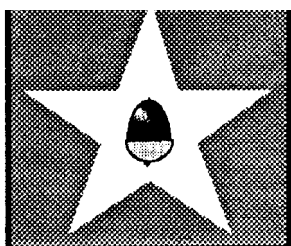


Conflict Studies Research Centre

C J Dick

**The Future Of Conflict:
Looking Out To 2020**

April 2003



M30

The Future Of Conflict: Looking Out To 2020

C J Dick

Contents

Purpose, Scope & Limitations Of The Study	3
The Strategic Environment 2000-2020: Global Trends	3
A New World Order?	3
Demography	4
<i>Population Growth</i>	4
<i>Consequences Of Population Growth</i>	5
Natural Resources	6
<i>Food</i>	6
<i>Water</i>	7
<i>Energy</i>	7
Technology	8
<i>Information Technology</i>	8
<i>Biotechnology</i>	9
<i>Diffusion of Technologies: The Security Dimension</i>	9
Globalisation	10
<i>The Global Economy</i>	10
<i>The Nature & Significance Of the State & Its Challengers</i>	13
Geopolitics & Propensity To Conflict	15
<i>A Co-Operative Or Conflictual World?</i>	15
<i>Attitudes To Future Conflict: The Developed World</i>	17
<i>Attitudes To Future Conflict: The Developing World</i>	19
<i>The Nature Of Future War: Dominance Of Intra-State Conflict</i>	20
<i>Why Western States Will Become Involved</i>	21
<i>Conclusions On The Involvement Of Western Powers</i>	
<i>In The Developing World</i>	23
Asymmetric Warfare	24
<i>Inter-State War & The West</i>	24
<i>Conflict Between Democratic States & Non-State Actors</i>	29
<i>Conclusions</i>	32
The Strategic Environment 2000-2020: Selected Regional Trends	35
The USA	35
West, Central & South-East Europe	37
<i>Economic, Social & Political Problems in EU & Candidate Countries</i>	37
<i>Foreign, Security & Defence Policies Of An Enlarged EU</i>	39
<i>South-Eastern & Eastern Europe</i>	41
<i>Conclusions</i>	42
Russia & Former Soviet Eurasia	43
<i>Russia: Prospects For Political & Economic Development</i>	43

<i>Russia's Attitudes To The Outside World</i>	44
<i>Central Asia</i>	46
<i>The Southern Caucasus</i>	47
<i>Conclusions</i>	48
The Greater Middle East & North Africa	49
<i>Demographic, Economic & Societal Pressures In The Arab World</i>	49
<i>Political Futures In The Arab World</i>	50
<i>Israel & The Arab-Israeli Conflict</i>	51
<i>Iran: The Internal Political Struggle</i>	52
<i>Iran: Foreign, Defence & Security Policies</i>	53
<i>Conclusions</i>	54
Asia	56
<i>Overview</i>	56
<i>The Asian Giants</i>	56
<i>China: Internal Development</i>	56
<i>China: Foreign & Security Policies</i>	57
<i>Japan: Political & Economic Prospects</i>	59
<i>Japan: Foreign & Security Policies</i>	60
<i>The Korean Peninsula</i>	61
<i>South-East Asia</i>	62
<i>South Asia</i>	64
<i>Pakistan</i>	65
<i>Conclusions</i>	65
Sub-Saharan Africa	66
<i>The Basic Problem: Bad Governance</i>	66
<i>Economic & Security Prospects</i>	67
<i>Conclusions</i>	69
Some Conclusions	70

Purpose, Scope & Limitations Of The Study

This essay will examine the likely future *loci* and nature of conflict over the next twenty years in which British forces may become involved, either as warfighters or in operations other than war. The period is unlikely to see a direct military threat to the UK, save from terrorism and perhaps cruise or ballistic missile attack (conventional or WMD) arising from regional conflicts. Britain has obligations arising from membership of NATO, and probably will have in future from being part of the EU. It also has more or less concrete commitments to various Dependent Territories and in the Persian Gulf, Cyprus and Brunei, but these are mostly moral rather than legal and failure to honour them could, but not necessarily would, involve a political penalty. For the most part, any British intervention is likely to be a matter of choice and therefore of political will. It will be driven by perceptions of the national interest, including maintaining the country's standing as an ally (especially of the USA), as a permanent member of the UN Security Council and a self-proclaimed force for good in the world. It is only likely as part of a multinational coalition. Therefore, the essay will concentrate on those regions of the world where pressures for intervention over the next twenty years might well lead to the committal of British forces. These are Europe, Africa and Asia.

If history teaches any lesson, it is that predicting the course of two decades is a difficult and uncertain business, especially in a period, like the present one, of great upheaval. For example, no futurologist in 1795, 1850, 1900, 1925 or 1985 did, or could have, anticipated the events and outcomes of the following 20 years. Nevertheless, it is possible to suggest some general propositions and alternatives about the evolving security environment based on observable trends. That is all that this essay will, or can, attempt to do. Of course, possible but unforeseeable and major political, environmental, cultural or technological developments will almost certainly create significant discontinuities, diverting history away from these trends. The scientific and technical revolution, for instance, will probably create new possibilities, such as the discovery of new, affordable forms of energy, that will have profound political effects. In the political arena, it is possible that there has already been such a development: the attack on the USA on 11th September 2001. It may have transformed the strategic environment, but if so into what? Such ideas are much hyped, but is really too early to tell, even though some changes are clearly underway. All that can be said is that 9-11, or any other such unpredictable development, will require a new appreciation once the dust has settled a bit and a balanced assessment can be made.

The Strategic Environment 2000-2020: Global Trends

A New World Order?

The end, in 1991, of what Eric Hobsbawm christened the 'short' 20th Century, was heralded by optimists as the start of a new and altogether better era. The Cold War was over and the USSR no more. Ideological struggle was over, with liberal democracy and market economics triumphant. There would be a 'new world order' characterized by generally peaceful international relations and the rule of law, underwritten by a uniquely powerful and benign USA; the defeat of Saddam Hussein was an earnest of things to come.

Actually, the last decade witnessed, world-wide, over 50 ethnic/communal conflicts, 170 border conflicts and two major wars involving extra-regional forces; these

accounted for upwards of five million deaths. By cutting the main link between the use of military force and the danger of global nuclear war, the end of the Cold War has unchained the use of force as an instrument of policy and thus made much of the world safe for hot wars. Many of these had previously been suppressed by the superpowers, either exercising their hegemony in their spheres of influence, or in co-operation to avoid a clash that could evolve into World War III (or World War IV if you think of the Cold War as number III). Without Cold War dynamics to override local considerations and interests, political crises stemming from ethno-national or socio-economic causes have come to the fore for ethnic, communal, state and regional leaders. Is this post-Cold War trend towards civil, local and occasionally regional conflict establishing a pattern for the future?

This section will examine some global trends that will shape the strategic environment. Some will be forces for peace and security, some will be potential drivers of conflict and some will create contradictory pressures which vary from region to region. All contribute to form the necessary backdrop for regional surveys.

Demography

Population Growth

The UN expects world population to grow from 6.1 billion in 2000 to 7.4-8.5 billion in 2025. This global figure, however, conceals greatly divergent regional trends, with further divergences within regions. Ninety five per cent of the increase is likely to happen in the less developed parts of the world, and most of the mere 5% growth in richer areas will be caused by immigration.

In Western Europe, the trend is towards falling fertility. Currently, it is averaging 1.4 (children per woman), well under the natural replacement rate of 2.1. Absent immigration, many countries will have declining populations, especially Germany, Italy and Spain among the larger states. Central and Eastern Europe are seeing even greater declines, with Russia likely to drop from 146.5 million in 2000 to around 130-135 million as early as 2015. With birth rates being so low, and with life expectancy generally rising, European countries will have a growing proportion of aged dependants (with the EU rising from the current 21% to approaching 30% of over 65s). This will have problematical social, economic and political consequences, including probably growing pressure from social security on defence budgets. Of course, immigration will, to a greater or lesser extent, counteract this trend towards an ageing population in the more attractive destination countries, how far being largely determined by policy.

Since the '80s the USA has been bucking this general tendency, with fertility back up to 1.9 and rising. As it is also the world's most favoured destination for emigrants, demographers expect its population to rise from the 273 million of 2000 to 350 or more million in 2025. A growing, more youthful, and probably more entrepreneurial, population will provide a fine basis for future economic growth.

Between 2000 and 2015, the UN anticipates population growth of up to one third from Asia's 3,672 million. The major contributors will be in the order of: China, up from 1,249.6 to 1,410-1,500 million; India, up from 997.5 to 1,230-1,300 million; Indonesia, from 207 to 250 million; Pakistan, from 134.8 to 204 million; Bangladesh from 127.7 to 183 million. Japan will not contribute to this increase; with a population trend similar to Germany's, it will experience a decline (with its attendant problems). In most other countries, by contrast, the proportion of those of working age will rise substantially. However, with almost seven million cases of

HIV/AIDS already, central, south and south-east Asia will be facing significant health and economic problems from the disease by 2015.

In the Middle East and North Africa, the period 2000-2015 is expected to witness spectacular growth – from 304 million to over 400 million. Percentage increases by country will be in the order of: between 20% and 26% in Iran, Israel, Egypt, Algeria and Morocco; between 39% and 47% in Iraq, Syria, Jordan and Libya; and between 55% and 87% in Oman, Yemen, Saudi Arabia, the Arab Gulf states, the West Bank and the Gaza Strip. Unsurprisingly, youth bulges¹ currently exist in Iran, Iraq, Syria, Lebanon, Jordan and Libya, with others expected before 2015 in Saudi Arabia, Yemen, Arab Gulf states and Gaza.

