay and that they will continue to provide the proscribed goods and services.

Option 4: Broaden security commitments and upgrade presence to include theater missile defense. If or when Iran crosses the nuclear threshold, then its neighbors will be faced with some difficult choices. Saudi Arabia and its partners in the GCC could choose to do nothing, join someone's nuclear umbrella, or acquire their own nuclear-armed weapon systems. The GCC states are consumers of security, vulnerable to attack from larger, more powerful neighbors if provoked. Thus far, the Gulf states have chosen, for the most part, to ignore threats to their security and to seek arms and commitments from external powers. The memory of Iraq's invasion of Kuwait should be a sufficient reminder that threatening neighbors cannot be ignored, but memories fade fast in this region, and there is an overwhelming desire on the part of most Arabs in the region to return to the policies of a simpler, distant era—before Baghdad's invasion of Kuwait.

What could the United States do? There are several options, each with its negative side.

- *Provide new or additional military aid to the Gulf Arab governments.* This carries risks. Israel is certain to oppose any Gulf Arab requests of the United States for weapons upgrades, new fighter aircraft, or nuclear-armed long-range missiles, believing—incorrectly—that any new systems would be targeted on Israel and/or turned over to the Palestinians or Syrians for use against Israel. Force protection is an obvious concern, especially given the attack on the *USS Cole* in Aden. A U.S. military presence in the Gulf will be required for some time; the desire to reduce force vulnerability needs to be balanced against the political and deterrent value of a visible U.S. military presence in the Gulf. If friends and enemies no longer see U.S. forces and operations, they may conclude that the United States is less

likely to defend its interests and honor its security commitments in the region. Pulling back U.S. forces as Iran becomes a nuclear power would also add to the incentives for proliferation by suggesting that the United States will reduce its presence in response to governments acquiring nuclear weapons capability.

- *Construct a nuclear missile defense system*, perhaps, as jointly controlled projects with the host nation. However, that would give Riyadh or Muscat or Abu Dhabi or Kuwait a veto on U.S. usage of the equipment. The Gulf Arabs over the past decade have rejected our demarches and intelligence warnings regarding the growing military capabilities of Iran or the dangers inherent in Iraqi military maneuvers. What evidence would they need to permit U.S. military action against Iran or Iraq? Finally, would the United States be comfortable with a nuclear-capable Gulf? Unlike India, Iran, Iraq, and Pakistan, these countries have no indigenous manpower base to construct, operate, deploy, maintain, or protect the systems.
- *Be prepared to offer expanded security guarantees and a smaller presence.* In the face of a nuclear-armed Iran, or a rearmed Iraq, the Gulf Arabs are likely to seek expanded U.S. guarantees of enhanced protection and promises to defend them if a confrontation is imminent. They are not likely, however, to support a U.S. policy of preemptive strikes to lessen their Iran problem. Like the Europeans, they prefer engagement to isolation and negotiations to military operations. They will not join Iran in a security arrangement that would preclude a U.S presence in the Gulf. They are almost certainly aware that it is the U.S. military presence—visible and active—which allows them to improve relations with Tehran now and Baghdad some day. At the same time, the Gulf regimes are wary of closer ties to the United States, fearing popular protest to the costs, presence, and dependence on the United States for protection their governments should be able to provide.

Option 5: Engage Iran. A more effective course for U.S. policy would be to continue to seek dialogue with Iran and, at the same time, minimize the value of acquiring nuclear weapons. U.S. sanctions policy has inhibited some countries and companies from doing business in and providing loans to Iran, but our ability to dictate the terms of other governments' engagement with Iran is diminishing rapidly. A new course of seeking engagement with Iran would seem more productive than trying to sustain alone the current containment policy.

- *Stop vilifying Iran as a rogue state.* Recognizing Iran's security perception and giving it a voice in a regional forum would allow Iran the political, economic, and strategic interaction it seeks, but would also set the agenda and terms of engagement on the basis of Iranian behavior before it tries to make demands based on its nuclear status.
- *Work on topics of shared concern.* Washington and Tehran view the Taliban of Afghanistan, with their penchant to support terrorism and drug trafficking, as a serious threat to the security and stability of the Middle East and Central Asia. We sit with Iranians on the UN committee to monitor Afghanistan.
- *End the sanctions that preclude economic investment in Iran.* Acquiescence to a pipeline project to carry Central Asian gas and oil would be an important signal of U.S. awareness of Iran's economic needs. It could also defuse potential Iranian dependence on Chinese investment in the energy sector of its economy.

Notes

[1] The United States first entered the Gulf with a small naval presence—the 5th Fleet—in 1949 in Bahrain; U.S. policy encouraged a balance of power that allowed the Shah to dominate the region.

[2] The RDJTF became the U.S. Central Command (CENTCOM) in 1983; its mission was to "deter the Soviets and their surrogates from further expansion and, if necessary, defend against it."

[3] This has been a favorite suggestion of Oman, with no further specifications known.

[4] After meeting with Iraqi Deputy Prime Minster Tariq Aziz in mid-September, French Foreign Minister Hubert Vedrine warned Iraq not to expect any weakening of UN Security Council determination to return weapons inspectors to Baghdad. He concluded that Iraq had no intention to comply with the UN.

[5] U.S. Government officials estimate that Iraq will earn $18 billion in oil revenue this year because of high prices and the tight market. This is more than Iraq was earning in 1990, on the eve of the Kuwait invasion. Although the revenues go to the escrow account at the UN, the additional money gives Saddam more bargaining room with contractors and energy consumers.

[6] The range of the missile was less than 150 kilometers (95 miles) and not in violation of UN Security Council resolutions that ban missiles with a range greater than 150 kilometers.

[7] In a letter to his father sent on the occasion of the 10th anniversary of the occupation of Kuwait, Qusay applauded the "decisive role" of the Republican Guard, which he heads, in the "liberation" of Kuwait. Iraqi opposition sources may be overinterpreting Qusay's motives, but he could be making a bid for a more open political role to rival his brother's election to the parliament last spring by 99 percent of the vote.

[8] As a religious concept, *taqiyah* allows a Shiah Muslim to dissimulate to save his life, but the concept also feeds into a broader cultural pattern of 2,000 years of court politics, where one conceals true motives to preserve one's options.

[9] This section draws on a study by the Institute for National Strategic Studies on *Strategic Implications of a Nuclear-Armed Iran*, to be published shortly. Information on the current status of Iran's NBC programs is best obtained from official sources.

Russia

by Eugene B. Rumer

Overview. Russia enters the new decade amidst significantly lowered expectations. Its domestic prospects look dim. Its prospects as a major player in the international arena are equally dim as a result of its domestic weakness and inability to articulate, let alone implement a coherent foreign policy agenda. The decade of the 1990s, with Russia in transition and the object of expectations of its imminent resurgence as a major power, has been succeeded by a new stage during which it has become increasingly likely that Russian transition—if it is a transition—probably will last even longer than previously thought. Thus, instead of prejudging the outcome of that transition and assuming the inevitability of a Russian comeback, as students of Russian affairs inside and outside of Russia have long done, the policy community needs to adjust its view of the country. There is nothing inevitable about Russia's comeback. It will not bounce back from its troubles any time soon. Its current decline may well continue indefinitely.

- Hence, for the foreseeable future and from the standpoint of U.S. policy and interests, the United States has to deal with a weak and retreating Russia whose residual international ambitions will usually exceed its capabilities and whose principal near-term challenge will be downsizing in a predictable, responsible manner.
- Despite its diminished international stature and domestic circumstances, the country's geography and nuclear arsenal preclude "forgetting Russia" as a realistic option for U.S. policy. The recommended course is an agenda of focused but limited engagement with Russia on key issues of strategic stability, weapons of mass destruction (WMD) proliferation, and select regional concerns on Russia's periphery where U.S. interests are at stake.

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Russian Decline

The roots of Russian decline are in the country's domestic conditions. Despite improved economic statistics helped in a large measure by the effects of the 1998 crisis-driven currency devaluation and significantly higher oil prices, the Russian economic picture remains bleak. The country's chief problem is not the lack of growth (its gross domestic product grew by nearly 4 percent in 1999 and by 7 percent in the first half of 2000), but the quality of its economy, which suffers from long-term structural afflictions including:

- Weak rule of law and property rights.
- Absence of an independent judiciary and a corrupt institutional environment.
- Weak civil society.
- Blurring of lines between public and private spheres.
- Fragmentary market structure fractured along internal political and administrative boundaries.

- Aging infrastructure in need of vast amounts of investment.

These and other problems pose a formidable obstacle to both penetration of foreign investment and Russian ability to enter the new global economy. The quality and quantity of these problems are such that they are likely to be remedied only by long-term solutions. This situation raises a key question about Russia's ability to catch up to the rest of the industrialized and post-industrial world. The number and scope of structural problems and the resulting dependence on world markets of raw materials raise the likelihood that Russian economic development will follow the pattern of boom-bust cycles: periods of prosperity and growth will alternate with sharp declines in economic performance in sync with fluctuations in global prices of raw materials, particularly oil. Its institutions and enterprises lack the flexibility to adapt quickly to changing international economic circumstances. Thus, far from catching up to the global economy, Russia is facing the prospect of becoming a victim of globalization.

Russia's prospects and competitiveness in the international arena are further aggravated by the cumulative impact that years of economic decline have had on its social sphere. The breakdown in the public health care sector and the resulting epidemics of AIDS, tuberculosis, and diphtheria, alcoholism, drug use, and poverty among children are just a few examples of the long list of afflictions that have profoundly and adversely affected Russia's demographic situation and in turn raised questions about its long-term prospects as a major power. Between 1991, when the Soviet Union broke up, and 2000, the population of Russia declined from 150 million to 145 million and is expected to fall further in the future.

Besides bleak domestic socioeconomic conditions, Russian performance abroad and at home will have to contend with yet another problem: the fragmented nature of political power in Russia. Russia's size, the eroded power and authority of the federal government, the decline of central coercive institutions, and the rise of important centers of political power throughout the periphery of the Russian Federation have produced a political system that closely resembles feudalism.

The economic, political, and social cataclysms of the 1990s have had a devastating effect on Russian military capabilities. The Russian military is in the throes of yet another attempt at military reform, after several such failed initiatives. Because of service and conceptual differences, accentuated by fierce competition for scarce resources, the outcome of military reform remains in doubt. However, what is not in doubt is that the Russian military, which most observers believe is not capable of dealing with another Chechnya-style contingency, will undergo further contraction from its current hollow level of 1.2 million to 800,000 or fewer.

Under such conditions, Russia is likely to become increasingly marginalized in world affairs. The preeminence of structural factors in this analysis is a relatively recent phenomenon, resulting, ironically, from recent political developments in Russia. Boris Yeltsin's Russia was perceived widely as a transitional state whose weakness and erratic, unpredictable behavior in domestic and international spheres was closely linked in the minds of both the general public and professional Russia-watchers with the persona of Boris Yeltsin. Many of the long-term structural trends mentioned in the preceding paragraphs have been known to students of Russian domestic affairs for quite some time. However, they received relatively little attention as a result of general preoccupation with Yeltsin personally and leadership politics.

Yeltsin's resignation from and Vladimir Putin's election to the presidency of Russia were perceived as a turning point, so stark was the contrast between Yeltsin and the young, focused, and much more dynamic Putin. But the fact that Russia's decline and weakness could no longer be attributed to the erratic behavior of its leader suddenly brought into focus the structural factors that Russia must address on the road to recovery. The number and scope of these factors suggest that this is no longer a transitional state, but quite likely a country on a downward trajectory.

The prevalence of structural factors in this analysis is deliberate, however, for none of the multiple tasks on Putin's agenda—rebuilding the state, the economy, and the society—is subject to a quick fix. The problems are the result of the decades of decline of the Soviet Union and Russia, which are not to be reversed in a few years. In the context of Russia's ability to interact and play a significant role in the international system, the task of rebuilding is even more formidable, since the international system itself is not

static, and the gap between Russia and the rest of the first world it aspires to join will continue to grow.

Throughout the 1990s, much of U.S. and other Western interaction with Russia was built on the premise that Russia's comeback to the ranks of major powers was imminent. Expectations of Russia's eventual return to greatness were further fueled by its residual presence in Europe—in the former German Democratic Republic and elsewhere in Eastern Europe and in the Baltic states—until the middle of the decade.

Therefore, the United States and its allies pursued a policy of deliberate inclusion, if not integration, of Russia into their initiatives and institutions. Ventures such as G–8, NATO–Russia, the Contact Group, and European Union (EU)–Russia summits are the result of this approach and are testimony to the Euroatlantic community's expectations of Russia's imminent recovery. Ten years later, the recovery is nowhere in sight. The time has come to revise our assumptions about Russia and its place in the world and to amend our policy toward Russia based on those assumptions.

Russia can no longer be legitimately considered in transition. Although it will continue to evolve, for all practical purposes it has reached a permanent state, a lasting phase. In that state, Russia will be a marginal player at best in the international arena. Nuclear weapons and geography will be its most important claims to a special place in Eurasian affairs (its presence beyond Eurasia, however, will be negligible). Its economic performance and potential, demographic conditions, scientific-technological base, culture, and nonnuclear military capabilities will be equivalent to those of a mid-sized regional power.[1]

Russia no longer deserves a special place on the U.S. foreign policy and national security agenda, one that compels us to consult automatically with Moscow on key matters across the board from the Middle East to North Korea. To be sure, the United States does have important interests in Russia and needs to make sure that they are protected, but the time of paying attention to Russia just because Moscow used to be the capital of the Soviet Union has passed. This does not mean that Russia deserves to be neglected or forgotten. Instead, it should be included, but only where and when it can be a meaningful player and after a careful and realistic assessment of our interests in it and the costs associated with protecting them.

U.S. Interests

This development calls for a new appraisal by the United States of its interests in Russia. To repeat, the notion that our stake in Russia is defined by what it once was and could be again in the future is no longer sufficient. Upon further consideration, a reassessment of U.S. engagement with Russia is in order not only as a result of a revised set of expectations for Russia, but also as a result of a realistic assessment of U.S. interests in it.

What are U.S. interests in Russia? ***By far the biggest and most important among U.S. interests remains reducing the threat of nuclear weapons to the United States*** and preventing proliferation of WMD and means of their delivery. Beyond WMD, Washington has a general interest in seeing Russia evolve into a stable, predictable, and responsible member of the international community. Other interests related to Russia's unfulfilled economic potential and commercial opportunities for U.S. companies, while attractive, do not meet the threshold of important national security concerns for the United States. However, the United States does have an interest in Russia's neighbors, their security and stability—an area in which Russia has great residual influence and is likely to be an important player, and one that will necessitate dealing with Russia because of U.S. interests, even though our immediate concerns may rest outside Russia proper.

Notwithstanding the link between U.S. interests in Russia and its neighbors, there is one crucial difference: the United States has a compelling strategic interest in the Russian nuclear arsenal that is not subject to debate, regardless of any other considerations; the nature of U.S. interests elsewhere in the former Soviet Union is subject to more than one interpretation and is a topic of ongoing debate in the United States and abroad.

Arms Control: Diminished Role

The question of how best to pursue strategic arms control with Russia has no easy answers. The experience of the 1990s with U.S.-Russian strategic relations deadlocked for many years—first over the issue of START II ratification by the Russian Duma and then by the politics of national missile defense (NMD) in the U.S. Senate—is not a good precedent for future arms control reductions. Moreover, ***the***

logic of bilateral U.S.-Russian negotiated arms control, much like the logic of mutually assured destruction (MAD), has lost its appeal, as Russian weakness, rather than strength, has become the chief source of U.S. strategic concerns.

The alternative—reciprocal or unilateral arms control—has a number of attractive features. Most attractive among them for both sides—neither of which realistically fears the other's surprise attack—is the prospect of being able to size and structure a force commensurate with its threat perceptions and financial capabilities, and to do so in a timely manner. After years of deadlocked negotiations, the merits of this approach are indisputable.

