

May 15, 2006

International Security

Diverse threats create security challenges for the world

Threats to security vary by region, country and culture. To confront these threats effectively it is essential to understand their unique nature and the nature of the region from where they arise. This edition of The Lipman Report examines distinct international regions and some of the security challenges they present.

Russia, Eastern Europe and Central Asia

Russia is the largest country in Europe, Asia and the world. Prior to the dissolution of the Soviet Union the USSR occupied one sixth of the globe's land mass. The immense size of the former Soviet Union is better understood when one takes a domestic flight through eleven time zones to fly from Minsk in Belarus to Vladivostok in the Russian Far East. After 75 tumultuous years of revolution, civil war, famine, internal purges resulting in millions of deaths, two world wars and a "Cold War" lasting 50 years the Soviet Union dissolved into 15 independent countries. The Russian Federation is still the largest country in the world and the most important nation to evolve from the USSR.

Russia is arguably the richest nation in natural resources in the world. It sits in the northern hemisphere on an ocean of oil and gas and possesses approximately half of the world's supply of minerals and precious metals. A government that was unable to manage its finances in the 1990s has now recorded five consecutive annual budget surpluses. In 2005, government revenues exceeded spending by approximately 7 percent of GDP. Between 2000 and 2004, the number of Russians living below the government's poverty line dropped from 42 million to 26 million. The unemployment rate, over 10 percent in 2000, is now approximately 7 percent.

Security Challenges

Russia made the transition from a totalitarian state to a democracy, albeit a fragile one, in a relatively short period of time and without tragic consequences. The transition from a communist state with an economy completely controlled by the government to capitalism and a market economy did not progress as smoothly. The overnight attempt at economic transition called "shock therapy" failed to

bring about an orderly and fair distribution of the nation's assets. A small group of clever prepositioned communist officials managed to manipulate the system and become "barons of industry."

These oligarchs enjoyed an inordinate influence on the government of Boris Yeltsin, the first president of the Russian Federation, thus solidifying their positions and further enriching themselves. Billions of dollars were laundered to the West. Consequently, a great deal of resentment grew throughout Russian society and led to the political system becoming steadily more authoritarian. Russia now appears to be heading towards an autocratic state. During the 1990s Russia was struggling with democratic reforms but, during the past five years, under the presidency of Vladimir Putin, government practices and institutions have become far less open. A vigorous opposition and an independent media have diminished appreciably and the rule of law has seemingly become selective.

The period immediately following the breakup of the Soviet Union witnessed a great deal of economic uncertainty, corruption and organized crime. Some western observers called Russia a "kleptocracy" and the "wild wild east." Although these descriptions may be an exaggeration, organized crime and corruption had a negative impact on economic stability.

Corruption, also, is not merely a matter of coerced taxation on businesses and individuals. During September 2004, suicide bombers hijacked two airliners and terrorists attacked a school in Beslan, a town in southern Russia. Investigations determined that the terrorists had bribed law enforcement officials to access their targets. Selective application of the rule of law was exhibited in the affair involving the forced breakup of Russia's largest private oil company, Yukos, and the long-term imprisonment of its top officials on charges of tax evasion.

Conclusion

In many ways the new nations in Eastern Europe and Central Asia face similar challenges to the ones
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encountered by Russia. There was an initial euphoria followed by the reality of difficult economic decisions and in some places the resurgence of former communist leaders now portraying themselves as socialists. The nations of Eastern Europe have generally fared better than their counterparts in Central Asia.

The nations of Central Asia are mostly ruled by former communist leaders and are challenged with serious nationalist issues and terrorism while the Baltic states and Eastern European nations, with the exception of Belarus, are progressing towards democracy and stability. Some are even members of the European Union and NATO.