Sub-Saharan Africa currently has 557.7 million people. With 16 of the world's 20 most fertile nations in the region, this figure can be expected to increase by almost one quarter by 2015. (It would be about 10% higher were it not for the prevalence of HIV/AIDS; even now there are almost 24½ million cases in Africa.) Nigeria will lead the way, growing from 123.9 to 165.3 million, followed by the Democratic Republic of Congo, from 49.8 to 84 million, Ethiopia from 62.8 to 89.8 million and Tanzania from 32.9 to 49.3 million. Youth bulges exist or will occur throughout the region's 38 countries, excepting only South Africa, Angola, Gabon, Cameroon, Ghana, Liberia, Sierra Leone and Guinea.

Consequences Of Population Growth

Less developed countries with rapidly growing populations can expect a variety of adverse consequences. Development will be hampered, with potential gains being negated by the need to feed more mouths; in extreme cases, countries could become impoverished as they lose the race between population growth and economic progress. Pressure on agricultural land will force over-cultivation, resulting in both falling yields and increased demand for often scarce water, and flight from rural areas to cities. Inter-communal tensions will increase as competition for scarce resources sharpens. Youth bulges correlate with an increased propensity to violence, so crime and political unrest will rise.

Pressures on resources, from such basics as food and water to those provided by wealth, like employment, education, health and social security care, will encourage migration. So, too, will conflict and environmental problems. Population movement will be of two types, both with significant socio-political and security implications.

Within countries, people will move from poorer to richer areas, with the predominant trend being movement to urban centres. Even now, over half the world's population lives in towns/cities. In less developed states, the urban population will probably grow disproportionately, almost doubling from 22% to over 40%. Megacities will expand: eg, Bombay from 18.1 to 26.1 million; Lagos, from 13.4 to 23.2 million; Dhaka, from 11.7 to 21.1 million; Karachi, from 11.8 to 19.2 million; Calcutta and Jakarta, from 12.9 and 11 million respectively to 17.3 million; Shanghai, from 12.9 to 14.6 million; and Delhi, from 11.7 to 16.8 million. In poorer, agrarian countries, this influx will often be in advance of the creation of adequate infrastructure, services (eg, provision of clean water and health care) and job opportunities. Many governments will fail to cope with rapid urbanisation, and the resulting discontent, crime and political instability will have repercussions both nationally and internationally. Failed states and humanitarian crises will become more common.

¹ Defined as where the ratio of 15-29 year olds to 30-54 year olds exceeds 1.27.

There will be accelerating cross-border migration. The USA will, as always, be the most favoured destination, particularly for Latinos and Asians. Europe will continue to draw immigration from North Africa, the Middle East and South Asia. And within all regions, people will move from the least to most developed countries. By the start of the 21st Century, already over 130 million people were living outside the land of their birth and this number will swell with the passage of time. Some of these flows will be forced; at the turn of the century, there were almost 15 million refugees in the world (one third of them in Africa and over two thirds in the Middle East) and a further 22 million internally displaced persons.

Some of the effects of these mass population movements will be beneficial. For instance, they will relieve unemployment problems in sending countries and generate useful remittances. Developed receiving countries will find labour shortages relieved, thus ensuring continuing economic vitality.

But there will be huge downsides. Poorer countries will lose some of their best-educated and most enterprising citizens, with ill effects on economic development. When flows are to other less developed countries, especially if they are large and in compressed timescales in response to natural or man-made catastrophies, they will exacerbate existing social and economic problems there and upset often delicate ethnic/religious balances. In richer states, they will probably give rise to social and political tensions and could even lead to dilution of national identities. And immigrant communities may act as powerful pressure groups which seek to influence the direction of foreign policy in favour of 'the old country'. Much will depend on the ability of advanced states to produce culturally unifying agendas – an urgent task in a period when multi-ethnic communities are becoming the norm and social cohesion is under threat from religious and cultural cleavages.

Natural Resources

Access to and use of natural resources is a perennial cause of conflict. States, clans and sub-state actors fight over the issue from the coca fields of Colombia through the diamond mines of West Africa to the fertile soil and water of Central Asia's Ferghana Valley. This sub-section, however, will concentrate on only three basic commodities of general significance: food, water and energy.

Food

Advances in agricultural technology are ensuring that food production could theoretically meet the needs of a growing world population. Indeed, there has already been a general trend towards reducing under-nutrition. With the adoption of genetically modified crops, even the poorest countries could satisfy their requirements for the foreseeable future. However, this rosy picture depends in many countries on the availability of adequate water supplies for irrigation, and by 2015-20 this will be problematical where such dependency exists. And of course, natural disasters can give rise to periodic shortfalls, requiring food aid to be distributed.

The main problem mostly lies less in production possibilities than in politics. In many of the poorest countries, and even in some not so poor, economic and social deficiencies result in extreme poverty, inefficient and/or unfair systems of food distribution and under-investment. Such problems are often exacerbated by governmental corruption and mismanagement and, in counties such as North Korea or Zimbabwe, perverse political decisions that limit output. In others, conflict can interrupt supply. This is particularly the case where repressive governments or warlords use food as a weapon, as in Somalia and Sudan. These

The Future Of Conflict: Looking Out To 2020

problems will continue to afflict some regions, especially Africa. It has been estimated that the numbers of the chronically malnourished in sub-Saharan Africa will increase by over 20% by 2015, and the potential for famine remains present.

Agrarian societies with explosive population growth will find croplands being exhausted. This will force migration to cities where such economic refugees from the land will overwhelm inadequate infrastructures and suffer also from under- or unemployment. This in turn will often lead to rising crime and political instability which can destroy governments and create failed states and humanitarian crises. Much of Africa is vulnerable to this phenomenon.

As it did in Somalia and Bosnia, the international community [IC] may in future decide to use force to ensure that the hungry are fed (though it may be that these unfortunate examples may actually discourage potential donors for fear of involvement in armed conflict). It may also feel the necessity to intervene where failed states become havens for international terrorists or organized crime.

Water

By 2015-20, over 3 billion people in 48 states are likely to be living in water-stressed countries. Most of them will be in Africa, the Middle East, South Asia and North East Asia, with the Middle East and North Africa faring worst. Specifically, by region, countries suffering from low, very low to catastrophic levels of availability are anticipated to be as follows (only countries for which data is available):

- Europe. Low: Portugal; France; Italy; Belarus. Very low: Poland; Spain
- Africa. Low. Mauritania; Mali; Chad. Very low: Senegal; Niger; Nigeria; Egypt; Sudan; Kenya. Catastrophic: Morocco; Algeria; Tunisia; Libya; Burkina; South Africa.
- Middle East. Catastrophic: Israel, Lebanon; Jordan; Syria; Saudi Arabia; Yemen; Oman; other Arab Gulf states; Iran
- Asia. Low: Kazakhstan; Turkmenistan; Thailand. Very low: Uzbekistan; China; Taiwan; both Koreas. Catastrophic: Afghanistan; Pakistan; India.

The problem will be most acute where most usage goes into agriculture, and several states will be unable to continue irrigation at levels required to sustain population growth. Measures to increase availability and ease shortages (eg, more efficient usage, desalinisation, the development of GM crops and realistic pricing) will be too expensive, insufficient or politically unacceptable to avert a crisis.

Many river basins are shared by two or more countries and more than 30 states receive a third or more of their water from outside their borders. As countries begin to feel the pinch, co-operative agreements may fail and the world may see its first conflicts over the issue. Seventeen water basins have great potential for disputes within the next 10 years, with relatively immediate problems existing between Turkey on one hand and Iraq and Syria on the other; between Egypt, Ethiopia and Sudan; between Israel, Jordan, Syria and Lebanon; and between Kyrgyzstan, Uzbekistan and Kazakhstan. Friction over water can, of course, interact with other territorial and political disputes to exacerbate other sources of conflict.

Energy

Despite more efficient production and use, the world demand for energy will increase massively over the next two decades as populations and economies grow. Assuming that prejudice against nuclear power remains a strong factor limiting its use and that there is no technological breakthrough to provide a substitute, fossil

fuels will remain the principal source, with Asian countries still making much use of coal. The great growth areas will be natural gas, with usage expected to go up by over 100%, and oil, by over 25%. Over half of the expected rise in demand will come from Asia, with China and India seeing especially dramatic increases. By 2020, for instance, China will need to import 60% of its oil and 30% of its gas requirements. Despite huge increases in consumption, however, there will (absent wars) be no shortages or large, long term price rises; recent estimates suggest that 80% of available oil and 95% of natural gas reserves are still to be exploited. Of course, this assumes that political developments and unfavourable regulatory and business cultures do not stand in the way of developing new fields, as for instance in Siberia, Central Asia and Iran.

The rise in demand will undoubtedly increase the importance of the Gulf region, possessing as it does the most easily exploitable and thus cheapest reserves; by 2020, it will probably be meeting half of the world's needs. Other areas will assume increasing (though not reaching comparable) significance as time goes on, particularly Russia, the Caspian basin, West Africa and Latin America. There will be a general shift over time in the geographical orientation of suppliers. Increasingly, Asia will draw from the Gulf, Russia and Central Asia, while the West will rely more and more on the Atlantic basin.