However, will this approach be cost-free? With U.S.-Russian political relations stalled at a post-Soviet low, and with anemic bilateral economic relations (U.S. exports to Russia in 1998 amounted to $3.5 billion, while U.S. imports from Russia amounted to $5.7 billion), negotiated bilateral arms control has been the most significant element of the relationship, sometimes serving the role of a surrogate for the entire relationship. Were negotiated bilateral arms control to be removed from the agenda between the two countries, there would not be much left of that agenda at all. The limited equities the United States has in the political and economic relationship with Russia could not possibly fill the space on the agenda currently occupied by bilateral negotiated strategic arms control. The latter's removal from the agenda and replacement with a unilateral posture of reciprocal or non-negotiated reductions would mean that U.S.-Russian relations would be narrowed greatly.

Narrowing the Agenda. A narrowing of the scope of U.S.-Russian relations appears to be not only advisable but also inevitable because of the low probability that the current model of strategic stability based on the notion of MAD—and an adversarial U.S.-Russian posture—can be sustained for long, let alone indefinitely. The direction of the U.S. strategic debate, plans for NMD, proposals for unilateral or reciprocal arms control, and the widespread abandonment of the perception of Russia as a strategic threat suggest that MAD is unlikely to endure as the underlying principle of U.S.-Russian strategic relations. With bilateral negotiated arms control as one of the likely early victims of this paradigm shift, the agenda for U.S.-Russian relations would be reduced in terms of both its scope and importance.

A narrowing of the U.S.-Russian agenda does not need to be prejudged as a major blow to U.S. interests. Indeed, given Russia's internal troubles, diminished status, and uncertain prospects, it is likely to be in the U.S. interest to do so. But it should come about as a calculated decision rather than as an unanticipated consequence of a well-intentioned move to break out of the political gridlock surrounding bilateral negotiated arms control.

By the end of the 1990s, bilateral negotiated arms control had also become the dominant element in the U.S.-Russian strategic dialogue. In the absence of bilateral arms control, such a dialogue could easily lapse, with each side reverting to its own respective unilateral posture and failing to make the special effort to continue to communicate. Yet, no matter what the quality and intensity of U.S.-Russian relations, such a dialogue is advisable, given the interests both sides have in understanding each other clearly.

Impact on Regional Proliferation. Given the weight of arms control on the U.S.-Russian bilateral agenda, there are certain to be consequences in other areas from such a decision. U.S. counterproliferation interests and efforts in Russia would be among the first areas affected. The impact is likely to be felt in U.S. efforts outside rather than within Russia. U.S.-funded Cooperative Threat Reduction programs in Russia are not likely to be in immediate danger because of their direct and tangible benefit to concrete Russian interests. However, U.S. attempts to enlist Russian cooperation in joint efforts to stem the flow of WMD-related technology and equipment in other areas, such as Iran and India, are likely to encounter even less success than they have to date.

Russia has exhibited a rather relaxed attitude toward WMD and ballistic missile proliferation in general. Whether this disregard for the current and future challenge of WMD and missile proliferation is a permanent feature of Russia's strategic outlook is unclear. However, the only safe assumption for the United States is that a general narrowing of the U.S.-Russian bilateral agenda would further reduce Washington's ability to influence Russian proliferation attitudes and posture.

Although a troublesome prospect at first, upon further reflection this is hardly a reason to be alarmed. U.S. leverage on Russian proliferation and counterproliferation efforts or threat perceptions has always been limited at best. Purely economic pressures on Russia's

defense-industrial complex and research and development establishment have as much to do with this situation as do differences in threat perceptions. The notion that the United States cannot afford to pursue a more limited path of engagement with Russia because it needs to protect its counterproliferation interests and ability to influence Russian arms sales to Iran is misleading, for there is little there to protect.

Iran, not Russia, holds the key to Iranian WMD and missile pursuits. Russian-Iranian relations, despite the apparent disparity in the two countries' sizes and capabilities, are heavily skewed toward Iran. Tehran is prepared to buy Russian weapons and technology. Russia is an eager seller by virtue of the dire condition of its defense-industrial complex after the Soviet collapse. As long as Iran has the means, Russia will be both a source of conventional arms and a proliferation risk.

A Marginal Player. Russia is likely to have few, if any, meaningful opportunities to retaliate against the United States for narrowing the bilateral agenda. There is hardly a major issue on the international agenda where Moscow has the capacity or inclination to make a constructive contribution. Its influence in Europe and Asia is on the decline. In most instances, the best it can do is to abstain from participation. Such is the case in the Balkans, where the revolution in Belgrade has left Russia without an ally; such also is the case on the Korean peninsula, where progress in North-South relations and U.S.-North Korean relations has left Russia without a client and with little prospect of playing a role in regional affairs. Such is likely to be the case with Iran and Iraq—if and when better relations with the United States develop—for Russia in its current condition has little to offer to these two countries in need of capital and know-how for modernization.

Unlike the Soviet Union in 1985, when Moscow's engagement was indispensable for settling most, if not all, major issues in the international arena, and unlike Russia in 1992–1993, when Moscow was accorded a prominent place in world affairs based on expectations of its imminent return to greatness, Russia in 2000 is largely disengaged and can influence few international developments. Thus, a narrowing of U.S.-Russian bilateral relations can come at no real price for the United States.

A More Selective Engagement

A narrowing of the bilateral agenda, however, does not mean isolating Russia. It means engaging Russia only where it matters. Given Russia's size and history, both of which are bound to play major roles in its security policy, it will remain a significant factor in several regions of concern to the United States, including Eastern Europe, the Caucasus, and Central Asia. Russia is likely to play an important role in these regions because of the residual ties it has to local regimes and also because it is surrounded by and is dealing with countries that, a decade after the dissolution of the Soviet Union, have found themselves in even more precarious circumstances than Russia has.

Regional Role. Russia is likely to play an important role in shaping the fate of its neighbors. It will do so whether or not it is able to stem its own domestic decline. If it is successful in its pursuit of internal transformation, it is likely to play the role of a security manager, possibly even hegemon, in the post-Soviet space. If its decline continues unchecked, Russia's own internal weakness is likely to reverberate negatively throughout the neighboring states. Each of these outcomes will have different consequences for the United States.

The best outcome for the United States—a stable and prosperous Russia emerging as a partner to the United States, sharing its interests and priorities, and acting as a surrogate for it—is also the least likely prospect at this time. Although not explicitly hostile to the United States, Russia's elite and populace share few U.S. concerns in the international arena, including WMD proliferation, promotion of democracy and human rights, and free trade. Russia's elite is opposed to the instruments that the United States has chosen to address these concerns—NATO enlargement, humanitarian intervention, and sanctions. Therefore, Russia's acceptance of U.S. concerns or benign acquiescence to the means of their pursuit appear highly unlikely throughout the former Soviet Union or elsewhere in the world.

The prospect of Russia emerging as a powerful Eurasian hegemon driven by a hostile anti-Western ideology is also quite remote. Russia's military and economic weakness and the federal government's continuing inability to reassert its power and authority in Chechnya and elsewhere in the North Caucasus suggest that its internal weakness will act as a powerful constraint on its hegemonic impulses. The United States is

likely to be confronted with the third option—a weak and uncooperative Russia, nostalgic for its former greatness and occasionally acting in pursuit of grand ambitions, but ineffectual and ultimately unsuccessful.

Whereas Russia and the result of its transformation are likely to have a significant effect on its neighbors throughout the former Soviet Union, the reverse is also inescapable. Developments in the former Soviet states are likely to affect Russia's domestic politics and foreign policy. For example, a new crisis in the Caucasus, in Central Asia, or in Ukraine—with or without Russian complicity, but with a probable Russian impulse to intervene as a peacemaker—could trigger further instability in Russia proper and heighten tensions between Moscow and Washington as well as its European allies.

Regardless of its motives, a further weakening of Russia as a result of postimperial overextension in neighboring regions would not be in the interest of the United States. But given Russia's own weakness and the uncertain prospects of many of its neighbors, the United States is likely to be faced with the most difficult of the three options sketched out above—a weak and uncooperative Russia.

Reconciling U.S. interests in Russia with its interests in other former Soviet states will involve difficult tradeoffs. These may require compromises regarding the independence or sovereignty (or both) of Russia's neighbors and the regional interests of the United States or its allies. U.S. policy in support of multiple pipelines from the Caspian is one such area where a thorough reconsideration of U.S. interests and options may be required. Ukraine, with its dependence on Russian energy exports, also could find its strategic choices constrained as a result of increasing Russian pressure to adopt a less independent stance in international affairs, especially if Russia is successful in building an alternative gas pipeline to Europe through Belarus.

Generally, the United States will need to develop a posture that will respect the independence and sovereignty of the former Soviet states while recognizing Russian interests there. Ideally, this should be a posture built around the following three elements:

- Recognition that although Russian and U.S. interests are not identical, some important connections exist between them;
- Commitment to consultation and transparency so as to avoid surprises; and
- Occasional joint/parallel action.

This posture could lead to cool but benign relations between Russia and the United States. Such a benign state of bilateral relations could not develop in the short run. Rather, it is an end-state that the two countries would need to work hard to achieve. But it is an end-state that is fully consistent with the notion of narrowing U.S.-Russian bilateral relations.

A New U.S.-Russian Agenda

The challenge for U.S. policy toward Russia is ***to narrow the scope of the relationship, but enhance its quality and intensity in those areas where each of the two countries has substantial interests***—strategic stability and regional stability in the former Soviet Union. Elsewhere—in the Middle East, on the Korean peninsula, and in the Balkans—U.S. efforts on behalf of regional stability and security need not include Russia.

Balkans. Should Russia eventually decide to withdraw from peacekeeping operations in the Balkans, it should not be dissuaded from doing so. Its presence strains its capabilities and creates a misleading impression of partnership where there is none. Whereas in the early and mid-1990s the inclusion of Russia in Balkan peace efforts may have seemed reasonable and advisable, based on expectations of Russian recovery and promise of Russian partnership with the West and NATO, the new calculus with regard to Russian prospects at the end of the decade does not support such efforts. Russia has little to offer the Balkan countries in advancing their economic and social development, while its continuing participation in peacekeeping efforts creates both an inflated perception of its role there and an unfounded impression of common interests with the United States and its European allies.

Bilateral Ties. Progress in bilateral relations will require engaging Russia in a dialogue about U.S. interests, intentions, and activities with a view toward achieving maximum transparency, avoiding surprises and, possibly, carrying out joint/parallel action in select cases. General areas for dialogue should include:

- Strategic stability and NMD;
- Impact of proliferation on strategic stability;
- Revolution in military affairs (RMA) and its impact on strategic stability;
- Regional trends in the former Soviet states; and

- European security and options for NATO expansion in 2002 and beyond.

Dialogue on these issues should be conducted at several levels:

- Senior diplomatic consultations;
- Contacts between intelligence communities; and
- Military-to-military exchanges.

These contacts should not be limited to the executive branch, but should include representatives from the two countries' legislative branches.

In addition to these government channels, a deliberate effort to reach out to Russian foreign policy and political elites could play an important role in improving the climate for bilateral relations. This outreach effort should take the form of attendance at policy-academic conferences, interviews and submissions to Russian media outlets, visitor programs, and increased use of the Internet to facilitate dissemination of U.S. policy statements.

In addition to a more active U.S.-Russian dialogue, special attention should be given to two critical issues: better coordination with NATO, the EU, and individual major European allies; and improved consultations on U.S.-Russian relations with congressional leaders.

While enhancing the quality of U.S.-Russian dialogue and consultation process on a select range of topics, the United States will be in a strong position to limit the number of top-level exchanges and summits. For example, the practice of nearly obligatory bilateral presidential U.S.-Russian meetings on the margins of multilateral fora—the G–8, the UN General Assembly, the Organization for Security and Cooperation in Europe—can be discontinued without harm to the relationship.

Reviewing Russia's participation in the G–8 is another step warranted in the context of narrowing relations. The disparity between Russia and the rest of its G–8 interlocutors speaks for itself, while the depth of Russia's internal decline suggests that the gap will not be closing in the foreseeable future. That leaves G–7 leaders with the difficult prospect of reversing the trend of the 1990s, as a result of which Russia inched closer and closer toward full membership in the group. One possible way for Russia to avoid the embarrassment of being excluded from G–8 is to restrict its participation to political discussions, while expanding the role of economic discussions on the agenda.

NATO-Russia. While the NATO-Russia Founding Act has fallen short of both sides' expectations, it provides a general and still useful framework for engaging Russian foreign policy and military establishments and for conducting a dialogue on some of the key issues listed above. Any attempts to change or revise the Founding Act in the hope of thus improving the relationship between the alliance and Russia are likely to prove counterproductive at worst and irrelevant at best. The challenge for the alliance now, as it has been in the 3 years since Madrid, is to find the right substance, not style, for engaging Russia. A candid—and early—sharing of allied thinking on the next stage(s) of its evolution and/or enlargement appears to be the right issue on which to engage Russia. However, given the limits to Russian willingness and ability for a meaningful engagement with NATO, it would be advisable to consider abandoning the practice of regular high-level meetings and holding them only as necessary.

Military-to-military exchanges, both bilateral and within the NATO framework, are another area where U.S. expectations should be lowered. Contacts between military professionals cannot fill gaps in the political relationships between the United States and Russia and between NATO and Russia. However, they can and do provide useful insights that *in the long run* can serve a useful purpose in crisis management, interoperability in joint operations, or understanding each other's operational and strategic concepts.

All of these recommendations are driven by a sense of Russia's diminished capabilities and our stake in them. The proposed steps rest on the revised expectation that such a partnership remains distant indeed, more distant than it appeared at the outset of U.S.-Russian relations in the aftermath of the breakup of the Soviet Union. The goal of these steps is to return the relationship to a realistic basis.

Notes

[1] Russia has the same gross national product as the Netherlands with ten times its population.

South Asia

by John C. Holzman

Overview. South Asia accounts for one-fifth of humanity but is, geographically and culturally, far from the United States—"on the backside of the world," as one senior official commented. Perhaps because of distance and an American perception that South Asia's large population represents strategic weakness rather than strength, it has not been an important region for U.S. foreign policy. Instead, the United States has tried to fit South Asia into larger, global strategies, rather than addressing it on its own terms.

To continue to view the subcontinent as a backwater imperils significant U.S. global and regional interests. Indo-Pakistani relations are as bitterly tense as ever, and a serious confrontation of some type is a near certainty during the next several years. The exact form of the next crisis cannot be predicted, but its consequences could be catastrophic if it were to spin out of control and result in a nuclear exchange. Research conducted by the Naval War College indicates that nuclear war between India and Pakistan could result in casualties in the millions, a breakdown in governance in both countries, and the largest humanitarian crisis in history. Pakistan's own dubious stability as a viable state, its growing Islamic militancy with a global reach, and an emerging competition between China and India that could take the form of an arms race, all further complicate the South Asian security scene and render it more tenuous.

These sobering realities highlight the need for the new administration to develop a strategy that will lead India and Pakistan to adopt transparent nuclear weapons postures that encourage regional stability and reduce the likelihood of a nuclear exchange, either by intention or by inadvertence. To succeed, the strategy must accept the reality of a nuclear South Asia and address the regional dynamics that caused India and Pakistan to develop weapons of mass destruction. Achieving these goals will require greater investment in a broader and deeper Indo-U.S. security relationship that yields influence over Indian strategic thinking and action. The United States must also rebuild its relationship with Pakistan, engage the military in several areas critical to the United States, and halt the slide from friendship into outright animosity.

Policy Context

During the Cold War, as part of the policy of containing the Soviet Union, the United States supplied Pakistan with modern arms, despite Indian protests

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that U.S. weapons would be used against it and not the Soviets. India also complained that the United States ignored or acquiesced in Pakistan's nuclear weapons program, which came from China, while trying to restrict India's own access to dual-use technology. Even though India eventually developed its own security relationship with the Soviet Union, it bitterly resented U.S. willingness to disregard its concerns about Pakistan. For its part, Pakistan claimed to be the "most allied of U.S. allies" in the Cold War, even as it stubbornly resisted U.S. policies that it believed would impinge on its competition with India.