The regeneration of economic growth has encouraged optimism for Russia's prospects, especially among business leaders and economists. Russia's society and its economy seem to be becoming, although slowly and tentatively, more modern. This transformation has been accompanied by a deeper integration of Russia into the international economy. The United States of America has generally enjoyed good relations with Russia since the dissolution of the Soviet Union fifteen years ago and Washington, Moscow and the world have benefited from cooperation on issues ranging from weapons proliferation to counterterrorism.

European Union

The historical roots of the European Union (EU) lie in the Second World War. The idea was born because Europeans were determined to prevent such killing and destruction from ever happening again. The European Union grew out of the European Coal and Steel Community founded in 1951 by Belgium, the Netherlands, Luxembourg, West Germany, France and Italy. Currently, the EU embraces 19 additional countries with a total of 450 million people.

Security Challenges

In addition to international terrorism, Western European countries are confronted with domestic

terrorism based within a domestic religious minority, some recent immigrants and many native-born citizens. In Europe, the issues of Islam, immigration, and terrorism have become linked. The calculated and indiscriminate use of violence by Islamic fundamentalist terrorists against civilians intended to coerce or intimidate governments and societies is a major concern for Europeans in general, and businesses and law enforcement authorities in particular. European governments have united in condemning the terrorist attacks in Madrid and London, and some countries have raised their anti-terrorist alerts to the highest levels. This level of alert involves the absolute mobilization of the security forces to keep watch and protect places with large amounts of people as well as strategic sites needed for normal citizen activity.

Common targets of terrorists are areas of high population concentration, such as mass transit vehicles (metro, bus, and trains), aircraft, office buildings, and crowded restaurants. Whatever the target of terrorists, there are ways of hardening the targets to prevent them from hitting their mark. This is why the European Commission, the executive body of the European Union, has decided to fund a research project to design and demonstrate an anti-terrorist security system architecture to better detect these terrorist threats and hence better protect railway passengers.

Conclusion

International cooperation is key to combating terrorism. At a press conference on October 6, 2005 at a U.S. hosted meeting on counterterrorism cooperation, U.S. Attorney General Alberto Gonzales stated that the United States and the European Union would move to improve their exchange of threat assessments relating to terrorism and organized crime. This was confirmed on January 25, 2006 by Secretary of Homeland Security Michael Chertoff who indicated that U.S. and European Union law enforcement and security officials have agreed on a series of practical steps to improve cooperation on counterterrorism and other issues.

Africa

The African continent, 11.7 million square miles and over 600 million inhabitants, can be separated into five general geopolitical areas: North Africa, West Africa, Central Africa, East Africa and Southern Africa. Many of the countries do not fit exactly into these regions and each country is the by-product of their indigenous cultural, religious and historical roots combined with their colonizers' heritage and respective struggles for independence. Countries that share geographical bonds in one region may share a cultural or ethnic bond with countries in another region. The political, economic and social conditions that emerged in the wake of post-colonial development vary.

Security Challenges

Organized crime, money laundering and corruption are recognized problems affecting Africa. A 2005 United Nations Office on Drugs and Crime (UNODC) report on "Crime and Development in Africa" contended that high levels of crime may be delaying Africa's development. The report refers to crime as "these unspoken development constraints" which "aggravate the suffering of the African people, make the poor even more vulnerable, distort economic values, rob national budgets, dampen the entrepreneurial spirit, discourage foreign investment, promote capital flight, and perpetuate human suffering. These are some of the problems that derail Africa's development."

Africa is a continent that seemingly goes from one crisis to another. Civil wars, refugees, internal displacement, and the recruitment of child soldiers exacerbate threats to stability and security. At a Security Council meeting, U.N. Secretary General Kofi Annan stated "Africa is characterized today by a complex whole of achievements and unsolved problems, possibilities made profitable and missed opportunities." At the hour when half of deaths related to war occur in Africa, "there are regions of Africa where the governments persist in buying weapons beyond their means, for wars which they should not carry out, and where the conflicts are

for the merchants of weapons and the rebel groups the means of growing rich."