This happy macro-picture of the energy situation conceals problems and potential pitfalls. Most of the important producing areas are in currently or potentially unstable areas. Those same areas are subject to intense population pressures which will more than swallow-up any increase in revenues. Inter- or intra-state conflicts in such areas, or astride transit routes, especially in the Middle East, could well disrupt and reduce supplies with adverse consequences for regional and even the world economies. Even relatively short-term massive price hikes could spark off a longish recession, or even slump, with knock-on political effects. And the growing significance of the Gulf and Caspian states for Asian economies will draw major Asian powers into taking a more active interest in these areas. This further complication of geopolitics in already complex regions will not necessarily increase stability within them.

Technology

Information Technology

Already well established, the information revolution will continue, thanks to industrial competition in global markets. The resulting productivity improvements will boost the economies of the developed world, and the more progressive developing nations will benefit considerably (India and China will become major players in developing and using IT). There will also be unfortunate side effects.

- Whether for cultural reasons (eg, in the Middle East) or through general economic backwardness, much of the world will fail to profit from advances. This will widen the gap between richer and poorer societies still further, exacerbating tensions between them. It will also further alienate anti-globalisation movements.
- It is usually argued that the internet and the telecom revolution form an uncontrollable, liberating force that will spell the end of repressive governments through allowing the general dissemination of knowledge and ideas. Actually, even now, and certainly in the future, it will certainly be used as an instrument of oppression in authoritarian states. Governments can already control internet portals to push out their own propaganda and impede access by opponents, and

The Future Of Conflict: Looking Out To 2020

they can use automated monitoring and tracing to track down their foes. In the future, micro cameras routinely fitted to every PC may be used as a control device. Doubtless, other ingenious uses will be found to control populations. The Cold War victory of western economic and political ideas, combined with technological advances does not automatically spell the end of authoritarianism.

Biotechnology

Well before 2020, the biotechnological revolution will be well underway. This promises major achievements in combating disease, increasing food production, reducing environmental pollution, improving the quality of life, even aiding law enforcement. There are downsides to most of these goods.

- Initially costly, many improvements will be largely confined to the wealthy West in the time frame under consideration. This further widening of the gap between the rich and poor worlds will exacerbate tensions between them (as already happens with AIDS treatments, for instance). And opposition to progress will likely fuel environmental, religious and egalitarian opposition which may translate in extreme cases into terrorism.
- Developments in the area will make it possible to field new and more terrible biological weapons (eg, ones capable of discriminating between racial groups).

One area of progress in particular will have a profound, nay revolutionary influence on the strategic environment, as Robert Armstrong has pointed out. This will be the changing raw material base of the world economy. The current base is hydrocarbons, from which are derived not only fuel, the most important product, but also a whole range of others from plastics, adhesives and fertilisers to inks, medicines and explosives. As 2020 approaches, petroleum will probably be starting to give way to products developed from genetically modified, biological sources to provide energy, materials and chemicals as well as food and fibre. This trend will eventually alter radically the entire geo-economic and geo-strategic calculus. As time goes on, the importance of oil-rich states will decline and agricultural sources, particularly in bio-diverse and thus gene-rich states around the equator, will become more significant, as will sources of water. New conflicts may arise between gene-rich but technology-poor countries that control the basic raw materials of the bio-based economy and the gene-poor but technology-rich countries that control production methods.

Diffusion Of Technologies: The Security Dimension

Older technologies will find new applications and will be exploited by well-educated societies to increase their wealth. If the history of the mobile phone and the personal computer are anything to go by, prices will fall rapidly and consequently both established and new technologies will spread quickly.

While the USA will undoubtedly be the undisputed leader in the development and application of IT and other technologies (eg, in materials), the lag in military applications by some modernising states which are determined to field advanced weapons, especially China, may progressively shorten. The world's only remaining superpower will retain its technological edge, but some would-be competitors will be able to develop significant capabilities. Policy in such states, combined with an intensely competitive international arms market, legal and illegal, will also ensure that even some poorer but aggressive states will gain access to modern weapons which will give them niche capabilities to make them far from a pushover.

Potentially even more serious, they will enhance the destructive power of non-state actors such as Aum Shinrikyo and al Qaeda.

Demographic, economic, geopolitical, religious and/or ideological developments will drive some states and non-state groups to acquire greater power to pursue their goals by means of force. Particularly attractive to them will be WMD – for the most part old and well-understood technologies of awesome power, a great equaliser. WMD proliferation is likely to accelerate, despite the efforts of powers opposed to it. The rate will be driven partly by global and regional uncertainties, including the fear of great power interventionism and hegemonic ambitions, and partly by the degree of effectiveness of US and other efforts to deter or pre-empt proliferators. The more states are driven to seek this route to security, the more others will feel impelled to do likewise; Israel, Iraq, Iran, India and Pakistan are examples of the process. The more countries acquire WMD, the more likely they are to fall into the hands of non-state actors, including terrorists. The danger is particularly acute in the areas of chemical, and perhaps biological, weapons, which are more easily developed clandestinely than nuclear (*vide* the Aum Shinrikyo sect's nerve agent attack on the Tokyo underground in 1995 and the 2001 anthrax attacks in the USA).

Globalisation

The Global Economy

Most projections are optimistic about the prospects for continual global economic growth. There are several good reasons for anticipating widespread dynamism and consequently growth.

- Democracy will continue to spread and become entrenched. Populations, especially the growing middle class, will not only have rising aspirations but also the political influence to push governments into policies that promote general economic growth rather than the interests of small elites. Increased information flows will promote this process.
- Improved understanding of the science of economics will increasingly enable governments to adopt sensible macroeconomic policies. Those that attempt to defy the logic of economics will find their countries suffering accordingly and their failure will be obvious to electors and investors alike. This should help to keep democracies on the steep and narrow path of rectitude.
- Increasingly dynamic private sectors, with their ability to profit from the information revolution to improve their performance, will contribute to economic growth within countries and globally. Inefficient, often value-subtracting state industries will continue to decline.
- Rising international trade and investment will increase global GDP. While the most spectacular gains will continue to be made by developed economies, they will provide engines of growth which will help others to progress.
- Such international financial organizations as the World Bank, the IMF, IBRD EBRD and regulatory bodies like the WTO will be available to promote growth and limit damage in the event of economic problems emerging.

There will, of course, be occasional, temporary downturns; recent events have muted claims that there is such a thing as 'the new economy' which has invalidated the laws of economics. However, periodic financial crises are less likely than in the past to lead to prolonged slumps, let alone a recurrence of the 'Great Depression'.

The Future Of Conflict: Looking Out To 2020

The ability of the global economy to weather storms and be self-correcting is strong, witness the rapid recoveries of the South East Asian and the global economies from the 1997-98 crises and the limited impact of the recent tripling of oil prices on global economic growth.

Integration through trade and, even more, through capital flows will continue. This will benefit the developed world, but not in any dramatic way. Where markets are already competitive and barriers to trade and the movement of capital and technology are already low, gains will be incremental. In theory, globalisation ought to benefit developing countries more as they can import economic growth. Countries with small, poor internal markets, backward technology and inadequate capital find it difficult to drag themselves upwards by their own bootstraps. They need closer ties with the wider world. In practice, several factors may make it difficult for many to exploit globalisation to the full. Countries which are unstable, where the rule of law is weak, which are educationally backward, where the culture is inimical to the social and cultural implications of globalisation and/or which are cursed with repressive regimes, will find it difficult to attract investors. And much will depend on the extent to which developed countries will be prepared to abandon cosseted special interest groups to allow the poorer ones access to their markets. If the Doha round does not result in the liberalisation of trade in such areas as textiles and agricultural products, developing states will not benefit as they should from the globalisation process.

Thus, even assuming no major disruptions, growth prospects will vary tremendously, both from region to region and within regions and, indeed countries.

- Today, the USA is the world's greatest economic power by far. Its GDP is greater than that of the EU countries combined and over twice that of its nearest rival, Japan; indeed, with a mere 4.7% of the global population, it generates 31.2% of global GDP. There is every reason to anticipate that America will remain in the lead in 2020 (though its relative supremacy will be lessened). Its economy is flexible. Entrepreneurship is strong. It is in the lead in developing new technologies. It has a young and vigorous population and acts as a magnet for some of world's best educated researchers.
- Western Europe is likely to continue on the road to liberalisation and even to narrow substantially the performance gap with the USA. Those progressive central states that reform their economies and gain admission to the EU in consequence will also advance. Much of south eastern and eastern Europe will rise only slowly to the challenge or fail to meet it at all. The relative importance of Europe will continue to decline.
- Russia is likely to make modest progress but much will depend on the strength, determination and competence of the government in Moscow. Its economy is likely to overtake that of Australia and South Korea in size, but not to approach any of the G-7's growth and necessary diversification is likely to be slow as strong vested interests and prejudices have to be overcome.
- Japan will struggle out of its economic doldrums, but it still has to address serious structural problems. Its growth will not be spectacular and its relative importance will probably continue to decline.
- The fastest growing region by far will be emerging Asia. Nine countries there have averaged over 5% growth *per annum* for the last decade, but two stand out

thanks to the coupling of dynamism with sheer size. Absent debilitating wars or internal unrest, India and especially China will emerge as powers of global economic significance, respectively doubling and almost trebling their GDPs almost to reach EU and Japanese levels. However, progress will be uneven within those countries and this may have important repercussions for internal stability.