Following the collapse of the Soviet Union and the end of the Cold War, U.S. South Asia policy has marched to the tune of another global containment policy—that of containing the spread of nuclear weapons. During most of the 1990s, the U.S. mantra was that India and Pakistan should "cap, reduce, and eliminate" their nuclear weapons programs. The specific policy objectives were to gain Indian and Pakistani support for global treaties banning nuclear tests and capping the production of fissile materials. This approach was consonant with U.S. support for the Nonproliferation Treaty (NPT) but ignored the security perceptions that impelled the two nations' weapons programs, most particularly their conflict over Kashmir, Indian concerns about the role of China in the region, and Indian belief that nuclear weapons were key to acceptance as a great power. Pakistan, especially, was a target of U.S. nonproliferation policy in the 1990s. At the beginning of the decade, within one year of the Russian withdrawal from Afghanistan, the United States cut off economic and military assistance to Pakistan, a decision that—perversely—contributed to an even greater reliance on missiles and nuclear weapons to deter India. U.S. nonproliferation policy was fundamentally challenged in May 1998 when first India, and then Pakistan, conducted underground nuclear tests and declared themselves nuclear weapons states.

Indo-Pakistani Relations

While the Indian and Pakistani nuclear blasts added a new and dangerous element to an increasingly unstable region, they did not alter the fundamental conflict between the two nations. Pakistan continues to confront India in Kashmir by providing logistical and political support for militant organizations contesting Indian control. Exchanges of artillery fire across the Line of Control (LOC) are a daily event. The violence reached a new level with the Kargil incursion, the first attempt by Pakistan to seize and to hold territory on India's side of the LOC since 1965. India counterattacked to regain lost territory while threatening to broaden the conflict. Following 6 weeks of intense fighting—and the personal intervention of President Clinton—Pakistani forces withdrew. Chief Executive Musharraf apparently initiated, planned, and implemented the Kargil operation with at least the tacit agreement of then Prime Minister Nawaz Sharif. It is not known if Pakistan calculated that its overt nuclear deterrent gave it the strategic cover to risk Kargil, but it might have been an element in the decision to go forward with the operation.

Since Kargil, Indo-Pakistani relations have moved from one new low to the next, and they are now frozen with little or no contact at the political level. The Indian National Security Advisory Board "draft report" on nuclear doctrine, issued shortly after Kargil, could not have been reassuring to Pakistan. It declared not only a no-first-use policy but also stated that India would develop a "triad of aircraft, mobile land-based missiles and sea-based assets" and that "any threat of use of nuclear weapons" would be countered. While official Indian policy on nuclear weapons is less contentious than the draft report, New Delhi has not disavowed it, leaving Pakistan to draw its own conclusions based on worst-case scenarios.

Shortly after the military coup in Pakistan, India adopted a policy that it still follows of trying to isolate Islamabad internationally, and it now refuses to deal with Pakistan's military government either bilaterally or within the South Asian Association for Regional Cooperation. India has also stated that it will discuss Kashmir with Pakistan only when violence across the LOC has stopped. New Delhi has repeatedly called on the United States to declare Pakistan a terrorist state.

Relations hit rock bottom in December 1999 when Islamic militants of the Pakistan-based Harakat-ul-Mujahideen—one of the major militant organizations in Kashmir—hijacked an Air India flight that eventually came to rest in Kandahar, Afghanistan, the home base of the Taliban. The hijackers demanded the release from an Indian jail of a Pakistan-born cleric and two other individuals who had been active in the Kashmiri struggle. The Taliban presided over the

negotiations, and India eventually gave in, releasing all three prisoners. The cleric immediately returned to Pakistan and publicly called for *jihad* against India and the United States. Even though Pakistan condemned the hijacking, it is widely believed in India that Islamabad was directly responsible.

The hijacking incident was emblematic of the changing complexion of the Kashmiri insurgency, which began in 1989 as an indigenous struggle against Indian rule. Pakistan quickly moved to support the insurgents, partly in hopes of taking Kashmir from India, partly to bleed India in Kashmir. Even though many, if not most, Kashmiris were no more anxious to be part of Pakistan than of India, Pakistan's moral, diplomatic, and material support was welcome. What was not realized at the time was that with Pakistani aid came growing numbers of Islamic militants, often trained in Afghanistan and bent on continuing the Afghan *jihad* in Kashmir. This was a natural development since the Inter Service Intelligence Directorate—the Pakistani military organization responsible for funneling money and equipment to the Kashmiri insurgency—had previously channeled U.S. and Saudi assistance to Islamic groups fighting in Afghanistan against the Soviets. Militants associated with these groups now flocked to the Kashmiri cause. For years Pakistani military units have helped these *jehadis* to cross the LOC into Kashmir, and many of their organizations openly raise funds and recruit fighters in Pakistan. However, Pakistan is unable to control the actions of these groups fully, and one of their operations could easily spark a full-fledged Indo-Pakistani confrontation.

During the summer of 2000, Pakistan blocked an incipient dialogue between the Hizbul Mujahideen, a major Kashmiri insurgent group, and New Delhi. The Hizbul Mujahideen declared a unilateral cease-fire and apparently was willing to talk to India, but Pakistan would not sanction discussions from which it was excluded. Pressure from Islamabad, as well as belated Indian conditions for the talks, caused the Hizbul Mujahideen to back out and to end the cease-fire. The lesson to be drawn from the affair is that while Pakistani and Kashmiri goals may not be identical, Pakistan has the means to veto an exclusive Indo-Kashmiri dialogue. Given India's own commitment to keep Kashmir within the Indian Union, the chances for an early settlement are small.

Pakistan's Decline

Pakistan's own uncertain political and economic future is an additional and very real element of instability in the region. Since the October coup, Chief Executive Musharraf has struggled with mixed results to cope with his country's multitude of problems—a failed political system, a bankrupt economy, institutional decay, a breakdown in law and order in many areas, growing Islamic sectarianism, declining social indicators, and precarious relations with India. Musharraf's failure to carry through on several key reforms has already compromised to some degree his government's legitimacy, which rests on its ability to get things done. He has stated that he intends to hold national elections by October 2002, and Pakistani elites are calculating if he indeed will give up power or stay on. Under any circumstances, based on the results of past military interventions, Pakistani elites probably will find ways to co-opt his reforms to serve their own ends.

To avert default, the International Monetary Fund (IMF) will most likely agree to a short-term bailout before the end of 2000, which will be combined with World Bank lending and another Paris Club debt rescheduling. However, Pakistan will surely be on a short leash, and any cash payments will be released in tranches, each slice conditioned on the implementation of reforms made all the more difficult by Musharraf's dwindling domestic credibility. The Fund will surely insist that Pakistan begin taxing agricultural inputs and income, policies that if implemented would directly challenge the well-being and authority of the country's powerful feudal elites. It is unlikely that Musharraf's government or its successor will be able to stay the course of an IMF stabilization program.

Even if Musharraf achieves some progress in the coming months and years, the country's problems are too deeply rooted to expect a near- or even medium-term revival in Pakistan's prospects. The next government—whether civilian or military—will certainly face huge political and economic challenges and will rely increasingly on Islam as a unifying ideology. Nawaz Sharif's government was already moving in this direction prior to the coup as it attempted to incorporate Islamic elements into the country's legal and economic systems. With the Muslim League and People's Party tainted by corruption on a grand scale, it is possible that an avowedly Islamic party such as Jamaat-I-Islami could fill the political vacuum and

have a major role in an elected government. Given this context, the struggle for Kashmir will remain at the top of the agenda of the successor government because it is the one cause around which virtually all Pakistanis will rally.

Whatever the nature of the next government, the military will retain a strong and even decisive voice in Pakistani national security policy. By tradition, temperament, and ideology, the military is fully committed to a hard line in Kashmir. Musharraf himself is a strong advocate of this point of view. Many officers are also convinced that the insurgency ties down Indian troops, who otherwise would be confronting Pakistani units across the border from Punjab, Pakistan's largest province. While Musharraf and other military leaders would not advocate trying to take Kashmir through conventional military action, they will insist on supporting and to some degree directing the insurgency against Indian rule. They may also believe that Pakistan's nuclear capability, which is intended to deter both nuclear and large conventional attacks from India, allows them to take greater risks to achieve their ends. The Kargil incursion was an example of their commitment and their potential for miscalculation.

Indian and Pakistani Nuclear Postures

Since the May 1998 nuclear tests, India and Pakistan have each stated their intention to maintain "a minimum, credible nuclear deterrent," and there is no reasonable prospect that either will roll back their nuclear weapons program. Both sides believe that nuclear weapons are important to their security, and in each country the programs enjoy huge popular support. In general, India has the policy initiative, and Pakistan will counterpunch in response to any Indian move but will rarely take a unilateral step on its own. Bellicose statements from India will surely cause Pakistan to pursue its own programs with even greater intensity.

Both India and Pakistan have begun to develop policies to govern their nuclear operations and management, but neither has spelt out what "a minimum, credible deterrent" means in terms of numbers and types of weapons or how they would be deployed. Both probably still store their weapons separate from their delivery systems. India has stated that its program is entirely defensive and has declared a no-first-use policy. Pakistan has declined to declare a no-first-use policy, and its program is clearly aimed at deterring a large conventional or nuclear attack from India. However, it is doubtful that Pakistan has defined under what conditions it would resort to nuclear weapons. It is possible that Pakistan might delegate authority to deploy or to launch weapons to a theater commander, raising the possibility of use by misperception or miscalculation. Neither side has fully reliable and complete intelligence about the other's programs, deployments, or intentions. Pakistan has created a combined civilian/military National Command Authority to direct its nuclear weapons program, but the military will certainly have effective authority over the country's nuclear weapons. India's weapons program is under the direct authority of the Prime Minister. It is possible that India's weapons may remain under the physical control of the official scientific community while the military controls the delivery systems.

Both countries are rightly concerned about the risk of an accidental or unintended exchange, and their Prime Ministers agreed in Lahore in 1999 to begin consultations on security concepts and nuclear doctrines with the aim of adopting confidence-building measures. They also agreed to notify the other in advance of ballistic missile tests, to undertake national measures to reduce the risk of accidental or unauthorized use of nuclear weapons, and to develop mechanisms for warning the other side of any accidental, unauthorized, or unexplained incident. However, in the wake of the post-Kargil freeze in relations, none of these confidence-building proposals has been implemented.

The China Factor

India and China are rising Asian heavyweights, each craving the recognition and deference that accompany great power status and each locked in a wary rivalry with the other that could dramatically alter the calculus of Asian security. China's economy is about 10–15 years ahead of India's, although Indian entrepreneurs are on the cutting edge of the information technology revolution. To India's chagrin, China occupies a permanent seat in the United Nations Security Council and under the NPT is legally defined in perpetuity as a "nuclear weapons state." Nehru had hoped that India and China would cooperate rather than compete, and *Hindi, Chini Bhai Bhai* (India, China Brothers) were to be the watchwords of the bilateral relationship.

The Sino-Indian border conflict of 1962 shattered those dreams. China went on to develop a security relationship with Pakistan, transferring nuclear weapons, missile technology, and equipment to the latter with the clear intent of checking India and tying it down in South Asia. The United States, seeking to normalize and to improve relations with China, did not take firm action against the transfers. To the contrary, the Pressler Amendment was passed in 1985 to allow U.S. shipments of conventional weapons to Pakistan to continue even as China assisted Pakistan's nuclear program. During the 1990s, the United States refused to apply its law fully to the Chinese sale of nuclear-capable M–11 missiles to Pakistan. India's security relationship with the Soviet Union was partially aimed at China, and in justifying its 1998 nuclear tests and ballistic missile programs, India pointed to China as its major long-term security concern. China is now embarking on a military modernization program to strengthen its nuclear deterrent, possibly including the introduction of mobile, solid fuel, multiple-warhead long-range missiles. Such a Chinese move could spur India to apply more resources to its programs, which, in turn, would cause Pakistan to react as well.

Indo-U.S. Relations Rising

Indo-U.S. relations improved markedly over the past decade, culminating in President Clinton's visit to India and Prime Minister Vajpayee's visit to the United States. The visits acknowledged a qualitative change in each nation's perception of the other: India recognizes that U.S. predominance in the post-Cold War world and that improved bilateral ties are to its advantage. The United States recognizes that India has the potential to join China and Japan as a major Asian power. Both leaders have committed their governments to regular and high-level political dialogue and consultations. The United States has also begun consulting with India on Afghanistan, a major symbolic step since the United States and Pakistan were allies during the war in Afghanistan, while India backed the Soviet Union. The United States and India have also formed a working group on terrorism, a key development given India's accusations against Pakistan.

While the U.S. commitment to nonproliferation continues to cast a deep shadow across the relationship, it is no longer the central element in the U.S. approach to India. In his speech to the Indian Parliament, President Clinton acknowledged India's security perceptions and stated clearly the U.S. belief that India's nuclear weapons program was a mistake; he has also slowly—but steadily—waived sanctions imposed immediately after the nuclear tests. For his part, Prime Minister Vajpayee has committed not to block the Comprehensive Test Ban Treaty (CTBT) from coming into force and not to conduct further nuclear tests. Given the U.S. Senate's own rejection of the CTBT, this promise is all that can be reasonably expected, even though at a rhetorical level the Clinton administration continues to make Indian accession to the test ban treaty the touchstone of its South Asian policy. The relaxing sanctions regime, however, indicates that the two countries may finally be nearing the point of agreeing to disagree.

In the critical area of security relations, the two nations have begun to discuss a resumption of military cooperation, although for now such activities would be limited to dialogue and joint exercises on peacekeeping, environmental security, search and rescue, and humanitarian disaster relief. There is also a robust and rapidly growing international military education and training (IMET) program in which India is an enthusiastic participant—a sharp break with past Indian policy. India has suggested a revival of the moribund Defense Policy Group, but the United States demurred—at least for now. Some nuclear sanctions remain in place (for example, restrictions on sales or transfers of dual-use equipment or technology to companies or organizations that make a material contribution to India's nuclear program). There are also restrictions on transfers of conventional military technology and equipment. India is keenly interested in acquiring U.S. technology.

U.S.-Pakistan Relations Sinking

With the passing of the Cold War, the United States has taken a much tougher line with Pakistan and its policies in the region than it ever had previously, and bilateral relations have deteriorated steadily and dangerously as a consequence. U.S. credibility and influence in Pakistan are now at an all-time low, the product of 10 years of U.S. nuclear sanctions, opposition to Pakistan's support for or links to Islamic terrorist organizations, and strong disapproval of a military government. Pakistan regards the layers of U.S. sanctions as a betrayal, an example of U.S.

willingness to use and to discard a friend. Visibly improving Indo-U.S. relations exacerbate Pakistan's bitterness toward the United States and probably induce the Pakistan leadership to feel even more embattled and isolated. Virtually all U.S. sanctions against Pakistan remain in force, although some are now the result of the military takeover or substantial arrears on debts owed to the United States. Military-to-military contacts are infrequent, especially at the policy level, because the United States does not wish to appear to condone the overthrow of an elected government. The administration may well abstain on the upcoming IMF bailout package.

The United States has deep misgivings about Pakistani support for the Taliban, a movement that tramples on the human rights of a large percentage of Afghanistan's population, especially women, and allows terrorists and narcotics traffickers to operate from its soil. Pakistan was the first country to recognize the Taliban as the government of Afghanistan and is their chief international backer, providing the logistical support, weapons, military advisors, and perhaps some troops who fight with the Taliban in their effort to conquer all of Afghanistan. Pakistan is also the principal logistical base and gateway to the world for landlocked Afghanistan. The Taliban have open access to Pakistan's transportation, communication, and financial links to the international economy, and they freely recruit fighters in Pakistan.

The United States is especially frustrated by Pakistani unwillingness to use its leverage to convince the Taliban to give up Osama bin Laden—the mastermind of the bombings of the U.S. embassies in East Africa—and to expel other militants from Afghanistan. Musharraf and other Pakistani leaders argue that they have tried their best and that the United States exaggerates their influence over the Taliban. There may be some truth in this contention, but it is difficult to imagine Musharraf's government actively assisting in the extradition of bin Laden—a hero to many Muslims—to the United States to stand trial for murder. If the attack on the *USS Cole* is linked to bin Laden or other militant groups based in Afghanistan, the United States will almost certainly retaliate in some way, placing even greater stress on the U.S.-Pakistan relationship.