Conclusion

In anticipation of his upcoming presidencies of the G-8 and the EU, British Prime Minister Tony Blair was determined to place African development near the top of the industrialized forward-looking agenda. His vehicle for this scenario was a yearlong dialog known as Commission for Africa. The commission's report is a mixture of old and new ideas. Among the old ideas, the most important, according to the commission, is the concept of good governance. The essence of good governance is the management of state resources for the benefit of the country's population. African countries score badly on measures of political and economic governance. These include political participation and stability, government effectiveness and accountability, control of corruption and regulatory quality.

Asia Pacific

The Asia Pacific region is as diverse as it is expansive. Its larger groupings are called East Asia, North Asia, South Asia, the Indian Subcontinent, Southeast Asia, Australasia, and Western Pacific. The groupings are largely geographical, not necessarily definitive with respect to what countries are included in these groups, and thus these may overlap with respect to the countries included in the groupings.

The ethnic, geographical, and tribal influences make for literally hundreds of languages and dialects in the region. The British, and now American, influence has resulted in English, or some variation of it, to have become a common language for commerce and government. The 10 country Association of Southeast Asian Nations, called ASEAN, each with their own languages, depends on English to communicate and function.

Dominant political and cultural countries like China, Japan, Korea, Taiwan, and India have ever increasing numbers of business leaders and gov-

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ernment officials who have studied or worked abroad, in English, and thus contribute to the increasing participation of Asia in the growing movement towards globalization. The aging workers in these countries, however, still speak only their national or ethnic languages, but English is a common subject at all school levels throughout Asia.

Japan is still the dominant economic influence in the region, both domestically and internationally, but Korea is approaching similar domestic individual wealth and productivity. China, thanks to its huge, and increasingly educated, wealthy, and innovative population, vast natural resources, and slow, but sure, relaxation of restrictions and controls on business development, including foreign investment, is quickly becoming the Asian giant in terms of domestic economy, foreign export, and military and political influence. Shanghai and the commercial centers of the south are replacing much of what Hong Kong offers, but Hong Kong, in its own right, will remain a financial and commercial center for some time to come.

Security Challenges

ASEAN's intra-region and foreign commercial activity is strong and continues to grow at a relatively regular pace. Petroleum and other natural resources' extraction and refining, high tech product manufacturing, extension of financial services and service industry talent, and biomedical research contribute to regular economic growth and to the attraction of foreign investment and talent. ASEAN however is troubled by Islamic extremism. Prime organizers and activists are Malaysian, displaced to Indonesia where madrasahs, schools that focus exclusively on Islamic teachings, are spawning grounds for those pushing for an Islamic state. Muslim Indonesians provide the fodder for suicide bombers, a new phenomenon in recent Southeast Asian political history.

In Indonesia, and elsewhere in the region, Islamic extremists have primarily political goals, not reli-

gious ones. The various groups are only loosely affiliated and not highly structured, although the misuse of Islam as a tool is the common denominator. Thus, these small and parochial groupings must be combated uniquely and individually, making penetration and neutralization of them that much more difficult. The level of effective cooperation among ASEAN intelligence and law enforcement agencies, and their further cooperation with western countries, to combat both foreign and domestic terrorism have increased dramatically.

Conclusion

The Asia Pacific region has, for the past three decades, been the focus of many North American and international business organizations for the benefits it offers in term of expanded markets, raw materials, and labor resources. The countries in the region range from highly developed to developing to newly emerging. Each has its own unique cultural, political, economic, and demographic peculiarities, which present both risks and rewards and an array of challenges to overcome.

Globalization presents many opportunities. Much of the world's prosperity in recent years has come from the expansion of global trade, investment and technology. It has also transformed global security and created new challenges in every region of the world. To effectively meet these challenges governments, businesses and individuals must be prepared to understand their international nature and resist political pressures towards isolationism that can compromise and hinder intelligence and security efforts.



The Lipman Report Editors