- Asia is not going to be one big success story. The former-Soviet Central Asian states will probably languish. They have rotten governments, bureaucracies and legal systems and even those with natural riches, especially oil and gas, are unlikely to use profits wisely to produce modern economies that benefit the population as a whole. Afghanistan is likely to remain poor and backward and North Korea will remain a basket case until reunification (and, presumably, beyond).
- With some unimportant exceptions those Middle Eastern and North African countries that are energy rich show little signs of liberalising and diversifying their economies. As the world demand for their product will continue to grow, this will not affect their ruling elites. Nor is it likely to benefit rapidly growing populations, never mind establish the basis of sound economies not dependant on oil or gas exports.
- Sub-Saharan Africa will mostly continue to suffer from instability, conflict, incompetent and corrupt governments, populations characterised by ill health and poor education and over-dependence on primary products that command declining real prices. Thus, economic growth will be patchy and slow.

The gap between the richest 20% of the world's population and poorest 20% has more than doubled over time. The trend continues with varying degrees of intensity. For instance, between 1990 and 2015, *per capita* income in North America and Europe is expected to rise, respectively from \$21,809 and \$10,309 to \$40,830 and \$17,465. That in Africa will go from \$646 to \$803 and in Asia-Pacific from \$1,593 to \$2,946. Those parts of the globe that do not benefit from globalisation while becoming increasingly aware of disparities in wealth within and between countries and regions will become increasingly resentful. There will be an increasing perception that rising aspirations, let alone poverty, are somehow the fault of the better-off. This will be exacerbated by feelings of powerlessness, uncertainty and insecurity where unemployment grows. For the most part, this will be a sullen and impotent resentment. There are security implications, however. In already weak states, growing awareness of impoverishment can lead to internal conflict. The growth of dispossessed communities will also provide breeding grounds for terrorist movements. And inequality is a prime impulse to would-be migrants.

The rich world could and should address this problem, not merely for moral reasons but to make the world a less troubled place. Some curtailment of ever rising living standards could be regarded as an investment in security. Money sensibly spent in poorer countries (at least those where the benefit would not just accrue to the ruling elite) could help to reduce the production of coca and opium and the flood of emigrants that causes such concern. This, in turn, would help to reduce both the constituency from which terrorists draw their support and the future need for expensive and dangerous humanitarian interventions. Improving conditions in such countries would help to make them more stable and more attractive to investment, thus setting them on the road to self-sustained growth.

The Future Of Conflict: Looking Out To 2020

Rich countries currently put a derisory proportion of their GDP into foreign aid (EU average 0.41%, Japan 0.35%, the USA 0.1%), and much of that is tied or ill-spent for political reasons. More importantly, they insist on maintaining trade restrictions that penalise the poorest countries, preventing them from profiting from areas where they enjoy a comparative advantage; for instance, their farming subsidies run at \$1 billion per day – more than six times their aggregated foreign aid budgets. Whether the developed world can summon up the political will to act in such an enlightened self-interested way, starting, for instance, with the WTO's new Doha round, remains to be seen.

The Nature & Significance Of The State & Its Challengers

It is becoming fashionable to argue that the power and influence of the state is on the wane. In the future, it will, it is said, be weaker, humbler and less assertive, both at home and in the world at large. Certainly, three forces are combining to limit governments' freedom of action.

Domestically, publics are becoming less content with a passive, far less a submissive role.

- In 1975, 20% of states could reasonably be described as democracies. By the end of the century, the proportion had reached 61%. The next quarter of a century is likely to see a further expansion of people power. The legitimacy of authoritarian regimes is increasingly questioned, both at home and abroad, and most of their leaders are becoming more apprehensive about their grip on power. Of course, meaningful democracy is not the sole alternative. Populist, quasi-authoritarianism with some trappings of democracy (eg, Milosevic's Serbia, Lee Kwan Yew's Singapore) can be a viable alternative – for a long time if it delivers rising standards of living. Another alternative is the collapse altogether of effective government where intractable economic and social problems combine with tribalism or inter-communal tensions to produce a failed state. Several African and a few Asian states run this danger, with all its likely humanitarian consequences.
- Within mature democracies, increasingly organised and vocal publics are demanding an increasing role in politics. NGOs and pressure groups, from consumer watchdogs through environmental and ethnic lobbies to humanitarian organizations, demand and receive more attention from governments. So, too, do the multinational businesses on which so much wealth creation and employment depend. All these limit governments' room for manoeuvre in both domestic and foreign policy. This trend will continue, and will grow in time also in less developed democracies such as are found in much of the former Soviet Union and in parts of Asia. Of course, vested interests in more fragile democracies may resist change with consequent internal unrest and even turmoil.
- While the nation state is still the primary focus point for peoples' loyalty, it is losing some ground to transnational movements. Foremost amongst these is Islam, which is the world's fastest growing religion and transcends borders. Many Muslims increasingly identify more with their religion than their country. Nor is this true only of Islamic states; the phenomenon is also to be found within the over 10% of the EU workforce that is Muslim (as is evidenced by the reaction to the overthrow of the Taliban and the proposed invasion of Iraq). Access to the international media, eg, Al Jazeera, and even more to the Internet, will exacerbate this trend.

Globalisation will limit the power of governments to do as they please. In a world where the flow of information, capital, goods and services and the diffusion of power to include non-state actors are growing, states cannot ignore the pressures of the markets and of ideas as once they could. Attempts to create an autarkic, hermetically sealed country are foredoomed to failure (as North Korea is finding) and misguided economic or even political policies will be punished economically and probably politically. Indeed, it is likely that national and regional boundaries will become progressively blurred as the information revolution spreads, technology annihilates distance, interconnectedness becomes stronger and problems transect borders.

The time-honoured Westphalian system, where states enjoyed untrammelled freedom of action within their own borders, is giving way to a new system where they can be held accountable for egregious wrongdoing or even simple failure. The attack on Yugoslavia in response to the plight of Kosovar Albanians, the NATO intervention in Macedonia, the institution of sanctions and no-fly zones in Iraq, the intervention in East Timor and the overthrow of Afghanistan's Taliban regime are harbingers for the future. Where the IC, or even a significant and powerful section of it, wishes to change a country's policies, or even its regime, it will be able to appeal to an increasing body of precedent that is changing international law. A host of national and international NGOs, such as Amnesty International, Oxfam, Greenpeace and various UN agencies, as well as governments will combine to act as the conscience of the world. This is a symptom of the emergence of a global civil society. For many citizens, especially in the West, the world will gradually become a more and more important frame of reference and public pressure will compel governments to do something about flagrant human rights abuses and flouting of international norms. In the Muslim world, too, there will be an effort to spread Islamisation. The possibilities of a conflict between western and Islamic norms are clear. As a consequence of increasing readiness to internationalise hitherto domestic problems, dissident communal groups will doubtless be encouraged in mounting challenges to state authority.

States will also face new and difficult extra-legal and trans-national challenges. The opportunities offered by the global diffusion of sophisticated information, financial and transport networks will be exploited not only by legitimate businesses but also by organised crime and international terrorists. Both have already expanded the scope and scale of their activities to enjoy world-wide reach, and they already co-operate on occasion where it is mutually convenient. This trend, too, will continue to develop. With incomes measured in billions of US dollars, they will have the ability to buy themselves into legitimate businesses to exploit as fronts and to corrupt and use the governments of weak or failing states. Their customers will expand from the traditional users of weapons, narcotics and illegal labour, etc to include governments anxious to acquire restricted technology and the makings of WMD. They will often co-operate with or support revolutionary or insurgent movements, if only in search of profit. The globalisation of such activities will require an international response to be effective. The extent to which such a response will be achieved will depend on the extent to which values converge between societies and geopolitical antagonisms ameliorate. The omens at the start of the new century are not promising.

However, despite all these caveats, which will become stronger as 2020 approaches, the state will remain the basic unit of political, economic and security affairs. For the most part, there will simply be no viable alternative; the withering away of the

The Future Of Conflict: Looking Out To 2020

state foreseen by some extreme exponents of globalisation looks no more likely today than when prophesied by Karl Marx.

- The state is not a mere puppet of the markets and servant of globalisation. This will remain true as long as there is no global single market in trade and capital, and this will still be remote in 2020; in real life capital and labour are somewhat fixed. Moreover, the state's power to tax, spend, borrow and regulate will be weakened only by degrees, and to the extent that society is prepared to accept it. The voters want government-provided services such as health care, policing, education and defence and they will decide the level of expenditure necessary to provide them. Indeed, government, even in democracies, is generally a lot bigger today than it was in 1900; the state's share of spending has risen from an average of 10% of GDP to around 33%-60% and shows little sign of reversing.
- States will continue to pursue their perceived national interests, and these will often conflict (even within alliances and coalitions). The state, at least where it is functioning properly, will remain by far and away the main, if no longer quite the sole, possessor of armed force. The interplay between states will continue to be the main element of geopolitics. However, much of that interaction will probably revolve round failed states where the collapse of effective government will create opportunities for some powers while worrying others which fear, or are offended by, the consequences.
- There are possible exceptions to the continued dominance of states in the international system. Within much of Europe it is just possible that there will be a progressive homogenisation of economies, societies, cultures and political interests proceeding so far that the EU will evolve towards becoming a regional, European confederation. A Slavic confederation encompassing elements of the old USSR is also not impossible. But these developments will be far from completed within the time frame under consideration - if they progress at all; such unions are not historically inevitable but depend on political will stemming from an acceptance that a pooling of sovereignty is in the national interests of the members involved.