Elements of a New Strategy

War in South Asia is a real possibility, but now with potentially more devastating consequences given Indian and Pakistani nuclear capabilities. Neither side is prepared at this time to make the compromises necessary for a settlement in Kashmir, which remains the most likely flashpoint. The military government in Pakistan and its successor will continue to support the Kashmiri insurgency because it is the one policy that unifies all Pakistanis. The activities of Islamic militant groups, which Pakistan assists but cannot control, render the situation all the more unpredictably volatile. No Indian government, especially a coalition government with a Hindu nationalist party at its head, will agree to negotiate with Pakistan so long as the latter fuels the insurgency in Kashmir. Under these conditions, the key ingredients of a new strategy should be:

Aiming Low. At this point, the best that can be expected is medium- to long-term crisis management (namely, improving the prospects for regional stability by fostering an atmosphere whereby India and Pakistan can better manage their differences and avoid conflict). The first goal should be to convince India to abandon its shortsighted and counterproductive policy of isolating Pakistan. Regular political level contacts are essential to regional stability and are in both countries' interests. Pakistan should understand that if it insists on including Kashmir as a precondition for progress on other issues, it risks a resumption of the policy of isolation, especially if cross-border violence continues unabated.

Accepting the Reality of a Nuclear South Asia. Encouraging the development of a regional restraint regime based on confidence-building measures and arms control should be the bellwether of our policy. Both countries have only begun to define their nuclear doctrines and postures and may well be open to ideas that induce greater safety, stability, and clarity.

- The United States should cooperate separately with India and with Pakistan to encourage both countries to adopt practices that reduce the risk of nuclear war. These could include sharing technology on installing safety, arming, firing, and fusing systems on weapons to assure that they will not be detonated accidentally.
- The United States should encourage India and Pakistan to resuscitate the three confidence-building measures agreed to at Lahore, which were an excellent start, as soon as bilateral contacts are reestablished.

- The United States should engage Indians and Pakistanis, separately or together, in gaming exercises to induce greater clarity and mutual understanding of their respective security perceptions and nuclear postures.

Developing a Good Relationship with India. India is the regional hegemon, and India—not the United States—is the country with the greatest ability to influence security perceptions and actions in the subcontinent directly. U.S. efforts to deter Pakistan from pursuing a nuclear weapons program failed because Pakistan was motivated by its fear of India. Hence, the best way for the United States to encourage South Asian security is through New Delhi—a difficult undertaking under any circumstances. Nonetheless, it is only in the context of a strong, confident relationship with India that the United States can influence New Delhi's regional policies.

In fact, Indo-U.S. relations are as strong as they have ever been since the early 1960s.

- Maintaining this bilateral momentum—taking India seriously—is crucial, and the next administration should follow through on agreements to have the President and the Prime Minister be in regular touch, to hold high-level foreign policy consultations and economic discussions, and to continue the nonproliferation and security dialogue begun by Deputy Secretary Talbott. These exchanges will not be easy, as there are significant differences between the American and Indian worldviews.
- Continuing to expand military-to-military exchanges, including regular counterpart visits, joint exercises, and possibly a supply relationship that would not threaten regional stability. The Indo-U.S. security dialogue should also focus on China and its intentions in the region.

Reengaging with Pakistan. The sanctions, condemnations, and accusations of the past decade—a policy of "tough love"—have succeeded only in alienating Pakistan and reducing U.S. influence. Continuing on this course will contribute to Pakistan's decline and may help usher in an era of radical Islamic government. Musharraf's stated goal is to restore economic growth and a democratic polity; he has also promised to hold national elections by October 2002. The United States should give him the room to succeed or to fail within that timeframe but help him during the interim rather than stand aloof. The United States should also bear in mind that the military will continue to control Pakistan's national security policy in general and its nuclear weapons program in particular. Even though the United States does not accept the South Asian zero-sum-game mentality, Pakistan and India both do; therefore, reengaging with Pakistan will introduce greater balance into our policy and encourage regional stability.

These are all good reasons for the next administration to reexamine the layers of sanctions that now encumber our policy toward Pakistan. Our approach should encompass both military-to-military engagement and several steps outside the defense realm that would advance U.S. security interests in Pakistan. All of these steps should serve as tangible indicators that the United States believes that Pakistan is a country with a future. Many of the sanctions against Pakistan emanate from the Foreign Assistance Act, which prohibits aid to military regimes that have deposed elected governments. Hence, reengagement with Pakistan will require extensive consultations with Congress and possibly legislation. The United States should take these steps:

- Broadening military-to-military exchanges and theater engagement activities, including exercises focused on peacekeeping where Pakistan has been an important troop contributor; funding a substantial IMET program to begin to rebuild relationships with the Pakistan military; and regular high-level exchanges.
- Substantial funding for a nongovernmental organization program aimed at strengthening the institutions of civil society (for example, the press, a chapter of Transparency International, think tanks focused on domestic policy).
- Substantial funding for primary education in Pakistan as a tangible indicator that the United States does believe that Pakistan is a country with a future and as a counterweight to fundamentalist Islamic schools.
- Encouraging the international financial institutions to continue to work with Pakistan to revive the economy.

What To Do About Pakistan and Terrorism. Pakistani support for militant Islamic groups' operations in Kashmir and for attacks against India elsewhere in the region is a manifestation of the low-level warfare that prevails between India and Pakistan. It is also an outgrowth of increasingly powerful Islamic and sectarian radicalism inside Pakistan. Pakistan is not alone in its support for groups that attack civilians. India, too, is reported to have had links to terrorist bombings in Pakistan and to some violent, subversive groups, such as the Mohajir Quami Movement in Karachi. The United States should continue not to allow either side to use our legislation on terrorism as a propaganda weapon against the other. This is surely India's aim when it urges the United States to name Pakistan as a state supporter of terrorism. Such a step would only destroy any remnants of U.S. influence in Pakistan. Moreover, Pakistan has been useful to the United States in fighting terrorism. The Pakistani

authorities sent both Ramzi Youssef and Mir Aimal Kansi to the United States and helped to break up a group with links to Osama bin Laden that was operating in Jordan. The United States should take the following steps:

- Draw a clear line between attacks on U.S. citizens and attacks against Indian or Pakistani citizens, which are not directly of our concern.
- Explain to the Pakistani leadership that the United States will take actions (unspecified) against the interests of Pakistan if it is found to be supporting or assisting groups that attack or harm U.S. citizens, either intentionally or inadvertently. Therefore, Pakistan should use its influence with those groups that it supports to ensure that there are no such attacks.
- Explain to the Pakistani leadership that while the United States understands the limits of their influence with the Taliban, we would appreciate assistance in apprehending Osama bin Laden. If Pakistan is not cooperative, we will find other ways to take appropriate action to protect U.S. citizens. The United States would not understand any action by Pakistan to hinder our efforts to this end.
- Offer to consult regularly with Pakistan, including in military-to-military channels, about the issue of terrorism in the region. Such consultations should not be a forum for attacking India or a means of assisting India in applying pressure on Pakistan. Pakistan should understand that the United States would continue to consult with India on terrorism, which is a threat to Pakistani interests in the broader region and in Pakistan itself.

The Western Hemisphere

by John A. Cope

Overview. The outlook in the Western Hemisphere is hopeful. A modern set of motivations and mechanisms has given a positive trajectory to foreign policies and security relations for most of the 1990s. A culture of democratization and free market economics has moved among a markedly diverse group of states and has moved them away from decades of political confrontation and mutual distrust toward security- and confidence-building and economic interdependence. Symbolizing the new momentum in regional affairs, regular presidential summits, defense ministerials, Organization of American States (OAS) general assemblies, and lower-level meetings have generated both political consensus and the energy to move forward. The success of these events has come from broad ownership of the processes and U.S. signals of partnership as opposed to rather than paternalism.

Latin American and Caribbean states have made headway toward twin goals of sustainable economic development linked with effective and enduring democratic governance. While no two countries are following the same path of economic and political reform, the recent growth is not accidental or transient, nor are the changes cyclical. The motivation for the transformations stems from far-reaching national and regional experiences and responds to the forces of the global environment. As the decade unfolded, however, momentum began to ebb, revealing that a number of societies favoring democracy have become critical of the elected government's performance. Many states are not governing responsibly or effectively and have only a limited capacity to assert authority and control domestic events.

At the century's turn, the region's new focus is on multidimensional, nonstate, and transnational challenges, ranging from criminal threats such as international terrorism, drug trafficking, and arms smuggling to public policy challenges such as poaching natural resources, illegal migration, environmental degredation, weather phenomena, and natural disasters. Given differing national views of these concerns, there is no shared regional concept of security. It is clear, however, that if states, including the United States, react impotently to the new threats, several of which may develop simultaneously, the magnitude of localized problems will soar to crisis proportions. Colombia is a conspicuous example. Several dormant territorial disputes, however, still exist in the Caribbean Basin. The importance of the armed forces has not declined in this ambiguous setting, but their role has become diffficult to define.

To best advance U.S. interests, the administration should appreciate the ramifications of the region's evolving modernization and security setting. The

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United States has lost leverage. It should reconcile differences with Latin American and Caribbean (and Canadian) states and commit to developing mechanisms for genuine bilateral and multilateral cooperation. In the Americas today, partnership is less optional than imperative but is not an automatic step for any state. The United States has found no substitute for improving stability. Most of the region's challenges are transnational in nature: resolution requires interstate collaboration.

The way forward will require the United States to reengineer the structure of its traditional policy approach and adapt its mindset to get in sync with the changing hemispheric reality and move deeper into security relationships than surface-level associations that set forth declarations of principle rather than action items. *To begin, a clear, actionable statement of U.S. foreign policy purposes in the hemisphere is needed.*

The proposed strategic approach for the hemisphere is addressed in two cases. The most sensitive, immediate issue in the Americas today is U.S. engagement in Colombia in support of President Pastrana's Plan Colombia. Confronting Latin state weakness, both causes and effects, provides an opportunity to discuss reengineering the structure of the policy framework, not only for Colombia, but also for its immediate subregion and the hemisphere. The main elements include adopting a clear foreign policy purpose instead of stitching together a number of generic and country-specific interests, moving away from country-to-country engagement to genuine subregional partnership, and reconsidering the mindset that shapes the U.S. approach to the region.

The second case focuses on Department of Defense (DOD) relations with counterparts in the hemisphere and its successful efforts in 2000 to present a regional security strategy. This paper focuses on operationalizing the new strategy and looking at how the Department should work with institutional reform and apply the new mindset discussed above to military engagement in the Americas.

Policy Context

Inheriting good relations with southern neighbors, the new administration should continue U.S. support for promoting democracy, reforming economic institutions and human development, and confronting transnational public policy issues and criminal challenges. The April 2001 presidential Summit of the Americas will force an early commitment to a general policy direction. Of particular interest to Latin American and Caribbean leaders will be how the incoming policymakers define U.S. interests in the hemisphere, particularly the creation by 2005 of a Free Trade Area of the Americas (FTAA),[1] as the United States proposed in 1994. Other questions include: will the new administration look no further than relations with Canada and Mexico, writing off engagement with the rest of Middle Central and South America and the Caribbean except for narcotics matters? Will they appreciate, as does China, Japan, and the European Union, that in globalized economic and security systems the relative power and importance of Latin American countries are growing? Will the war on drugs continue to dominate U.S. regional policy?

The Clinton Legacy

Relations with the other nations of the Western Hemisphere began positively in the Clinton era. In his words, the President saw "a unique opportunity to build a community of free nations, diverse in culture and history, but bound together by a commitment to responsive and free government, vibrant civil societies, open economies, and rising standards of living for all our people." Active engagement to realize his vision reset the focus and tempo of post-Cold War relations. Ratification of the North American Free Trade Agreement (NAFTA) was followed by a return of high-level summitry with the 1994 Miami Summit of the Americas and sponsorship of a broadly appealing regional free trade initiative. Despite making more visits to regional states than any predecessor, by decade's end the administration had not matched the expectations it had created. In particular, the President never received fast-track authority for trade negotiations, and several U.S. trade protections remained in place.

The Clinton administration's national security decisionmaking process preferred a hub-and-spoke framework, dealing country-by-country based on functional interests or in response to a crisis. Policies often reflected strong, and sometimes contradictory, congressional and nongovernmental points of view on issues and on how to realize the U.S. position. During the 1990s, policymakers placed emphasis in

U.S. foreign policy and security relations narrowly on select generic areas, such as drug trafficking (Colombia and other states in the Caribbean Basin) and human rights (Colombia, Chile), and on specific states, such as Mexico (NAFTA and immigration) and Cuba (the status quo). A relatively new concern is the impact of weak democratic governance on national and subregional stability (Haiti, Venezuela, Colombia, Ecuador, Paraguay, and Peru).

For many regional issues, the line separating domestic and foreign affairs has become hard to distinguish and as a result policies associated with them are ambiguous. Trade, immigration, and narcotics issues and most matters affecting Mexico, Cuba, and Haiti have active political constituencies in the United States among immigrant groups and different lobbies. The globalization of economic and foreign affairs, the advent of multinational criminal networks, and advances in communication further complicate the difficulty of developing one comprehensive policy that balances the various dimensions of an issue.

Contrary to the common view, the United States has played a relatively minor role in the region's shift to free market economics and its democratization. The most important contributions have been economic. Encouraged by domestic banking and commercial interests during the 1990s, the United States restructured Latin American and Caribbean debt, completed a subregional trade agreement (NAFTA), proposed notional bilateral and multilateral (FTAA) trade agreements, and supported Mexico and Brazil in their financial crises. The catalyst and driving force for economic reform, however, was the failure of Latin America's state-centric import-substitution model. Similarly, the region's push to establish democratic regimes stemmed from societal despair with discredited military and authoritarian governments, not U.S. influence. The United States advocated and supported the economic and political changes when they occurred. In doing so, unlike experiences with North Atlantic Treaty Organization (NATO) expansion, Washington has never clearly defined U.S. expectations beyond first-level norms (hold elections and respect human rights), nor provided, even for itself, comprehensive guidelines for measuring progress. Nongovernmental organizations have tended to be the advocates for many of the standards frequently mentioned, giving them the appearance of policy.

U.S. Security Relations with American States

From the early 19th century, the United States has sought to keep the hemisphere stable and at peace, regardless of political cost, but with minimal resources expended, so that its global interests and engagement would not be compromised. Economic development, democratization, and military intervention were viewed as equal paths to stability and ways to preempt unwanted outside involvement. Regional activities of rival extra-hemispheric actors and their political ideologies, from fascism to communism, threatened the domestic stability of each country. After the Cold War, the United States began advocating the positive power of democratic norms, open economies, and trust-building regional cooperation as the best long-term framework for pursuing stability and peace. A controversial assumption for this strategic vision has been that democratic governments are more likely to encourage free trade, uphold the rule of law, compromise to avoid conflict, and collaborate against common threats.

In its quest for stability and peace, the administration inherits a unique symbiosis between the United States and its neighbors, north and south, and a distinctive mindset. Both are based on the hemisphere's asymmetry in national power. These characteristics and their significance for security relations in the region cannot be taken for granted. Many Latin American and Caribbean states retain the residuals of decades of distrust. For these nations, the powerful United States is still a benign bully. Regional neighbors are instinctively sensitive to U.S. power. Washington's view, action, and even indecision create apprehensions and insecurity. Interacting with the United States, neighboring governments face a dilemma. They want, on the one hand, to tap U.S. power to help realize their own objectives, but, on the other, they feel compelled to resist the push of U.S. leadership, even on issues of common interest. The initial South American diplomatic response to Peru's fraudulent May 2000 election, for example, focused first on containing potential U.S. interference rather than on violations of democratic norms. The U.S. fixation on narcotics trafficking that now defines the core of U.S. security relations with the region is not shared by most Latin American and Caribbean states, including Colombia. The centerpiece of their desired relations with the United States is a concern about economic underdevelopment.

The second characteristic is an assertive, U.S. assistance-based mindset. When engaging an issue or a country, the U.S. impulse and style has been to control, seek reasonably quick results, and ensure accountability. Either by tutoring leaders, supplying training and material assistance, or in other ways manipulating governments, an impatient Washington always has 'pushed lest nothing get done.' Consultation with neighboring states is rare. Occasional partners have been found to collaborate in a U.S. effort, but usually without interest in their substantive input or in reciprocity. This longstanding mindset dominates U.S. policy circles and can be seen in the annual certification process and the heavy drug focus of U.S. support for Colombia's President Pastrana.

The administration should not expect its security policies to be accepted on their merits. There often will be opposition in the hemisphere. Ingrained suspicions about ulterior U.S. motives and concerns about U.S. paternalism are real elements in Latin and Caribbean policy calculations. These region's leaders will criticize Washington's proclivity for seeing the rest of the hemisphere through North American eyes and for imposing solutions without consultation or a clear appreciation for the local consequences. Southern neighbors want to be treated as peers; they want to replace the false veneer of U.S. cooperation. This will only be possible when the United States shows that it appreciates reality in the different subregions of the continent and is prepared to take a realistic and moderate approach to the issues facing its neighbors

Regional Context

A list of the region's democracies in 1980 included three Latin countries, the Commonwealth Caribbean, the United States, and Canada. The prospects for more were bleak; yet, today 34 of 35 American nations have representative governments. Cuba is the exception. Democratization is a gradual and not necessarily smooth transition away from authoritarian rule. The quality of democratic practice and degree of public trust in the state vary considerably. The old two-class, Latin corporate-paternalistic system in reality retains considerable influence because in many ways it has not changed. Legislatures, judicial systems, political parties, and often the presidency have not progressed far. Many institutions are weak or discredited. Criminal enterprises have been able to corrupt officials and undermine the state, vigilantes administer justice, and private armies of the left and the right challenge national authority. Some countries, as a result, are fighting a strong authoritarian undertow. In these frustrating circumstances, the appeal of a strong, elected, authoritarian leader committed to change, such as Venezuelan President Chavez, is easy to understand. In other countries (Ecuador and Paraguay), the armed forces still rule from the background in order to ensure the stability of the state (Ecuador and Paraguay).

The initial shift toward economic reform and open markets stemmed from the need for economic stability, lower inflation, and the restoration of growth. Governments had little choice but to promulgate market-oriented reforms such as trade liberalization, privatization of state-owned enterprises, deregulation, and liberalization of foreign investment. Although vested interests within state bureaucracies, together with the commercial and labor sectors, mounted strong opposition, internal conditions and prevailing international economic currents pushed change forward. At the decade's end, political parties and leaders who were critical of macro-level reforms and who promised to reduce unemployment and make income distribution more equitable, won elections in many countries, including Argentina, Brazil, Chile, and Mexico. Reform processes slowed and in some cases reversed course with the re-introduction of a more assertive state trying to expand social services.

The rise of democracy and market economics also has affected international security. The decade of reform has increased hemispheric interdependence, which in turn has produced greater Latin American autonomy in world affairs and fewer differences with the United States. The development of subregional economic groupings has helped countries to renounce weapons of mass destruction, accept arms control regimes, and adopt a range of confidence- and security-building measures. The Americas haves become the least militarized and one of the most peaceful regions in the world, although old interstate rivalries with decades of distrust have only begun to recede. Against this backdrop, there is not a common strategic view of security in the hemisphere. Discussions at international fora such as the Organization of American States (OAS) of various aspects of the changing regional security environment are guided by fundamental OAS principles

of peaceful coexistence, equality, sovereignty, and, in particular, nonintervention.

The unprecedented wave of political and economic reforms in the early 1990s made a difficult transition look deceptively easy. As the decade unfolded, momentum began to ebb. Societies lost the collective sense of national urgency. Popular fatigue with the pace, austerity measures, and results that were less than promised (economic growth, more jobs, and better social equity) eroded the government's political capital to continue. External forces worsened the situation. Governments generally had no safety nets for the 1997–1999 foreign economic crises (Asia, Russia, and Brazil) and the horrific weather in the hemisphere (*El Niño*, Hurricanes Mitch and Georges). They were ill-prepared to counter the corrupting influence of transnational criminal activities. The Clinton administration contributed to the malaise by its vacillation on free trade issues, particularly its inability to gain fast-track authority for trade negotiations, and its reduced regional policy support, except in counternarcotics-related activities, where resources increased over the decade.

Ramifications for U.S. Policy

When the Cold War ended, a new set of motivations and mechanisms pushed a ninety-year focus on security issues off the U.S. center stage and replaced them with the hemisphere's evolving twin cultures of democratization and free market economics. The era of unprecedented reform that followed is far from over, although its initial progress is slowing and in some countries imperiled. The new administration should appreciate the central legacies of the last decade and their significance for U.S. policy. The legacies are best explained using political and geopolitical factors.

Political Factors. Democracies in the Americas have begun to matter to each other for the first time. They make a difference to the United States for four reasons. First, collectively they have new economic and political weight in international affairs, which subregional integration has begun to demonstrate. Second, they are demographically linked to the United States, particularly countries in the Caribbean Basin. Third, they have the capacity to affect by active cooperation many of the region's transnational criminal and public policy problems. Finally, they promote and perpetuate basic values such as human rights and the rule of law. These values are legitimate regional obligations, codified in the OAS Charter.

The transformation of regional politics is still too recent to be absorbed fully, but while it is clear that external military threats are of less concern, democracy must be defended. Taking an unprecedented step in 1991, governments agreed on how to avert domestic challenges to constitutional order. OAS General Assembly Resolution 1080 established a triggering mechanism for the OAS to act in the event of "any... sudden or irregular interruption" of democratic governance. The resolution, which lacks enforcement mechanisms, has been used on four occasions with varying degrees of success (Haiti, Peru, Guatemala, and Paraguay). The OAS has yet to develop a collective political response for more subtle challenges to democracy when no disruption of constitutional processes has taken place (Venezuela and Haiti).

While democracies matter to each other, they have not yet coalesced politically to build productive security cooperation and sound regionalism. Translating new shared interests into practical collective mechanisms for confronting transnational challenges has been a slow process, built with some success on the cohesiveness of subregional trade groups. Despite asymmetries among member states and other obstacles, several arrangements have emerged. The most successful group has been Anglophone Caribbean states with Commonwealth links, which began collaborating on security matters in the early 1980s. In South America, members of the Southern Cone Common Market (MERCOSUR) are feeling their way carefully beyond matters of trade toward political and security discussions. A similar situation exists in Central America. To date, the United States has shown little interest in supporting these important initiatives. The administration should seriously explore this imperative step toward U.S. security.

Recent resolution of the longstanding Peru-Ecuador border controversy demonstrates that multilateral diplomatic and military cooperation can be highly effective. Significantly, Argentina, Brazil, Chile, and the United States, which are signatories to a 1942 Rio Protocol for that dispute, had no choice but to make collective action work. There are few existing mechanisms other than subregional initiatives to develop collaboration. The OAS could play a constructive role nurturing security cooperation if member

states gain confidence in its ability to distance decision-making from U.S. influence, although members have supported the creation of a permanent Committee on Hemispheric Security (CHS) and are supporting a range of confidence- and security-building measures. Secretary of Defense Perry's 1995 initiative establishing the Defense Ministerial of the Americas (DMA) meeting is another recurring opportunity to discuss (and potentially manage) subregional and hemispheric cooperation. The dilemma for Latin and Caribbean states is that never before have they had real autonomy or real responsibility in international affairs. They have not comfortably defined their position with regard to the region's security agenda. The developing crisis of state weakness in the Andean region may force reluctant Latin nations to engage in security cooperation.

Geopolitical Factors. Latin America divides geopolitically into two areas—the Caribbean Basin (Mexico, Panama, Central America, northern South America, the Caribbean islands and rimlands) and southern South America (Brazil and Peru south to Antarctica). Looking at each in turn, the Caribbean Basin has become more closely tied to the United States than ever before. Trade (NAFTA, the 2000 Caribbean Basin Trade Partnership Act), immigration, and drug trafficking have cemented several processes of integration—economic, demographic, social, cultural, and, to an increasing extent, political. The linkage between Basin countries and the United States can be seen in many ways: the dependence of the Caribbean on the U.S. market, the growing percentage of the U.S. population who have emigrated from the Basin, huge diaspora remittances,[2] and increasing Latino political activism in the United States as well as in home countries.

The United States is less able to ignore problems in the Caribbean Basin. With domestic political pressure exerted by a range of interest groups, these states react less to U.S. desires; the role today often is reversed. The new administration will need to develop structural systems and procedures that will promote equality, openness, and confidence among the main actors in the Basin. The mechanisms should emphasize early and frequent consultation by country or subregion, the sharing of information, transparency in communication among neighbors, and cooperation in policy implementation.

The United States has long had a strategic military interest in the stability of the Caribbean Basin, which the administration should sustain. The strategic importance of the region lies in essential raw materials, especially petroleum and bauxite, the location of vital sea lanes, including the Panama Canal, and presence at permanent military bases in Puerto Rico and temporary forward operating locations in Honduras, El Salvador, Aruba, and Curaçao.[3] Geostrategic considerations have lost their preeminence since the end of the Cold War, but as European and Asian states and regimes increase their strategic activity in the hemisphere, they cannot be forgotten.

Southern South America, a wealthier and less fragmented area, has been relatively stable in its progress toward economic and political integration and the creation of a zone of peace. Despite economic asymmetries, competing foreign policies, and the unequal pace of domestic structural reforms, the subcontinent has demonstrated how market economics can overcome longstanding political animosities between its major states, Argentina and Brazil. Commercial trade integration and political coordination through MERCOSUR are gaining in sophistication.

Brazil, with the eighth largest economy in the world, has become too important for the United States to ignore. Unlike the U.S. commercial sector, political Washington has been slow to recognize the rising importance of exports to and investments in the countries of southern South America. The U.S. percentages are still less than those of the European Union's engagement. For their part, Brazil and its partners want strong trade and diplomatic links with the United States, which remains the best market for high-value Latin exports (Europe's main interest is in raw materials). The southern states, however, cultivate their independence from the United States with closer commercial, financial, and political ties in Europe and Asia—and especially among themselves. In what can be seen as the future direction of regional integration, as well as a sign of growing Brazilian self-confidence, President Cardoso recently hosted the first summit of the 12 South American heads of state. The agenda focused on strengthening democracy, movement toward a South American economic and trade area, and, perhaps most important for the region, modernization and development of cross-border transport and energy infrastructure.

The administration's future relations with South America must recognize Brazil's leadership in the subcontinent's move toward policy integration as a counterweight to the United States on regional and global issues. Brazilian-U.S. relations could become tense in two areas before 2005. The first area of concern is the Free Trade Area of the Americas (FTAA). The U.S. emphasis on negotiating among individual states differs from Brazil's focus on trading blocs. At the moment, the United States is in an ambiguous negotiating position without fast-track authority for FTAA. The Bush administration must gain congressional approval early to establish U.S. credibility on its trade initiative. Failure would be a major setback for U.S. hemispheric relations, not to mention the global image of the United States. Brazil, on the other hand, is trying to strengthen its negotiating position by deepening the cohesion of MERCOSUR and adding more South American states in an effort to improve its global position. It is not clear, however, whether or how faithfully Chile, Peru, and Venezuela will follow Brazil's lead.

The second area of potential concerns is Colombia and the Amazon Basin. Brazil shares U.S. concerns about growing Colombian instability and border tensions between Andean nations. The northern South American arc of state weakness falls into overlapping geopolitical zones of influence, those of the United States in the Caribbean Basin and of Brazil along its Amazon frontier. Washington has tended to minimize the significance of this situation, but most South American governments, which desire to minimize U.S. military presence and avoid intervention on the subcontinent, do not. States with Amazonian frontiers share many concerns about violations of national sovereignty by the United States. They range from environmental issues and rights of indigenous peoples to nascent economic integration and the permeability of the border to illegal migration and narcotics trafficking. The inability of the Colombian state to control its borders, the military strength of guerrilla and paramilitary armies, and the deteriorating situation in the country have forced surrounding countries to tighten control of their border areas to minimize a spillover effect. From the Brazilian Army's perspective, this preventive posture also responds to a longstanding concern about U.S. military activities around the Amazon Basin.

The tension of overlapping security interests calls for a diplomatic approach based on respect for Brazilian (and South American) sensitivities. The administration should appreciate the strong distaste for the appearance of countries fighting drug terrorism in their region under U.S. supervision. The unwelcome image of fighting communism under perceived U.S. supervision has not been forgotten. The United States should adapt its assertive mindset to the circumstances.

Current conditions suggest that the prospects for multilateral cooperation are better if the United States is mindful of sovereign concerns. Brazil and its South American neighbors better understand the power of the well-financed nonstate adversaries challenging the Colombian state and are beginning to recognize their vulnerability. In responding to the threat, South American states are more willing to accept Brazilian leadership. In the view of these states, Brazil knows and lives the reality of the region and has a realistic and moderate behavior. The tempo of Brazilian diplomatic contacts with Peru and Venezuela, in particular, has increased. The successful conclusion to the Peru-Ecuador border dispute in which Brazil played an important role provides a sound model for future association around the Amazon Basin.

In this setting, the administration should consider an approach to Brazil with five elements. The United States should (1) treat the issue as a subregional matter and emphasize early and genuine consultation with states that are willing to engage; (2) exploit Brazil's potential for leadership among these nations; (3) offer to exchange real time information with transparency in communication among neighbors; (4) work through Brazil to provide expert advice to Colombia's neighbors; and (5) seek further diplomatic and military cooperation wherever possible.

Reengineering the Structure of Regional Policy

The administration should recognize that the conceptual approach to advancing U.S. policy goals in the Western Hemisphere that it inherits is not a reliable guide for the future. The experience of the Clinton paradigm, the decade of reform in the Americas, and the unfolding security environment suggest three conclusions.

First, democratic advances have been many, but the quality of democracy remains poor in many countries and at risk in others. The core difficulty is a general weakness in responsible democratic governance.

As democratization and the process of economic reform recently lost momentum, the reality of how weak many Latin and Caribbean governmental institutions really are, how little control some states have over their territory, and the general incapacity of intelligence services, militaries, and police forces became glaringly and dangerously apparent. In Colombia and several other countries, the inroads of organized crime, guerrilla insurgencies, and paramilitary backlashes have exacerbated the difficulties of governance. These pressures are more effects than causes of the underlying national distress, a realization that current U.S. policy does not reflect.

Second, the hub-and-spoke mentality in the design and execution of U.S. policy works at cross-purposes to the need for active cooperation in confronting transnational challenges. It makes partnership an afterthought rather than an inherent part of the policy framework within which the United States works. The multifaceted nature of U.S. relations with countries and subregions in the hemisphere underscores the importance of cooperation. It is the only way that the United States can be certain that its concerns will be addressed. Latin American and Caribbean states, however, want genuine reciprocity. The U.S. penchant for clothing its self-interest in the terms of universal values or the "good of all" no longer works in the hemisphere.

Finally, adapting to the reality that other American states have sensitivities and their own interests must be part of U.S. planning and decisionmaking processes. This step is crucial if engagement with the United States is going to appeal to neighbors and Washington is to build trust in U.S. leadership on a broader foundation than asymmetric power and imperial style. A policy mindset that reflects a willingness to work with others and an acceptance of different points of view is crucial for developing partnerships that can operate with effectiveness in the new security environment.

The United States possesses the power for leadership in the Americas, but it lacks commitment to a small number of clear, reasonable, long-term foreign policy purposes to guide relations. The current approach suffers from two basic weaknesses. First, the concept of democracy is too vague for circumstances in the hemisphere. It should be interpreted in terms that provide logic, direction, and coherence to a patchwork of U.S. generic and country-specific policies, making them understandable and less threatening to neighbors. Second, commitment to multilateral cooperation should be extended beyond economic integration to focus on related political and security dimensions. A reengineered structure for U.S. policy moves it forward from the 1990s. The new framework recognizes that political conditions at home and in the hemisphere have changed and that circumstances require a more focused policy to guide the United States in an increasingly complex reform and threat environment.