Geopolitics & Propensity To Conflict

A Co-Operative Or Conflictual World?

Optimists like Francis Fukuyama maintain that the Cold War victory of liberal democracy and market economics has left no serious challenger as a model for a modern society. Every country that can will follow down this road, leaving behind only some pockets of obscurantism and some failed states. As all significant countries will become democracies and thus peace-loving (democracies are not aggressive and do not fight each other) and as all will recognise and play by the rules of competitive capitalism, recognising that war destroys wealth, the world will become a peaceful place. The root causes of war, competing ideologies, belief in cultural superiority and/or conquest and hegemony as a means to wealth, will be eliminated. Moreover, the spread of both education and understanding of the wider world, increasing prosperity and softer, more tolerant attitudes (created not least by the growing influence of women in society) will make countries less warlike.

- Such roseate visions are unlikely to prove well founded, and even if they were to, they will certainly not exert much influence within the next 20 years, probably the next 50. Militant religion is on the rise, supplanting ideology as a motive force in many parts of the globe. Islamists will increasingly challenge the established order in many parts of Africa, the Middle East and Asia and conflict

with the defenders of the *status quo*. Extremist Hinduism could well come to control agendas in India.

- New democracies which do not share the riches and complacency of the old may well prove aggressive where their perceived interests lead them towards conflict, probably under populist leaders. Even a democratic China could support a government determined to reunify the country, claw back historically Chinese territories and suppress democratic separatists in Tibet. War over Kashmir is entirely conceivable between India and Pakistan, regardless of their political systems. A democratic Iraq could still hunger after its 19th province of Kuwait and its oil. Israel would have the same problems with a democratic Palestinian Authority as it does with Arafat's. In other words, globalisation will not eliminate war. Where it comes into conflict with the local and particular, the latter will often win. Rival ethnicities and religions with competing claims to the same territory, historic, legal and/or based on current population, will continue to fight. Arguably, the only difference that democracy will make is to ensure that popular support will be greater and the political will therefore stronger than when under a repressive, authoritarian regime. As surely as happened in Britain in 1914, war may be seen as a necessary challenge rather than something to be avoided.

To assert that globalisation will not eliminate conflict, and indeed that it might be a cause through increasing disparities in wealth, is not to go along with Huntington's thesis of a 'clash of civilisations'. He argues that that the 20th Century was dominated by a clash of ideologies and the 21st will be characterised by a clash of identities. Cultural kinship will be the main determinant of international relations, with 7-8 civilisations (four of them artificial) forming coherent partnerships. This is unlikely.

- Certainly, during the Cold War, many countries were uncomfortable with the choice between two ideological blocs which determined their friends and enemies. Now, they are free to choose and cultural biases and prejudices will be only one factor in making that choice; national interest will generally be more important.
- Within many regions and countries, nationalism, tribalism and/or ethnicity provide more compelling identities than shared cultures and values. Within Islam, for instance, the unifying influence of faith (insofar as Sunni and Shia can be said to be united) is outweighed by other societal differences (compare Malaysia and Morocco, Turkey and Tajikistan or Somalia and Saudi Arabia). Even within the Arab world, where a more-or-less common language and to a significant extent common culture and historical experience is added to shared religion, there is no immediate likelihood of union. The particular trumps the general even in ostensibly favourable circumstances. It is worthy of note that that most Muslim violence is directed against co-religionists rather for political or nationalist reasons rather than at members of other faiths.
- However, excessive and misdirected zeal in the US 'war against terrorism' and a rise of western hostility to Islam in general may yet help to make Huntington's a self-fulfilling prophesy, at least so far as Christendom and Islam are concerned. Islamic fundamentalism is mainly a reaction against the failures of the modernising, secular state which is perceived to be corrupt and unable to solve social and economic problems. It could easily become the focus of opposition to the threat of foreign domination – and to lackey regimes that accept it. Western

The Future Of Conflict: Looking Out To 2020

powers would be well advised to avoid policies that needlessly antagonise the Muslim world, including their indigenous representatives, as they were to avoid provoking their nuclear armed opponents during the Cold War.

- Far from moving towards a few large blocs, however loose, the trend in the world seems to be towards more fragmentation, not less. Some post-colonial and post-Cold War frontiers are increasingly under threat as rival ethnic, tribal and religious communities challenge the existence of 'artificial' states. This is evident in much of Asia (Central Asian border disputes, Kashmir, Indonesian and Sri Lankan separatists, for example) and Africa (Eritrea's escape from and subsequent war with Ethiopia, separatist movements in Nigeria and Sudan for instance). Even Europe has seen the bloody break up of former Yugoslavia, a trend which has probably not run its course, Armenia's seizure of Nagorno-Karabakh and Russia's struggle with Chechen rebels. There are likely to be more than the current 190 states in 2020.

The world in 2020 is thus not likely to be approaching either the global village whose members rub along more or less harmoniously, nor the global theatre of conflict in which half a dozen (plus) cultural mastodons confront each other. Neither is there likely to be another clear-cut contest between two competing ideologies. Rather the world will resemble the uncertain, pre-1914 and inter-war Europe. There will be up to 6-7 great power centres, with the USA pre-eminent among them. Each will have a coterie of countries which shares its cultural values and broadly agrees with its world view. And there will be a large number of states with no great attachment to any camp.

Attitudes To Future Conflict: The Developed World

The attitude of the great powers to war, at least in the west (including Japan), is changing. The end of the Cold War has unchained the use of military force but it is becoming more controversial thanks to changing international norms and the political reactions, domestic and international, to which it is subject; states must legitimate their actions as lack of legitimacy will, in future, incur increasing political costs. Thus, even if the possibility of its use exists theoretically, acceptability is diminishing in western societies. And as Edward Luttwak has argued, western powers are no longer playing the great power game – at least in the traditional way. The struggle for territory is now *passé*. Now, competition is for influence, especially in the economic field, and national boundaries are of limited relevance to it. Geo-economics is increasingly replacing geopolitics, with economic strength and 'soft' power being preferred to military strength as a source of power, pressure and even control. War is no longer seen as an effective instrument of policy between post-modern states. It disrupts financial markets and trade that are increasingly global and complicates global management of new issues now held dear by post-industrial societies such as environmental problems and the struggle against international terrorism and organised crime.

There are societal reasons for this change as well as the changing nature of the world. For all their awesome military technology, developed powers no longer have the fuel to drive great wars. The fuel of old-style war was people, to die as soldiers. Today, in the west, various developments have combined to make societies less prepared for war. People are generally softer and less prepared to sacrifice a comfortable life for hardship and danger. The gender revolution has made societies less military and more gentle. The shrinking size of families and changing values mean that people are no longer as expendable as once they were. Greater knowledge and understanding of other countries, combined with growing scepticism

towards governments and the absence of ideological motivation, make it more difficult to mobilise public opinion for war. Heavy casualties will still be acceptable in wars of national survival, or even in defence of fundamental national interests, but not in conflicts of choice.

Developed countries will still choose to be involved in conflict, though not between each other but rather in less developed parts of the world. Globalisation creates economic and security interests in preventing, or failing that, limiting or eliminating conflicts that disrupt economic activity, promote the spread of WMD and create situations favourable to the growth and activities of criminal and terrorist groups. Furthermore, globalisation is creating an embryonic global civil society. There is a growing belief in international norms of behaviour, not only between states but also of the state towards its treatment of its own population. Moral considerations, particularly over human rights, will increasingly give rise to demands for intervention to enforce those norms. Of course, there will often be contradictions between desired outcomes, for instance between the desire to promote democracy on the one hand and to prevent the break-up of countries and the alteration of (often arbitrarily drawn) frontiers by force on the other. But interventions there will be, often with muddled, unsatisfactory outcomes.

The result of these changes in attitude may result in a reversion to the sort of use of military force common in 18th Century Europe: widespread, indeed prevalent, but not seeking decisive goals whatever the price. Western powers, with populations no longer easily aroused to make sacrifices, will be very cautious and will fight for limited objectives and using limited means which are low-cost in casualties – especially air power and special forces. There will, however, be two problems which will bedevil such an approach.

- Air power seems to offer the prospect of a casualty risk-free involvement in military conflict – the sending of a politically decisive message without the potentially messy use of ground troops. Politicians, ignorant of military realities and swayed by the siren promises of air power protagonists touting dubious "lessons" of the Gulf, Kosovo and Afghanistan wars, will seek to rely on it exclusively in inappropriate circumstances (eg, where the enemy's centre of gravity has not been correctly identified).
- Legal, ethical (including, in the future, environmental) restrictions on targeting and restrictions to safeguard aircrew may limit the effectiveness of bombing, especially when combined with enemy use of deception and the embedding of high-value targets in civilian areas where collateral damage is likely. There may not be a strong link between the targets interventionists can hit and the political will of actors they seek to influence. An enemy with strong political will may ride out attacks in the expectation that the opposing coalition is too fragile to survive a long struggle accompanied by adverse publicity resulting from mistakes (the CNN effect). Milosevic's strategy may work better next time.
- Governments (and peoples) will, sooner or later, have to suffer an inevitable backlash as enemies seek asymmetrical responses to perceived western neo-colonial aggression (whether military or economic-cultural). Across much of the Third World, the international order is seen as an imperial order run by the USA in which the dispossessed have no stake and which consequently imposes no responsibilities on them. Being unable to fight successfully according to western rules, conventionally weaker enemies will tear up the rule book.