The best long-term guarantee of stability and peace in the Americas is to pursue two foreign policy purposes: *the reinforcement of responsible democratic governance* and *the development of a hemisphere that is whole and undivided and that works together to realize common interests.* Multilateral and bilateral trade and security cooperation are the focus of the second purpose. The need to adapt the impulse and style of the U.S. mindset also is implicit. This strategic agenda is consistent with principles underlying U.S. values, identity, and established national interests. The approach also is consistent with accepted regional obligations codified in the OAS Charter and in international law.

Confronting State Weakness in Colombia

The administration inherits a Colombian policy embodied in a $1.3 billion aid package. The policy is highly controversial in the United States, in the region, and among European allies. The United States is given credit for coming to the aid of South America's oldest democracy, a normally resilient and resourceful society that has begun to show signs of decay. The apparent collapse of President Andres Pastrana's peace initiative, which held hope for a return to stability, coincident with an economic downturn, surging domestic violence from the left and right, and the state's inability to respond to multiple crises, have triggered a dramatic loss of faith in national leadership. The criticism of the Clinton administration's policy centers on the primacy of fighting drugs, its militarization of a traditionally nonmilitary fight, and its insinuation that other countries should join the fight under U.S. supervision. For many critics, Plan Colombia is not a Colombian plan, but a U.S.-funded and executed plan. President Clinton's commitment leaves no recourse but to stay engaged in the near-term and find a way to continue to keep supporting a friend during what will be a long ordeal.

The current policy assumes that continued U.S. support and perseverance, time to complete military training of counterdrug units and introduce helicopters and special equipment, limited support to neighboring states, a positive upturn in Colombian results in the field, and insignificant U.S. casualties will confirm the validity of the Clinton policy and encourage Congress to sustain it. A reevaluation of this policy suggests two courses of action. Both recognize that it is Colombia's responsibility to set a course for reversing its national deterioration and that its efforts will take time to show positive results. The first option is to continue the current multidirectional game plan that ties U.S. support to four parts of Plan Colombia—the peace process, drugs, the economy, and the society (judicial reform, human rights, alternative development)—with heavy emphasis on the counterdrug dimension of each part. This option is a bilateral policy, although with some financial support going to Ecuador and Bolivia.

This option reinforces a two-war approach: a U.S.-supported war on drugs and a Colombian-supported effort to reestablish state authority in the country and maintain public order beyond narcotics. In a few areas such as human rights reform within the military, the two approaches overlap. Assistance initiatives designed to reorient the military institution toward counterdrug engagement are being resisted. United States policy has pushed the response to Colombia's dilemma to two tracks that are not designed for mutual support. Many national leaders are uncertain how long U.S. support will last and whether the training, intelligence, and equipping will ever reach beyond the counterdrug rationale. These Colombians are restructuring and expanding the armed forces, equipping units from European sources, and preparing to engage the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN) nationwide. Until the armed forces are ready, U.S.-supported counterdrug efforts and aggressive independent paramilitary forces will maintain pressure on the guerrillas. However, the paramilitary forces also are gaining in strength and sophistication and will present a more serious threat to the state. The two-war approach inevitably will place a severe strain on relations between the United States and Colombia.

The alternative course of action reorients Colombia policy based on the reengineered foreign policy structure for the hemisphere proposed above. The new U.S. direction focused on reinforcing democratic governance and working collectively to solve subregional problems immediately puts a less argumentative face on U.S. policy. The United States recognizes that Colombia's problems go beyond drug trafficking and that the country cannot solve them without outside assistance—a difficult admission for a Latin nation. This approach underscores that the United States can be an external catalyst to help Colombia with its problem and that the intent in doing so is not to exploit Colombia to solve its own domestic drug problem in the United States. The new approach does not mean that the United States has lost interest in Colombia's narcotics production and trafficking systems. These concerns remain, but they are put in a different context: the drug industry's success is a symptom of a deeper cause, the state's crisis of responsible governance. Actions are taken to reestablish the state's authority and legitimacy, and to improve the national capability to protect sovereignty and enforce the law.

The U.S. support to Plan Colombia has a different internal logic in this option. The crisis of responsible democratic governance is considered to be subregional, with its center in Colombia. In varying degrees, all neighboring countries endure crises of state authority and legitimacy that make them vulnerable to many of Colombia's problems. In Ecuador, it is quite serious; in Brazil, it is not. The U.S. policy response would be multicountry and multitrack in each state, focusing assistance on the operation of social institutions, the state of law and order, the ability to secure national borders, and the promotion of development programs in poor and remote areas of each country. The United States would encourage coordination of efforts among neighbors on many bureaucratic fronts, including defense and military reform and the counterdrug dimension.

The new approach is about regional leadership sensitive to the security concerns and views of neighboring states. In the Colombian case, collaboration with Brazil is essential. As outlined above, the administration should advocate a division of labor in which Washington continues the primary support to Bogota while Brazil works primarily with the countries that surround Colombia. The aim would be to share intelligence data and operational information about activities in their respective border areas, and, if appropriate, to cooperate in missions outside Colombia. No

foreign state would take direct action in Colombia or vice versa. The United States would stay in the background and participate in periodic multinational working group meetings at a senior civilian level to discuss transborder issues and strategies.

The principal benefit of the second course of action is its explicit endorsement of the fact that the Colombian state and its democratic society need professional military and police institutions with sufficient capability and the broad, modern training necessary to support the civilian government in its efforts to assert lawful authority and maintain control of Colombian territory against drug traffickers, insurgent-mercenaries, or paramilitary forces, all nonstate actors operating outside Colombian law. The new approach expands the possibility of U.S. support of intelligence agencies and the armed forces beyond counterdrug-related activities of the three sets of adversaries. A lasting peace remains the goal of the Colombian government and society. In this course of action, the state could pursue this aim from a position of strength.

The principal difficulty with this option is encouraging states to devote scarce resources to participating in cooperative security initiatives. No tradition of working together exists, and the principle of national sovereignty often has been raised as an excuse to do nothing. Today, the response of the states concerned may be different; there is more experience with subregional cooperation and with an increased awareness of the inability to defend alone against transnational threats. the response may be different. The new approach minimizes the "lightning rod" concern about U.S. dominance by deferring to Brazil's leadership. The rationale for collaboration stresses that it is in the larger interest of the subregion, not the United States, for the countries to cooperate and that Colombia, their neighbor, benefits.

The way ahead in Colombia is a conundrum for the United States, one that epitomizes the security challenges it faces across the hemisphere. (Many Latin American states face similar challenges.) The Colombian problem embodies a tension between U.S. domestic and foreign affairs. The tension, which often pits the drive for near-term results against time-consuming efforts to correct the core issues, has led to ambiguous policies and has occasionally caused domestic concerns to threaten regional relations. Keeping counternarcotics policy in perspective—it is a symptom, not a root cause—could help ameliorate the strain. The situation in Colombia affects several neighbors, making a comprehensive subregional policy approach important. The state's security problem has strong economic as well as and political ramifications, and both sets of issues must be addressed. Progress in Colombia requires that old mindsets about relations with neighbors be adapted for the hemisphere's new security environment and the primacy of security cooperation. Perhaps most important, Colombia presents a need for perspective in understanding the puzzle that society faces in order to help the state with its long-term solution.

The Changing DOD Role

The DOD often has been the face of Washington's foreign policy in the Americas. This trend has continued during the 1990s with military operations in Panama and Haiti, counterdrug support to Peru, Colombia, and other Caribbean Basin states, and a robust combined exercise program. Lower profile military-to-military contacts remain among the U.S. Government's most enduring policy tools, although in practice these ties produce better access than real influence. The Department's recent successful efforts in interacting with counterparts at defense ministerials and with senior civilian policymakers from five countries (Argentina, Brazil, Chile, Colombia, and Mexico) through annual bilateral working group meetings have introduced a new dimension to its engagement with the region.

In early 2001, DOD will publish its second security strategy report for the Americas. This version will be unprecedented. In addition to outlining the nature of defense engagement, it will sets forth for the first time the Department's own strategic approach to the region, translating the broad instructions from the prevailing U.S. policy into more specific outcomes that the DOD can help bring about using its military *and* civilian capabilities. The guide for action recognizes the different security contexts and political-military challenges in the hemisphere's subregions and articulates a five-prong strategy. The Department will:

- Remain engaged in the hemisphere
- Support efforts to ensure democratic control of defense and law enforcement institutions
- Support efforts to strengthen effectiveness, legitimacy, and transparency of regional and subregional security structures and regimes

- Support cooperative approaches to the peaceful resolution of border disputes and to respond to transnational threats and humanitarian crises
- Seek to build mutual confidence on security issues and develop long-term bilateral and multilateral cooperation among defense ministries and security forces.

The strategy captures the substantive shift in the orientation of defense engagement since the Cold War and dovetails with the reengineered structure of regional policy proposed in this paper. Implicit in the new approach is the challenge of meshing civilian and military implementation when, for years, the only DOD vision has been a military one articulated by U.S. Southern Command. The Office of the Secretary of Defense (OSD) must organize and coordinate its nascent civilian, political-military activities with the Command's engagement plans. This requirement symbolizes the changing role of DOD in the hemisphere. The Department's civilian face must become more visible in support of responsible democratic governance.

DOD is structured for operational engagement by the armed forces. These activities traditionally have included life- and property-saving rapid responses to natural disasters, multinational military exercises, humanitarian assistance projects, and many forms of professional support to the war on drugs and antiterrorism. Operational engagement provides positive defense diplomacy and some professional military training. It reassures neighbors of continuing U.S. commitment to the Americas and demonstrates willingness to act in concert to address common (usually bilateral and drug-related) challenges. As a strategic approach, it can provide an environment conducive for building trust between neighbors, stimulating cooperation among other armed forces, and encouraging the development of interoperable military capabilities. Operational engagement is an important policy tool, particularly in the absence of foreign military assistance programs.

The overall impact of operational focus tends to be short term, unless the engagement contributes to a larger strategic and multilateral context, such as a security regime. Neither the United States nor any of its neighbors has committed to pursue such a context. While military exercise programs are multinational, U.S. defense relationships today continue to be bilateral and limited in scope, tailored for specific peacetime circumstances. With Latin American and Caribbean states moving toward more cohesive subregional security cooperation, the administration should examine the development of genuine defense cooperation in the hemisphere, including Canada and Mexico, to accomplish specific peacetime missions such as disaster relief and humanitarian assistance.

As an element of the often-cited goal of strengthening democracy, operational engagement has been unsuccessful in nurturing and supporting Latin defense sector reform. Exposure to U.S. forces (and high-ranking military officials) through meetings, short-duration military exercises, and professional exchanges has done little to inspire or support institutional change. During the 1990s, Latin defense-sector reform moved at its own pace without direct U.S. assistance, unless a government requested technical support.

Political-military engagement has focused on professional education for civilian officials and military officers by the Center for Hemispheric Defense Studies (CHDS) at the National Defense University since 1998 and a range of standard foreign military officer and civilian education opportunities based in the United States. The standard courses generally introduce students to the U.S. political-military culture, facilitate their discussions about civil-military relations, and offer exposure to a wide range of experiences and ideas from American and foreign students. None of the programs except for CHDS is specifically tailored for the region and its defense culture. This form of engagement is a long-range investment in the reform of civil-military relations.

In support of defense sector development and reform, OSD has begun to offer the five selected counterparts an array of specialized staff interactions in such areas as civilian personnel planning and environmental security. A small number of technical exchanges also occur, and some functional intelligence is shared. Initiatives usually are ad hoc responses to requests or U.S. offers made during one of the bilateral working group meetings. More information could be provided to ministries of defense and military services about, for example, defense planning, service management (organizing, training, and equipping forces), and institutionalizing military jointness. DOD currently lacks an organized program for these initiatives.

In addition to structuring an OSD program to guide its political-military engagement in the hemisphere, the administration should recognize that its

bilateral contact suggests, perhaps unintentionally, a U.S. obligation to expand the relationship with Argentina, Brazil, Chile, Colombia, and Mexico. It is unclear where this trend is headed on its own merits, but consideration should be given to expanding this engagement beyond just these countries.

Notes

[1] The Summit in Quebec City will focus on three baskets of issues: strengthening democracy, realizing human potential, and creating prosperity.

[2] As an example, Mexico annually receives $7–8 billion, slightly less than the amount of foreign direct investment. El Salvador gains approximately $1.6 billion.

[3] Temporary forward operating locations in El Salvador, Aruba, Curaçao, and Ecuador support DOD's counterdrug mission

Strategic Posture Review

by M. Elaine Bunn *and* Richard D. Sokolsky

Overview. In the past, U.S. decisionmakers have addressed strategic nuclear force and national missile defense issues in an incremental and uncoordinated manner. Too often, force structure decisions have been driven by near-term programmatic, budgetary, arms control, and political pressures rather than by long-term strategy and objectives. The forthcoming Strategic Posture Review (SPR) needs to fundamentally reassess the purposes of nuclear weapons, missile defenses, and the requirements of deterrence and stability in the new security environment.

The Bush administration should develop a comprehensive conceptual framework to decide on the size, composition, and posture of strategic offensive and defensive forces. Such a framework should integrate new assessments of deterrence and stability over the next 10–20 years, in light of the much more diverse threats facing the United States.

It will not be easy to come up with solutions that balance competing and often contradictory objectives. Improving U.S. capabilities to deal with one set of strategic concerns may complicate efforts to address others. SPR should include a reassessment of U.S. strategic force levels and targeting requirements; consideration of different hedges and reconstitution options against greater-than-expected threats, such as maintaining production capabilities or making unilateral strategic force reductions outside a formal treaty framework; and development of a broad calculus to assess the impact of national missile defense and other strategic developments on deterrence and stability.

Before the next administration decides on a strategic force posture, national missile defense (NMD) architecture, and arms control objectives for both offensive and defensive forces, it needs to grapple with questions of strategy and doctrine. Any consideration of alternative defense strategies and their implications for nuclear forces and missile defenses should start with a basic set of questions: For what purposes will we need nuclear weapons and missile defenses in the future and under what conditions would these missions be carried out? What countries will pose strategic threats to vital U.S. national interests over the next 10–20 years? What hostile actions are we trying to deter, and what are the proper character, size, and mix of nuclear weapons and defenses in deterring these threats?

The United States could face three types of strategic threats in the security environment of the next 20 years: the reemergence of a potential challenge from Russia, challenges from a hostile China, and aggression by states of concern (for example, North Korea, Iraq, and Iran). Any of these countries may use or threaten to use force against the United

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States, its forces, or its allies and friends. Such aggression would be particularly troublesome if it involved use of weapons of mass destruction and long-range ballistic missiles to deter U.S. and Western military intervention in regional crises. A related question is how the United States should deter these threats. The fundamental goal of deterrence is to prevent aggression by ensuring that, in the mind of a potential aggressor, the risks of aggression far outweigh the gains. Offensive deterrence and defensive deterrence affect different sides of this deterrence equation: offensive forces increase risks to aggressors by threatening unacceptable costs; defensive forces decrease potential gains by denying an aggressor's ability to achieve its objectives.

These two variables—the threats we seek to deter and the most effective means of achieving this goal—have significant implications for the role of nuclear forces and missile defenses in overall U.S. defense strategy and for the appropriate mix of these forces for meeting U.S. deterrence requirements. Broadly speaking:

A strategy that puts higher priority on meeting future challenges from an adversarial Russia or a hostile China, and that maintains faith in traditional deterrence, is likely to continue relying most heavily on the threat of nuclear retaliation. Force mixes for this world are likely to emphasize robust offensive capabilities and no or minimal NMD (although some have suggested that the United States should not rule out the possibility of defending against China in the future).

A strategy that is much more concerned with rogue states than large nuclear-armed powers, and is pessimistic about the efficacy of offensive deterrence, is far more likely to feature a force mix that is heavy on missile defenses and overwhelming conventional power, and lighter on strategic offensive forces.

A strategy that is more concerned with building partnerships with Russia and China and relying on preventive defense, traditional deterrence, and conventional capabilities to defend U.S. interests against rogue state actions would be characterized by lower levels of offense and no or low defenses.