One way or another, the days of short, successful, pain-free western military operations against relatively minor states will probably be short-lived. Will western powers have the political, the societal will to pursue their agenda of policing international norms in the face of significant cost implications?

Attitudes To Future Conflict: The Developing World

Many poorer states do not share western, post-modern attitudes to war. Rather, they still believe in its Clausewitzian utility as a way to pursue national goals, whether they be the rectification of borders (as in the recent Ethiopian-Eritrean war), the acquisition of wealth (the motivation behind most of the African interventions in Congo) or any of the other traditional reasons (including distracting attention from the failures of government). In other words, both the possibility and acceptability of the use of force are high and the domestic political costs low as it is seen as legitimate.

Countries of the developing world, of course, also generally have plenty of fuel as population growth proceeds apace, especially where youth bulges exist. Indeed, many maintain overlarge armed and interior armed forces not merely as a means of internal control and of promoting regime interests but also to soak up the otherwise unemployed. However, they will mostly continue to lack the reach and technological sophistication to take on the west in traditional war. By 2020, though, of their number, at least China will be a serious military power. Is there necessarily an automaticity about the process whereby such a country (with much unfinished business resulting from historic grievances) becomes post-modern in its attitudes to war as a result of joining the globalisation process? Might it not continue to be driven by nation-state agendas rather than subscribing to the still largely western notion of a global civil society and world citizenship?

Poorer, militarily less sophisticated states may hesitate to confront the west over issues short of national survival for fear of suffering pain which cannot be reciprocated. They have learned from the lessons of Iraq's Kuwait adventure and Milosevic's attempt to defy the international community that mere numbers are no match for vastly superior firepower. Thus inter-state wars, like that in the Gulf, which involve the USA and/or some of its major allies, may well be less likely in the near future. But their danger will not disappear. As time passes, they may well become more likely as potential aggressors come to feel confident in their improved capabilities and, more importantly, believe that the powerful lack the unity and political will to act. Miscalculation could again result in war as, indeed, it did with Saddam Hussein's invasion of Kuwait. Collective security action to resist an old-fashioned land grab may occasionally be required, especially where western strategic interests are at stake. It may also be more difficult if the aggressor does not follow Saddam's policy of seize and then passively hold but instead pursues offensive action to deny in-theatre entry points to interventionist forces – or makes their acquisition too expensive to contemplate.

Aggressors will also find asymmetric responses to conventional military power which give them the confidence to challenge the mighty. Learning the lessons of the Gulf and Yugoslav wars, regional powers will become increasingly well armed (including with WMD) and, more significantly, doctrinally better prepared and organised to resist western interventionism. They may also be prepared to spend tens of thousands of lives to secure national goals seen as essential, calculating that western powers will be unprepared to make major sacrifices in what is a limited war for them but a total war for their victim. (The Vietnamese struggle for unity and independence provides a paradigm.) And the 11th September 2001 attack

on the USA is a foretaste and demonstration that even the weak can have a capacity to deter or punish.

The Nature Of Future War: Dominance Of Intra-State Conflict

As argued above, war between developed states may well be unlikely over the next two decades. It will continue to be common between poorer countries, especially in regions about which the developed world continues to care little. For the foreseeable future, however, the principal form of conflict will probably be intra-state, at least initially. But its spread to unstable neighbours, whether by accident or design, will often be easy, sometimes inevitable, as happened from Kosovo to Macedonia in the wake of the NATO intervention in the former.

Most of these internal conflicts will take place along the fault lines that divide cultures, religions and ethnicities – ie, their principal causes will usually be questions of identity, which is eclipsing ideology in the post-Cold War era, and the associated issue of who gets what stake in a country, or whether the state should continue to exist at all. Such conflicts may be civil wars or insurgencies. These are the least intractable (though this is not saying much) as at least each side will be fighting for specific political goals. Much more intractable are those areas where conflict is, or may become, endemic – such as Tajikistan, Afghanistan and much of sub-Saharan Africa. There, war is also waged by ill-defined groups which have no discernible political purpose but are motivated largely by greed. Intra-state conflicts will have some of the following characteristics.

- Conflict could be sparked off by extreme socio-economic or ethnic/communal divisions within a state and thereafter be exacerbated by a failing regime resorting to violence against its own citizens in an attempt to hang on to power. Former-Yugoslavia provides a model. Other countries, from Algeria to Indonesia, could be following this path.
- They may result from a total collapse of government, as happened in Lebanon in the '70s, Somalia in the '90s and contemporary Congo. As law and order disintegrate in a failed state, force alone rules society. Those with force come to the top and exploit the situation for personal, criminal and communal gain. For them, anarchy becomes a goal in itself as peace and order are the main threats to their well-being, even their lives. Such people have every incentive to fuel, not end disorder and conflict. Outside intervention will be regarded as a threat to their power and will be resisted accordingly.
- Ethnic and communal conflict will become increasingly common. By its very nature, this will tend to be absolute war in the Clausewitzian sense as compromise is very difficult (if not impossible) over end states. The drive to create ethnically/religiously pure regions can both destroy states and create new ones; former Yugoslavia, and now perhaps Indonesia, are contemporary examples. To complicate matters further, they may straddle borders *ab initio* or spill across them, as happened with Kosovo and Rwanda.
- Various non-state actors may be involved on different sides. In addition to such traditional players as disaffected regional governors, warlords and ethnic or religious leaders, there will also be transnational corporations, terrorist groups, narco-traffickers and organised crime. Such sub-state actors may be fighting for: ethnic/communal security; control over land, resources or wealth; revenge for real or imagined past injustices; the triumph of an idea; even the greater glory of their leaders. They will be increasingly rich, knowledgeable and well

The Future Of Conflict: Looking Out To 2020

armed. They will rarely have an interest in ending the conflict and will often seek to perpetuate or expand it. Osama bin Laden has demonstrated the power such actors can possess to effect fundamental changes in the world situation.

- Conflicts may lead to, or be worsened by, economic and environmental disaster as already inadequate infrastructures are damaged or decay through neglect. This may, in turn, feed the conflict by preventing those who want to do so from returning to normal life by depriving them of necessities like food, clean water, shelter and employment. Banditry may become as rife as more or less organised combat, as seen in many African conflicts.
- The conduct of such conflicts will not fit conveniently into traditional compartments of conventional or unconventional warfare. Fought by a mix of regular, militia and irregular forces, they will mainly be fought with low-tech weaponry, but they may be very intense with high casualty rates, especially amongst civilians. Western legal and moral constraints on action will be conspicuous by their absence.

Why Western States Will Become Involved

Rarely will vital western strategic interests be at stake. Even if strategic resources are cut off by conflict, it will usually be possible in future to find substitutes, alternative production technologies or replacement sources elsewhere. Nor, post-Cold War, will great powers so often feel impelled to get involved for geo-strategic reasons. Involvement will very often be a matter of choice and not necessity. Why, then, exempting cases where economic or geo-strategic necessity dictates, will western powers become militarily involved?

Some (eg, President Bush) would like to deal with so-called aggressive rogue states because they allegedly threaten the USA directly and both regional stability and progress towards an ordered globalisation that is beneficial to all. With the post 9-11 reaction to potential threats emanating from both rogue and failed states, some developed countries will follow the USA in adopting doctrines of pre-emption. Where detected, terrorist groups will no longer enjoy the protection once conferred by international frontiers which are no longer seen as sacrosanct. And states looked on with disfavour as trouble-makers which try to develop WMD may well be targeted for military action as well as political and economic pressure. Of course, both humanitarian interventions and pre-emptive attacks will stoke up resentment in those societies that question the unilateral arrogation to themselves by interventionists of the right to decide on questions of right and wrong. This will be particularly true in the case of the so-called war against terrorism, which will be seen as merely an excuse for the powerful to attack any state they dislike on the basis of alleged intelligence that cannot be revealed for security reasons. In turn, this will swell the ranks of the terrorists. Consequently advanced countries can expect to become battlefields and not solely exporters of military power.

Prolonged civil wars and endemic anarchy affect regional stability. They also provide breeding grounds and shelter for terrorist groups, narcotraffickers and organised crime whose suppression can increasingly be sold as in both national and international interests.

However, the main impulse is likely to come from the "moral imperative". The end of the Cold War and growing perceptions of the need to further the globalisation process and behave like responsible members of a global society may impel western powers to adopt foreign policies that help others as well as themselves. The core of

this concept would be to spread democracy, including helping repressed peoples to achieve democratic self-determination, and the punishment of those who wage war in an age where this is seen to be a crime. There will always be a "something must be done" brigade and media coverage will gain it much support. As communications technology (especially miniaturization) advances, so the electronic media becomes less dependent on official sources and virtually impossible to monitor and control. Simultaneously and consequently, it becomes more pervasive and influential. Thus there will often be pressure for humanitarian intervention to ease the sufferings of innocent civilians, or for peace enforcement action to punish the wicked, defend human rights and force belligerents to the negotiating table. Though there will often be sound reasons for not becoming involved, intervention will become a fact of future life as long as the indignation of western publics is easily aroused (at least until one goes horribly wrong). Note, too, that parties to the conflict will try to exploit this, following the example of the KLA in Kosovo: make enough trouble, fight a good information war and you may win an air force.