A strategy that is concerned with the emergence of both a nuclear competitor and rogue states might have a mix heavy in both offensive and defensive forces.

Force Mixes and Offense-Defense

Before developing alternative force mixes, one must address the relationship between strategic nuclear forces and national missile defenses as they relate to assumptions about who and what the United States is trying to deter. There are essentially four different ways of thinking about the offense-defense relationship:

The first possibility is a direct relationship—that is, the more NMD one has, the more nuclear weapons the other side will have; conversely, the lower the level of NMD, the lower the level of strategic offensive forces. Such a relationship is the basis for the 1972 Antiballistic Missile (ABM) and Strategic Arms Limitation (SALT) I Treaties, as well as the current Russian proposal for a reduction in strategic nuclear forces to 1,500 and a ban on NMD deployment beyond what is allowed in the ABM Treaty.

The second possibility is an inverse relationship—that is, a tradeoff between strategic nuclear forces and NMD. For example, some have suggested a future agreement between the United States and Russia on both offensive and defensive forces that would set an aggregate ceiling for strategic ballistic missiles and allow freedom to mix between offensive and defensive interceptors. This trade-off relationship is also often implicit in budget discussions.

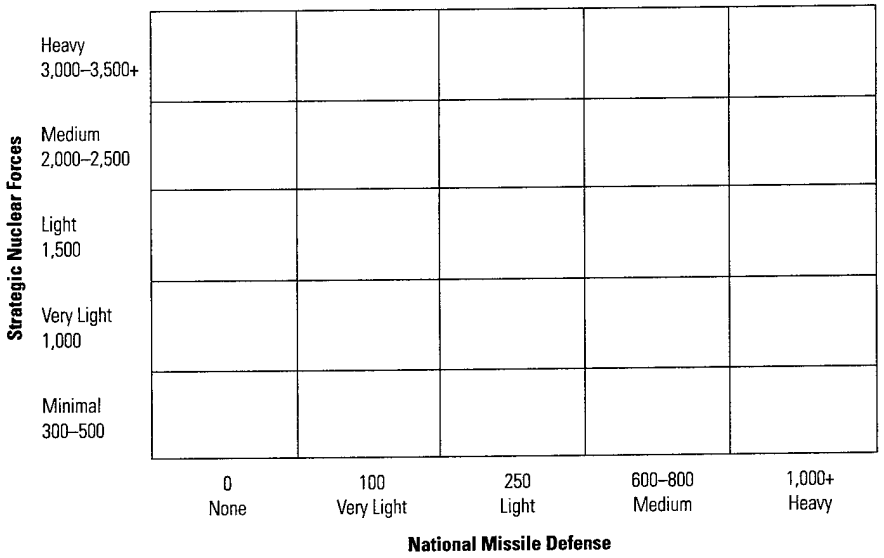
The third possibility is that there are no inherent or direct relationships between offense and defense levels, because they are driven by different factors: NMD is sized by threats from states of concern, while strategic nuclear forces are sized to deal with a potentially hostile Russia (or perhaps a China that might be viewed as a strategic threat in the future). Because there are different drivers, both nuclear forces and missile defenses should be sized independently of each other, and therefore many combinations are possible.

A fourth possibility is that there is a relationship, but it is nonlinear and unpredictable because of the complex interaction of U.S. decisions on offenses and defenses and their impact on the security calculations of different sets of countries: states of concern, Russia, China, or allies. This relationship is analogous to interconnected gears, but with an unknown differential. It is clear there are connections, but it is not clear in which direction and how far the gears will turn, or what the consequences would be.

Thus, with a number of ways to view the relationship between nuclear and missile defense forces, no

single logic defines the appropriate mix of U.S. offenses and defenses. The matrix presents illustrative mixes for the 2020 timeframe. While levels of offensive and defensive forces in these mixes are not the only ones possible, they cover a range of possibilities that have been put forward by government officials and academic specialists both here and abroad. These force mixes should be seen primarily as a device to identify and frame key issues that should be addressed in the SPR; each will need to be evaluated in terms of its implications for deterrence, stability, the behavior of states of concern, relations with Russia, China, and allies, and U.S. arms control and nonproliferation objectives.

Illustrative Force Mixes for 2020



The relative emphasis on either strategic nuclear forces (SNF) or NMD in future strategies is driven by assumptions related to the major threats confronting the United States and the relative level of confidence in offense- versus defense-dominant deterrence. For example, the no NMD/ minimal deterrent SNF posture of 300–500 warheads reflects a view that Russia and China are unlikely to emerge as hostile nuclear competitors, that very low numbers of nuclear weapons are the best guarantee of security, and that rogue state threats can be handled with offensive retaliatory capabilities (nuclear or conventional) or preemption. On the other hand, a medium NMD/very light SNF posture of 600–800 interceptors and 1,000 warheads, respectively, would establish NMD levels comparable to those envisioned under U.S. proposals from the early 1990s for protection against accidental/unauthorized launches and states of concern (global protection against limited strikes, or GPALS), and nuclear forces at the levels to which some predict Russia will fall.

Future Force Posture

In considering future mixes of strategic nuclear forces and national missile defenses and the future of the U.S. strategic force posture, the SPR will need to address several interrelated issues.

Force Levels and Targeting Policy. The possibility of a future hostile, aggressive Russia with substantial nuclear forces continues to place the most stressful demands on the prospective U.S. strategic nuclear posture. Current U.S. policy on deterring this kind of Russia (a strong Russia gone bad) means being able to hold at risk those targets that the United States believes a potentially hostile Russian leadership would value. Historically, implementing the hold-at-risk doctrine has meant meeting a high standard of target destruction in four categories: (1) nuclear forces, (2) other military forces, (3) economic and industrial targets, and (4) leadership and command, control, communications, and intelligence (C^3I) assets. Because being able to hold strategic forces at risk is only one part of the strategy, further reductions in Russian nuclear forces would probably not yield further significant reductions in U.S. nuclear requirements regarding Russia. Reductions in U.S. strategic nuclear forces below the levels agreed to in principle in 1997 (2,000–2,500 accountable warheads) would require a fundamental change in the targeting policy that underlies the strategy for nuclear deterrence of Russia.

Such a change in guidance by the civilian leadership might mean dropping one or more categories of targets, relaxing the exacting damage criteria that affect strategic force levels (for example, by reducing the number of targets within each category that must be held at risk with strategic warheads), or adopting a strategy that targets populations (a difficult choice, given American values).

There is, in fact, nothing sacrosanct about current targeting requirements. The Cold War calculus of setting a requirement to hold at risk a certain set of targets comes down to a judgment call about what level of damage would deter a Soviet/Russian leader from launching nuclear weapons against the United States. Over the years, this political judgment has varied. Moreover, the process of translating general policy guidance into the selection of specific targets often involves subjective judgments. The real issue is what kind of strategic deterrent we realistically need to maintain to deter a potentially hostile Russia in the future. In thinking through this issue, four key questions should be taken into account. First, how would a hostile Russia, assuming that it could mount a strategic resurgence, choose to challenge the United States, and what role would strategic nuclear weapons play in this strategy? Second, how much strategic warning time would the United States have of the revival of a hostile Russia, and would these signs of hostile intent allow for timely and effective measures in response? Third, what kind of target list would a resurgent Russia present, and what would its implications be for U.S. strategic force levels and targeting policy? Finally, if Russia were destined to become an anti-status quo peer competitor, would U.S. interests best be served by having Russia launch its bid for hegemony from a higher or lower nuclear baseline? In other words, how should the balance be struck between maintaining near-term strategic force readiness and the capabilities for managing an uncertain long-term nuclear risk?

The "Lead-and-Hedge" Policy. The 1994 Nuclear Posture Review (NPR) called on the United States to reduce the role of nuclear weapons while preserving the option for reconstituting a much larger nuclear force above the warhead ceilings in arms control agreements in the face of an uncertain future for Russia. Such a force would consist of nondeployed warheads and strategic delivery vehicles with sufficient space to upload these warheads if circumstances warranted. The NPR hedge was conservative, based in part on the assumption that Russia might emerge as a major power within a relatively short period, and in part on the assumption that whatever level to which the United States reduced would become a de facto ceiling. These assumptions may have been valid then, but are not necessarily true today. In the NPR, the hedge was the difference between a START II force of 3,000–3,500 warheads and a START I force of close to 6,000. In the future, if a political decision were made to retain a hedge, it might mean the difference between future levels of strategic forces (whether treaty-mandated or not) and START II levels. Alternatively, a future hedge might mean putting less emphasis on maintaining a large number of warheads on the shelf that are rapidly available in favor of maintaining stored components and/or the industrial and nuclear weapons infrastructure to increase nuclear capabilities within the timelines that a threat might arise. Making further reductions in the number of *deployed* strategic weapons outside a formal treaty framework (that is, unilaterally, with deployed defined as immediately available for use), which would give the United States even greater flexibility both to reconstitute strategic forces and to agree to substantially lower strategic force levels, might also be part of a redefined lead-and-hedge policy. In sum, the way the hedge was first conceived may have served our interests over the past decade, but may need to be conceptualized differently if it is to serve our interests in the future. In other words, can the United States safely afford to do more leading and less—or a different kind—of hedging?

Nondeployed and Tactical Nuclear Weapons. In looking at substantially lower numbers of strategic weapons, the issue of nondeployed (or stockpiled) and tactical nuclear weapons (TNW), which are unconstrained by arms control treaties, assumes more importance. To compensate for declining conventional capabilities, Russian military doctrine has increased reliance on tactical nuclear weapons. Moreover, the characteristics of TNW, especially their small size and mobility, are a proliferation worry. At the same time, trying to negotiate legally binding limits on nondeployed and TNW warheads, especially if it required verified warhead dismantlement, would be contentious and time-consuming and could cause serious military and political problems. Intrusive verification procedures pose potential problems for protecting sensitive military and operational information—an especially important concern, as some

experts have noted, because of the ascendancy of the Russian security services in Russian national security policymaking. In addition, stockpiled weapons for both sides, but especially for the United States, are important to maintaining effective stockpile stewardship programs under nuclear testing moratoria. Moreover, the military significance of stockpiled Russian tactical nuclear warheads is probably marginal, since many of these weapons and their associated launchers are obsolescing rapidly. Because of the age of many TNW systems, as well as resource constraints, Russian TNW capabilities are expected to drop significantly in the coming years (see *Proliferation: Threat and Response*, Office of the Secretary of Defense, January 2001, p. 54; available at http://www.defenselink.mil). Finally, negotiating limits on tactical nuclear weapons is perhaps even more problematic. Reaching an agreed definition on these systems would present thorny issues, and verifying limits on them, many of which are dual-use, with any degree of confidence presents a daunting technical challenge. Verification would also require a level of intrusiveness that is probably unacceptable to both countries. Because of its huge numerical advantage, Russia would probably have little incentive to negotiate lower limits; the United States, moreover, would have little bargaining leverage unless U.S. nuclear weapons in Europe were put on the bargaining table—a decision that would cause serious problems with NATO allies.

Nonetheless, Russia's nondeployed and tactical nuclear weapons pose a potential proliferation problem and international pressure will continue to grow for both countries to reduce and dismantle their large number of stockpiled weapons as a test of their commitment to genuine nuclear disarmament. To deflect this pressure, and in view of the formidable problems inherent in controlling these weapons, the United States should continue to push for transparency and confidence-building measures that could reduce uncertainties about the size of weapons stockpiles and provide reassurance about U.S. and Russian intentions.

The Stability Calculus. Finally, the Strategic Posture Review will need to come to terms with the concept of stability. Stability is a factor that is often thrown around in discussions of the strategic balance and missile defenses but has different meanings—arms race stability, crisis stability (a subset of which is first strike stability), and regional/political stability—whose relevance in the new security environment should be reexamined. The SPR will need to carefully consider the implications of alternative offense-defense force mixes for all three types of stability. To cite but one example, much of the discussion to date about NMD and strategic offensive forces has revolved around arms race stability—that is, whether nations feel pressure to increase the size or capabilities of their forces in response to possible U.S. ballistic missile defenses. However, numbers should not be the only or even primary consideration. More important is the posture of forces—in particular, how they are deployed and whether they are survivable in all types of situations, from normal peacetime (day-to-day) to periods of heightened tension when a nation may put more of its forces on alert (generated). Such factors, along with early warning and command and control capabilities, have a far greater impact than force levels on crisis or first strike stability, particularly whether they encourage escalation in a crisis situation.

In short, lower numbers are not intrinsically better and should not be the measure of merit in evaluating alternative offense-defense mixes or options for lower strategic force levels. Proposals for reducing the alert status of U.S. and Russian strategic forces, while potentially lowering the risks of accidental or unauthorized launch or providing a symbol of U.S. leadership and the end of U.S.-Russian enmity, should also be judged in terms of their impact on crisis stability. It is by no means clear, for example, that a unilateral U.S. decision to reduce the alert levels of its strategic forces would enhance stability, especially in a crisis, when realerting of forces could prove to be highly destabilizing, increasing rather than dampening incentives for escalation. It is equally problematic that Russia would be receptive to U.S. proposals for full reciprocity in dealerting, given its greater reliance on nuclear forces for deterrence, or that the U.S. and Russian approaches to reducing alert levels would be compatible. Finally, to the degree that the threat of an accidental or unauthorized launch of nuclear weapons is based on faulty information, the problem lies with Russia's deteriorating early warning and command and control capabilities. Unilateral changes in the U.S. strategic force posture would not address this problem; on the other hand, continuing and expanding efforts on shared early warning—such as the recently agreed Joint Data Exchange and pre-launch notification system—would be an effective response to this problem.

The Bush administration will need to make decisions on NMD and the U.S. strategic force posture in light of its overall global strategy, the range of scenarios for which we can envision a mission for both strategic offensive and defensive forces, and judgments about the efficacy of offensive and defensive deterrence. Moreover, in considering alternative deterrence futures and preferred outcomes, the Strategic Posture Review will need to integrate a much broader range of factors into its analysis—not just strategic nuclear weapons, but also theater and national missile defenses, tactical and nondeployed nuclear weapons, alert levels, conventional strategic and information operations capabilities—and develop a strategic calculus that is relevant to the security environment.

This is an inherently messy process and confronts U.S. planners and decisionmakers with a serious intellectual challenge that will require a coherent long-term vision, innovative thinking, and a willingness to challenge Cold War logic and orthodoxy. The discussion here only scratches the surface. But it will have served its purpose if it illuminates some key choices and tradeoffs the United States faces and stimulates more informed debate and understanding about how all the pieces of this complex puzzle fit together.

Arms Control Policy

by Richard D. Sokolsky

Overview. Decisions on the next phase of strategic force reductions and how to achieve them will have to await the resolution of larger issues related to the future of the U.S. strategic force posture and national missile defense. Once the Bush administration completes its Nuclear Posture Review, however, it will need to decide whether to continue the Cold War-style strategic arms reduction process or explore alternatives for reducing nuclear threats to national security and transforming the U.S.-Russian strategic relationship.

The traditional arms control process of negotiating legally binding treaties that both codify numerical parity and contain extensive verification measures has reached an impasse and outlived its utility. Moreover, new U.S. strategic priorities will require changes in the ends and means of arms control policy.

The United States and Russia should embrace a radically new framework to achieve deeper reductions in strategic nuclear forces. The centerpiece of such a reform agenda should be arms control through unilateral and parallel unilateral measures. To jump-start this process, the administration should give top priority to repealing legislation that prohibits the Nation from unilaterally reducing strategic forces until START II enters into force.

Unless the United States embraces a more flexible and innovative approach to strategic arms control, progress will be stymied in developing a nuclear weapons posture for the new security environment.