Of course, the perception of what is an essential intervention and what is optional may shift over time. It is easy to imagine an escalating terrorist reaction to western interventionist operations creating growing demand for more to root out terrorism. Thus a vicious circle could be established that would make low level conflict endemic on a global scale.

Deterring intra-state conflict, including by pre-emptive deployments, is theoretically attractive and may become fashionable but will be fraught with problems. Bringing it to an end through punishment and coercion will be more so. A variety of factors will doom most such efforts to failure.

- However attractive preventive action may be, governments will face problems in employing scarce resources to handle situations not yet seen to be posing immediate threats to national interests. Despite the lessons of the wars of Yugoslav succession and, arguably, the long-term threat posed by Saddam's missiles and WMD, it will be very difficult to convince many electorates that such action will be cheaper in the long run. Pre-emptive actions may also be morally and legally dubious and therefore politically divisive, both domestically and internationally (including between allies). President Bush's strident demands for war to disarm Iraq and more controversially, to effect regime change is a case in point.
- Intra-state conflicts are usually very complex. There is usually a multitude of actors and crises. Identifying and then simultaneously cajoling and coercing them all into accepting a durable settlement is often all but impossible – even if the west can agree on its agenda. The subjective rationality of many of the belligerents is difficult to understand and predict, save that the different sides usually see the struggle as one for core values and therefore a zero-sum game where compromise is unthinkable.
- In conflicts where there are several, sub-state, actors, especially where anarchy reigns, it is often difficult to define centres of gravity to attack, or it may be difficult to attack them in acceptable ways, given modern normative restrictions on the use of force and the 'CNN effect'. And the task of creating law and order and stability is not one for which military forces are particularly well suited. They will have to be complemented by other means to such an end. Save in the most *ad hoc* of ways, such other means do not, at present, exist or cannot be harnessed to play a controlled part in a master plan.

- Interventionists may be able to suppress the symptoms of such conflicts, but they will find it immensely difficult, if not impossible, to eliminate the causes. They must be prepared for a long haul, and perhaps (as in Bosnia and Kosovo) a sacrifice of some of the principles underlying the intervention. Will governments, or more importantly, their electorates, be prepared for this? The media is all-pervasive. It is also fickle. Even a small number of well-publicised western casualties can change public attitudes, as happened in Somalia after the deaths of 18 US Rangers; moral indignation is a fine spur to action as long as the action is all but cost-free. Or the public may tire of a seemingly unending commitment once the outrage that led to intervention has been forgotten and the feeling grows that all parties are as bad as each other.
- Even if western publics do tire, though, their governments may be forced to persevere for reasons of alliance/coalition solidarity and/or because they are trapped by the moral imperatives they have been trumpeting. As happened in Bosnia, a well-intentioned intervention can end up by subjecting both states and alliances to potentially fissiparous strains. Getting involved is always easier than getting out, and events (especially "mission-creep") have a way of invalidating even the best exit strategies.

Conclusions On The Involvement Of Western Powers In The Developing World

The democratic and humanitarian norms that secure the West against the use of force domestically are presented as legitimate reasons for the West to intervene militarily elsewhere. But, at the same time, the acceptability of western use of military force is tending to diminish both domestically and internationally. And the use of military means is not only restricted by acceptability but also by utility. It will often not prove to be an efficient means of influencing other actors in the international system. Coercive military power can only be used to threaten or carry out the destruction of assets perceived as vital to the decision-makers one seeks to influence. But western forces will tend to be used to an increasing extent against or within states characterised by low levels of formal organisational structure and poor infrastructure. They may have to contend with various non-state actors as well as governments and their militaries, or with anarchic conditions in failed states. Centres of gravity may be hard to find. If found, they may prove difficult to act against in a domestically and internationally acceptable way. Where intervention operations are mounted to create order and stability, they will often encounter societal and political forces at work which defy analysis, yet alone cure by primarily military means. In other words, the utility of the military in the type of operations in which they are increasingly likely to be used may turn out to be much less than interventionist governments may hope. The result is likely to be a growing frustration among politicians keen on establishing a new world order through aggressive multilateralism, never mind unilateralism. Much will depend on an ability to manipulate unstable public opinion in a world where the media is uncontrollable.

The high threshold against the use of force in countries which regard themselves as forces for stability and/or good may lead to increased instability if other actors believe that they have little to fear from being aggressive. Growing western reluctance to use military force could lead to a rising propensity among others to do so in many regions of the world. On the other hand, what is perceived to be its unjustifiable use (eg, in what is perceived to be a neo-colonialist fashion) is likely to produce a political and terroristic backlash. Western powers are entering an era when they will damned if they act and damned if they do not.

Airpower cannot be the sole, or in many cases the main, military means to achieve political ends in many military interventions. But the threshold for the employment of ground forces is becoming higher, and their ability to achieve political ends is limited by casualty aversion and the essentially intractable nature of many conflicts. And, of course, current force structures are often inappropriate for the sort of conflict in which they are most likely to be engaged.

The longer an intervention lasts, the more difficult it may become to sustain both domestic and coalition consensus. Future enemies will recognise that time and legitimacy will be Achilles heels of interventionists and will act accordingly. Superior will to sustain the struggle and information warfare will be seen by them as effective counters to superior western firepower. This calculation may, however, be rendered invalid by endemic terrorism which could stiffen western resolve as easily as it could undermine it.

Asymmetric Warfare

Asymmetric warfare is a much abused concept. Most wars are asymmetrical. Victory can stem from massive technological superiority (19th Century colonial wars), numerical superiority (Second Balkan War, 1913) or conceptual superiority (German conquests 1940-41). The term will be used here to describe conflict between two sides with a huge disparity in combat power where the weaker is fighting, unlike the stronger, over core issues and refuses to engage according to the latter's rules. Just as bacteria naturally mutate to resist antibiotics, methods of waging war adapt to cope with superior strength. Asymmetric warfare can be used either in a war between states/coalitions or in a struggle between states and non-state actors.

By their very nature, trends in asymmetric approach to warfare cannot be predicted. They depend on the development of technology and its diffusion and on the dynamic, dialectical interaction between rival approaches to prosecuting conflict. This section will thus concentrate on current and near future trends and will not attempt extrapolations out to 2020.

Inter-State War & The West

Saddam Hussein fought a conventional war for Kuwait and lost. Slobodan Milosevic was brought to believe that holding Kosovo was not worth the political price of enduring prolonged bombardment and possible invasion. In both cases, superior western military capabilities brought victory with little or no cost in lives. Western publics have become accustomed to quick victories that are not only pain-free for them but also avoid excessive collateral casualties to their adversaries' civilian populations. It will not always be thus. Even weak potential enemies will seek ways partially to negate overwhelming firepower and exact sufficient price to make interventionists have second thoughts about pursuing a war of choice and not necessity. To do this, they will refuse to fight conventionally but try to shift the nature of the conflict to areas which play to their strengths and exploit western vulnerabilities.

Wars are won or lost at the political-strategic level, not the military operational or tactical. The outcome is thus not pre-determined by numerical or technological superiority, or even the two in combination. For example, Vietnam won its wars of unification against more numerous and militarily sophisticated foes despite the fact that it lost most of the battles. Arguably, Israel is being forced back behind its 1967 borders despite being the dominant regional power. These, and other, struggles illustrate the limitations of overwhelming military power in a politically

The Future Of Conflict: Looking Out To 2020

asymmetric situation. The weaker side, when fighting for core issues on which there is national consensus, may possess superior political will to achieve victory; and a preparedness to go for the long haul, if necessary to fight for decades. By contrast, an enemy engaged in a war of choice is likely to find it difficult to sustain political unity and the will to engage in a protracted struggle if battlefield success does not quickly lead to peace on his terms.

When contemplating wars of choice, western powers today would like to fight short campaigns, relying on their technological advantages to inflict highly selective but crippling blows with little fear of effective retaliation. This is because democratic governments are (rightly) sensitive to world and, especially, domestic opinion. Accordingly, they are as averse to casualties as their electorates. They are almost as worried about heavy enemy casualties, collateral damage and civilian deaths, as was apparent in the attacks on both Iraq and Yugoslavia. They lack the stomach for a protracted campaign for which they have not psychologically prepared their peoples. What is true of individual countries becomes even more true of alliances or coalitions (and most interventions are likely to be multinational as few countries, apart from the USA, have the capability to act unilaterally and all wish burdens to be shared and international legitimacy to be enhanced through collective action). In any coalition, degrees of enthusiasm for military action must necessarily vary. Once the weakest link begins to fray, the whole multinational effort may unravel – an outcome feared in the wars with both Iraq and Yugoslavia. Internal and coalition/alliance cohesion was the centre of gravity which both Saddam and Milosevic tried to attack, though the dubious nature of their causes and their even more dubious methods undermined their ability to do so. A future enemy will try to improve on their performances and may well be able, as they were not, to portray itself to a substantial body of world opinion as the party with right on its side and therefore a victim of "western imperialist aggression".

The first problem that such an enemy faces is how to combat a political strategy designed to demonize and isolate him so that he can be defeated by a firepower, attrition oriented military strategy which involves minimal risk. He can find several answers at the strategic level. To be fully effective, however, they should be prepared beforehand, in peacetime. Moreover, the more thoroughgoing the advance preparations, some obvious, some with hints judiciously leaked and some covert, the stronger the deterrent effect against potential interventionists or neighbouring states that might be tempted to offer them host nation support. Like a poker player with a weak hand, he must try, by raising the cost of entry, to drive as many players as possible from entering the game.