There has been a tectonic shift in the strategic landscape since the Strategic Arms Reduction Treaty (START) negotiations concluded in the early 1990s. The Soviet Union and the Warsaw Pact are defunct. America and Russia are no longer enemies and the nuclear arms race between the two countries is, for all intents and purposes, over. The threat of a surprise nuclear attack has all but vanished along with any plausible scenario between the two countries that could escalate to a nuclear war. The strategic warning time for reconstitution of a credible conventional military threat to Europe can now be measured in years. The likelihood that Russia could marshal the economic resources for clandestine production of new nuclear weapon systems on a militarily significant scale is extremely remote. The most serious security threats emanating from Russia today—poorly safeguarded nuclear warheads and materials and the potential proliferation of such material and expertise to states of concern—reflect profound weakness. Simply put, the proliferation risks attendant to a Russia in the throes of a long-term structural crisis are a far more serious security threat than

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SS–18 heavy missiles destroying U.S. intercontinental ballistic missiles (ICBMs) in a preemptive first strike.

Consideration of future nuclear arms control options must also take into account long-term trends in Russian strategic force levels. With or without arms control agreements with the United States, Russia will not command the necessary resources over the next 10-15 years to sustain the number of deployed warheads (1,500) it proposed for START III. Moreover, economic constraints, combined with growing obsolescence, will also lead to a steep decline in its nonstrategic nuclear weapons. Russian production of strategic weapon systems has fallen dramatically over the last decade. Moscow currently produces a negligible number of ICBMs per year and will not be able to produce these systems fast enough to offset the growing obsolescence of its ICBM forces. Further, infrastructure and resources are lacking to sustain these decaying missile systems indefinitely or to support significant increases in force structure. The other two legs of the Russian strategic triad are in even worse shape. Since 1990, the last year that Russia produced any new ballistic missile submarines (SSBNs), the number of SSBNs has dropped precipitously and will decline even further as older submarines are retired. The heavy bomber force consists largely of older Bear bombers; Russia has produced only a few strategic bombers since the early 1990s and is unlikely to produce any new heavy bombers in the near future. In sum, Moscow faces the prospect of deep disinvestment in strategic nuclear forces for the next decade and probably beyond.

The Scorecard

The record over the last decade of both traditional and nontraditional arms control measures is largely one of initial successes followed by unfulfilled promises and missed opportunities to reduce the role of nuclear weapons in U.S. national security policy and bilateral security relations.

START I led to the elimination of nuclear weapons on the territory of Ukraine, Kazakhstan, and Belarus and to the accession of these countries to the Nonproliferation Treaty (NPT) as nonnuclear weapons states (NNWS). If START I reductions are fully implemented on schedule (by December 2001), the treaty will have brought about the irreversible elimination of hundreds of Russian strategic delivery systems and about a 40 percent reduction in the number of strategic warheads deployed by both countries. START II, which was signed in 1993, would further reduce the number of strategic warheads deployed by the United States and Russia to 3,000–3,500 each—about a two-thirds cut from 1990 levels.

Nonetheless, completion of START I has been a slow process and since 1993 the strategic arms reduction process has been stymied. It took almost a decade to negotiate START I, 3½ years to gain its entry into force, and 7 years to implement the required reductions. Although START II was negotiated in less than 12 months, it has yet to enter into force and is likely to remain in limbo for some time, since the Duma has attached conditions to ratification related to the Antiballistic Missile (ABM) Treaty that the Senate is likely to reject. Although the two sides agreed in principle in 1997 to levels of 2,000–2,500 warheads in START III, discussions have yielded little progress. Meanwhile, the United States has been bound for several years by domestic law to maintain 6,000 deployed strategic warheads until START II enters into force. Perversely, therefore, the United States is retaining 3,500–4,000 more warheads than the Pentagon says it would need under START III.

By contrast, nontraditional arms control measures—unilateral and reciprocal initiatives, cooperative threat reduction programs, policy declarations—have produced substantial and quick benefits over the last decade. These include reductions in U.S. and Russian tactical nuclear weapons; the cancellation of several major U.S. and Russian strategic weapon systems; improved safety and security for Russian nuclear warheads and fissile material; the downsizing of Russian nuclear weapons infrastructure; and, in connection with START I, the deactivation or elimination in the former Soviet Union of almost 5,000 strategic nuclear warheads, nearly 600 ballistic missile launchers and silos, and nearly 500 ICBMs and submarine-launched ballistic missiles (SLBMs).

Traditional Arms Control

Both the traditional and nontraditional approaches to arms control have a mix of advantages and disadvantages. In the past, the traditional arms control approach of carefully negotiated, legally binding treaties has been well suited to influencing how Russia reduced its nuclear forces and to ensuring that those reductions became permanent, were verified with a high degree of confidence, and were imple-

mented according to an agreed schedule. Although these benefits are not insignificant, they must be viewed within a broader context that takes into consideration a number of factors critical to the successful negotiation of arms treaties.

Stability. Formal treaties have provided incentives for Moscow to put less emphasis on systems such as the SS–18 that were considered destabilizing during the Cold War. It is questionable, however, whether the Cold War concept of strategic stability based on the principle of mutual assured destruction is still relevant now that Russia is no longer a strategic threat and there is virtually no risk of surprise nuclear attack or a crisis that would threaten rapid nuclear escalation. At one time, "forcing the Russians to sea" was a worthy goal. That said, Russia's heavy ICBMs are a wasting asset, given the overwhelming proportion of the U.S. strategic force posture that is deployed on SSBNs that are not vulnerable to ICBM attack. Of far greater importance in today's strategic environment than the ratio of SS–18 warheads to U.S. ICBM silos is that both the United States and Russia have the flexibility to size, structure, and operate their strategic postures in accordance with their threat perceptions, military requirements, and financial and operational constraints.

Irreversibility. Formal treaties help lock in the benefits of arms control and would be useful if a hostile leadership reemerged in the Kremlin. Physically destroying strategic systems renders them incapable of being used again and legally binding obligations are more difficult to reverse than political commitments. Historically, Washington was most concerned that Moscow not exploit arms control treaties to achieve a significant military advantage; hence, we sought to negotiate practices that would mitigate the risks of treaty circumvention and breakout. The value of such measures, however, has declined significantly, particularly in light of Russian economic constraints and declining strategic capabilities and the improved U.S.-Russian relationship. Further, for the United States, the importance of preserving maximum operational flexibility and programmatic freedom of action should be weighed against the importance of achieving irreversibility in nuclear weapons reductions.

Verification/transparency/predictability. Formal treaties establish a host of practices that help to reduce uncertainties regarding compliance and implementation. These procedures were valued in the past because they reduced the risk of miscalculating military intentions and capabilities and helped to shape a more structured and predictable strategic relationship. Whether this Cold War paradigm makes sense in the current strategic environment is increasingly open to question, particularly with respect to the requirement for "stringent verification," since the American desire to preserve operational flexibility and reduce verification/implementation costs and burdens outweighs concerns over large-scale Russian cheating. Indeed, in the current context, robust transparency measures may be a suitable alternative to intrusive verification.

A problem with the traditional nuclear arms control process is that it is slow. Indeed, over the last decade the reduced threat perceptions in U.S.-Russian relations have outpaced progress in strategic arms control. Consequently, both countries are now maintaining far more strategic weapons than they need or want. In addition, the process of negotiating formal arms control treaties can create an adversarial environment and, by perpetuating the notion that mutual vulnerability to massive retaliation is central to a stable relationship, is incompatible with efforts to forge a more positive strategic relationship. Moreover, the U.S.-Russian relationship is more multifaceted now than it was during the Cold War, when arms control was the main instrument for building cooperation. Today, the possibilities for cooperation are more numerous, and there are downsides to allowing arms control to dominate the relationship, among them the risk of feeding Russia's superpower pretensions. Finally, by assuming such a high domestic political profile in both countries, formal arms treaties are often expected to shoulder more weight than they can bear.

Nontraditional Measures

Unilateral or parallel unilateral measures are well suited to making fast progress and providing flexibility for both sides in implementation. In addition, such measures can be preferable to formal arms control if intrusive verification and other detailed measures are not critical, desirable, or feasible. For example, under current START II rules, the U.S. force of 95 B–52H heavy bombers would count as 1,900 warheads against an overall ceiling of 2,000–2,500 accountable warheads. Clearly, if the United States wishes to retain most or all of these B–52Hs for conventional missions, it must get some relief from START II counting rules. It would be much easier, faster, and cheaper to attain relief through transparency and confidence-

building measures than negotiations with Russia on START III.

At the same time, informal arms control is not without risks and uncertainties. One disadvantage is the absence of verification provisions, which sometimes creates concerns about compliance. Also, it is easier to walk away from informal understandings than from legally binding treaty commitments. In addition, as the United States and Russia move to lower warhead levels, the number of warheads the United States would consider of military significance if not constrained by a formal arms control regime would decrease. Furthermore, the United States could face international opposition to unilateral initiatives. Russia values the status and prestige afforded by formal arms control negotiations, although a recent statement by President Vladimir Putin held open the possibility of parallel unilateral reductions. Likewise, U.S. allies and most other countries probably prefer formal arms control treaties, and may see a U.S. decision to pursue unilateral arms control as another indication that America has abandoned cooperative approaches to international security. Finally, congressional opposition and legal constraints could make unilateral reductions in strategic nuclear weapons difficult to achieve.

These problems and disadvantages need to be weighed against the benefits of informal arms control. Some of the obstacles to new arms control practices can be overcome with energetic U.S. leadership and adroit diplomacy. In addition, concerns about informal arms control should be placed in a broader context that reflects current strategic realities.

First, the benefits of formal arms control treaties are less important today than in the past, in light of the changed strategic environment and Russia's economic constraints and plummeting number of delivery platforms for nuclear weapons.

Second, the United States no longer needs highly intrusive verification to be confident that it can monitor deployed strategic force levels. The United States will continue to possess for the indefinite future the intelligence capabilities, with national technical means (NTM) alone, to detect in a timely manner any covert Russian actions that could alter the strategic balance in a militarily significant manner. Likewise, because of the length of time it would take Russia to pose such a threat, the United States would have ample time to take effective countermeasures.

Third, unilateral reductions in strategic weapons could be accompanied by transparency measures (for example, data exchanges and reciprocal visits to military facilities) that would help alleviate concerns absent a formal START III agreement.

Fourth, many items on the future U.S.-Russian nuclear agenda—such as tactical nuclear and nondeployed warheads—simply do not lend themselves to formal arms control treaties, at least in the near term, because of technical, verification, and operational problems. In addition, there are steps each side could take to reassure the other of its intentions and to reduce the risk of an inadvertent nuclear war that are better suited to unilateral or reciprocal initiatives.

Fifth, if the administration decides to deploy a national missile defense (NMD), unilateral reductions in U.S. strategic forces could allay Russian concerns.

Finally, there is little common ground today in U.S. and Russian arms control goals. The United States does not believe that the negotiation of a new arms control treaty is a *sine qua non* to reducing the threat of nuclear war or to enhancing stability. By contrast, Russia seeks further strategic arms reduction agreements to constrain U.S. military capabilities and to maintain its own perceived superpower status. Russia wants to limit U.S. operational flexibility, and perceives U.S. efforts to maintain this flexibility as threatening. These differences, along with growing disparities in strategic nuclear capabilities, will complicate efforts to craft arms control treaty provisions that can reconcile conflicting goals.

A New Paradigm

None of the features of the Cold War landscape remains the same, yet little has changed in American thinking about strategic arms control with Russia. Future strategic arms control policy toward Russia should be driven by two considerations. First, how does it contribute to broader national security objectives, in particular reducing the threat of nuclear weapons and meeting the most serious threats we are likely to face in the strategic environment of the 21st century? Second, how does it contribute to the kind of long-term relationship we would like to have with Russia and to reducing the prominence of nuclear weapons in this relationship?

From this perspective, the logic of traditional arms control appears to be out of step with the times, and U.S. nuclear arms control policy needs to be renovated. Indeed, many of the assumptions and principles underpinning classical arms control are now incompatible with broader U.S. national security and foreign policy goals. Russia is no longer our enemy, yet the traditional arms control approach generally presupposes and fosters an adversarial environment. We want a relationship with Russia based on trust, understanding, and cooperation, where nuclear weapons play a greatly diminished role—if they play any role at all. However, the traditional approach to arms control, with its emphasis on numerical parity, has the perverse effect of raising the salience of nuclear weapons in our relationship, to the detriment of more important issues on our bilateral agenda. Curbing the spread of weapons of mass destruction requires U.S. leadership and credibility, especially in meeting its nuclear disarmament obligations under the NPT. But the formal arms control process is deadlocked and is likely to remain so for the foreseeable future, causing many countries around the world to question the U.S. commitment to nonproliferation and nuclear disarmament and undermining the U.S. ability to advance its nonproliferation agenda. Finally, traditional arms control theology remains fixated on reducing the negligible threat of deliberate nuclear attack and ignores more serious threats to stability, such as mismanagement of nuclear operations and practices, that are not susceptible to instruments in the traditional arms control toolbox.

What are the implications of the foregoing assessment for the general direction of U.S. nuclear arms control policy toward Russia? The United States puts too much emphasis on first strike stability, numerical parity, number of deployed warheads, and stringent verification as metrics for judging the benefits, costs, and risks of nuclear arms control options. In a new strategic environment, the United States should have new objectives and priorities. These include improving U.S.-Russian political relations; reallocating resources from maintaining unnecessary nuclear force structures to developing capabilities to meet new threats; bolstering U.S. nonproliferation efforts; downsizing Russia's nuclear weapons production infrastructure; improving the security and safety of nuclear warheads and fissile material; and reducing the risk of nuclear crises or conflict through miscalculation.

Accordingly, the United States should put more weight on nontraditional arms control and cooperative threat reduction and less emphasis on formally negotiated treaties. Unilateral or coordinated unilateral reductions in strategic nuclear weapons should be at the core of this transformation agenda. Other items on this agenda should include early deactivation of strategic systems that would be eliminated under START II, expanded sharing of early warning information and data on the status of nuclear postures, increased assistance to Russia under the cooperative threat reduction (CTR) program for the elimination of strategic systems, and intensified U.S.-Russian dialogue on strategic policies, programs, and force postures. The goal of this strategy should be to help put both sides on the path of de-linking their strategic forces from one another and transforming a nuclear relationship that no longer serves broad U.S. national security interests.

The administration does not need to complete the Nuclear Posture Review before it begins to restructure U.S. strategic arms control policy. Currently, the prospects for breaking the logjam in the START process remain dim at best. Entry into force of START II is likely to remain hostage to the vagaries of U.S. domestic politics, while progress on a START III agreement is likely to founder over conflicting U.S. and Russian priorities and the complex and contentious issues that are on the negotiating table.

Rather than continue pursuing a process that is bound to move at a glacial pace or, more likely, remain deadlocked, the new administration should give top priority to repealing current legislation that prohibits the United States from making unilateral reductions in its strategic forces until START II enters into force. Once this legislation has been repealed, the United States should begin promptly to reduce strategic nuclear forces unilaterally to levels commensurate with national security requirements, beginning with the deactivation of the 50 Peacekeeper ICBMs.

Thus, a more effective U.S. arms control strategy for the future would first make immediate unilateral changes in our strategic force posture, which would almost certainly elicit a comparable Russian response.

In the medium term, the United States would agree on transparency measures related to these reductions and other changes in U.S. nuclear plans and operations. Such actions would reassure Moscow that Washington is not seeking to exploit Russian weakness to gain unilateral military advantages.

In the longer run, some of these unilateral steps could be converted into legally binding commitments if we determined at that time that formal treaties were both necessary and feasible, given the overall strategic environment.

The United States has not reached a new consensus on the strategy and purposes of nuclear arms control with Russia since the end of the Cold War. Not surprisingly, therefore, the old bipolar nuclear arms control logic and assumptions continue to govern the U.S. approach. Traditionally, strategic arms control has focused primarily on trying to negotiate legally binding treaties that enshrined strategic stability, numerical parity, and stringent verification. It is far from clear, however, that these criteria should continue to guide decisions about what type of arms control measures the United States should pursue in the future. Most importantly, the philosophy and practice of traditional arms control are no longer contributing effectively to the goal of reducing threats to U.S. national security. New strategic priorities will require changes in the ends and means of classic arms control policy. Unless the U.S. approach to nuclear arms control is guided by a more innovative and forward-looking vision, it may well be doomed to increasing irrelevance or, even worse, could undermine rather than strengthen national security.

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