The potential target of western intervention needs to mount vigorous information and diplomatic campaigns to sell his side of the story and avoid isolation. He must try to win over natural friends, including those facing similar problems and those who are already hostile towards, or even doubtful about, western attitudes and policies in general. He must also try to divide western powers and their publics on the likely *casus belli* to prevent or delay coalition-building. It will be particularly important to deprive would-be interventionists of bases for action in neighbouring states through a judicious mix of bribery, intimidation and, where feasible, an appeal to their publics over the heads of hostile but politically insecure governments. The longer the delay he can impose, the less likely it may become that interventionists will gather the necessary regional support. It will also be easy to portray western action as stalling to gain time for a force build-up, followed by an aggressive response to a lost political argument designed to close the road to a reasonable political settlement.

He must prepare his country and population for a protracted war. Such preparation should be both psychological and practical. In the latter category, passive measures can be taken to complicate the business of western targeteers and ensure that attacks are either ineffective or produce the collateral damage and civilian casualties that western leaders fear; the enemy must not think that he can win a cheap victory through aerial bombardment alone. The sort of things that he can do are:

- embed military installations and production facilities in civilian educational, medical and religious institutions and factories;
- make full military use of potentially dual-use facilities such as airfields and communications centres;
- harden and decentralize production and transmission of electricity and other energy sources and negotiate third party electricity supply agreements with other countries so that attacks on power generation and distribution affect neighbours;
- encourage foreign investment and foreign contractors into the country to limit target options;
- create underground fuel reserves in built-up areas;
- make full use of fibre-optic communications to limit enemy intelligence-gathering and ensure continuous command and control.

By such means, the effectiveness of strategic air attack as a means of coercion may be reduced if national will is strong. This would face the interventionists with the choice of giving up or of upping the ante, possibly by committing ground forces. The Kosovo conflict shows clearly how reluctant would-be western interventionists are to take such a step.

In the military sphere, his second problem area, this hypothetical opponent of the west can capitalize on two advantages.

- He does not necessarily have to win, in the sense of defeating the enemy in the field. It may suffice merely to avoid defeat while inflicting a steady, even if small, stream of casualties for long enough to induce a collapse of the enemy's political will. This strategy served well in wars of national liberation from Southeast Asia to Algeria in the three decades following World War II.
- He is also in the fortunate position where a tactical victory can have strategic repercussions. A spectacular coup which kills a score or two of the interventionists at once can have a huge impact on enemy public opinion (as did the Beirut suicide truck bombings in 1983 which killed 241 US marines and 58 French soldiers). This is true even if the incident has no effect whatsoever on the military situation.

In other words, he can exploit the fact that countries like the USA are increasingly relying on applying weapons designed to fight a major war to cope with a different situation. These weapons cannot be used in the old way, however, as wars do not take place in a neutral environment but amongst people and in the full glare of the media. The conventionally weaker opponent has to exploit this fact to turn the west's greatest strength into a source of weakness. He should try to keep the fighting below the threshold of the utility of high-tech weaponry, at a level where the ability to deliver massive firepower is of limited value and his ability to send small but politically damaging numbers of interventionists home in body-bags can act as a deterrent to action.

The Future Of Conflict: Looking Out To 2020

It is, of course, pointless to try to fight asymmetrically against a technologically and possibly numerically superior foe with a symmetrical military organization. To do so may simply provide the enemy with targets, as the Iraqis did in 1991. Conventionally equipped and structured forces may be needed to cope with other regional foes and maintain internal order, but they must be able to operate unconventionally against more capable interventionists. They must be capable of dispersion, concealment and deception, yet able to fight effectively in terrain where technological superiority does not give the enemy a decisive advantage. The interventionists can be taken on in forest, mountain and, above all, in urban areas where the media will be able to record the suffering of the civilian population; the Israeli experience in Beirut is an example of the sort of fighting which western powers are anxious to avoid. Operations on less favourable ground can be restricted to sniping, booby-trapping, car bombing, rocket attacks and other such politically significant harassing actions.

It should be noted here that inexpensive, easily obtainable modern technology can be used to good effect by the primarily low-tech force. For instance:

- Access to cyberspace will enable the self-styled "victim of imperialist aggression" to conduct active information operations to undermine the political will of both the "aggressors" and those governments that support them and provide base facilities. The effects of this could be felt globally and not merely in-theatre.
- Command and control need no longer rely on complex, easily located and vulnerable radio communications. Fibre-optic land-lines, the internet and the mobile phone will facilitate the control and co-ordination of dispersed groupings.
- Inexpensive GPS jammers can degrade the high-tech force's ability to manoeuvre. They can also negate the accuracy of many precision weapons, complicating their use or even precluding it in population centres.
- The use of sophisticated, but still relatively cheap dummy targets can exhaust the enemy's supply of expensive and relatively scarce precision weapons to little effect but at a cost in time, accurate battle-damage assessment and, ultimately, credibility.
- It may be possible to hack into enemy intelligence and targeting computers to spread disinformation and create disruption at critical times; such actions depend on brain-power and not on unaffordable systems.
- And the humble portable SAM, ATGM and mortar with precision munitions can be used to good effect against both high value targets (such as AWACS and JSTARS aircraft on the ground) and personnel and for inflicting a steady run of casualties.
- Of course, the putative western opponent need not eschew high-tech weaponry altogether. Instead of trying to compete across the board, he may choose to invest selectively in advanced weaponry in critical areas, for instance in air defence, semi-precision SSMs, intelligent naval mines and submarines. Access to satellite imagery, either commercial or supplied by a friendly power, could help in targeting. Of particular deterrent and perhaps war-fighting value would be mobile ballistic or cruise missiles with WMD warheads. Possession of such weaponry could not only threaten interventionist forces and delay a force build-up but also help to deter neighbouring states from acting as host nations.

While the military strategic initiative will eventually have to be surrendered to the superior western force, it will be important to convince the enemy that military intervention will not be a cost-free, spectator sport. The fight should be carried where possible to the enemy's homelands and to potential regional bases. Effective action during the period in which the enemy is attempting to put together his coalition and deploy could be decisive in preventing intervention. This is likely to be a lengthy period as it takes time to gain internal and then international consensus for intervention and then transport strong forces over great distances (for the Gulf War, it took over six months, though American concentration on improving strategic mobility will lesson future deployment times). Initially, non-lethal active measures could be used, using information warfare techniques. Interference with electricity and water supplies, air traffic control, internet commerce and financial transactions, however temporary, could deliver a psychological shock and create panic which could make people think twice about the necessity for a so-called moral intervention. A media offensive would point out that such economic disruption was more humane and proportionate than massive aerial bombardment as practised by the interventionists.

If it was thought necessary and not counter-productive (the reaction of democracies being notoriously hard to predict), selective escalation to terrorist action may be deemed possible. This could comprise attacks on purely military targets, (largely) non-lethal attacks on economic targets, selective assassination (eg, of key personnel) or even mass murder such as the 1993 failed attempt at, and the 2001 successful destruction of, New York's World Trade Centre. However, especially after 11th September, large-scale murderous assaults on civilian populations are relatively unlikely by rational states which seek long term goals or strategic advantage and fear retaliation by an enraged enemy. That is more likely to be a tactic employed by a non-state actor, though possibly used by such in support of a perceived victim of western aggression.

In fighting western powers, the target state must always seek a competitive edge by building on areas where it has a comparative advantage (eg, greater preparedness to suffer casualties), by focusing on innovation in areas neglected by the enemy and by changing the rules of the game. In its efforts to do so, it may well enjoy an advantage over the interventionists, especially if they are part of an alliance/coalition, and especially if it is happy to rely on technology to bring victory. Consider Colonel Boyd's OODA Loop - the never-ending cycle of observation, orientation, decision and action. Provided its decisions are correct and well implemented, the side that goes through the cycle faster and thus wins the battle for time enjoys a decided advantage. The enemy is forced into a reactive posture, and his reactions are likely to become progressively more belated and ineffective. Technological superiority can confer an advantage in the observation and action phases of the cycle, but it does not help with the decisive, intellectual phases of orientation and decision. In these, the key issues are realism, understanding, conceptual (preferably non-linear, lateral) thinking and rapid, really decisive decision-making at both political and military leadership levels. Arguably, there is good reason to believe that western powers, particularly when acting in a coalition, will often prove to be wanting in these areas. Through a mixture of ignorance, cultural myopia and wishful thinking, they will often fail to grasp the complexities of the local and regional situation. The multinational nature of the intervention, where there will usually be problems of disagreement on objectives, ways and means, will retard decision-making and often produce less than optimal, compromise decisions. Complex chains of command will probably complicate and slow the implementation of decisions. A unitary enemy, knowing what he wants,

determined to win at all costs and knowing that he has to be adaptive and flexible if he is to unbalance a militarily superior foe, may well enjoy a decisive advantage.

Conflict Between Democratic States & Non-State Actors

Since the era of de-colonization, western states have not had to fight guerrilla wars, though the USA and some others have had limited involvement in those of other countries. They may do so again. Guerrilla movements to gain independence for disaffected communities, or to overthrow unpopular governments, will continue to be common in much of the developing world. In the foreseeable future, western countries will also be faced with terrorist movements, whether in areas in which they have intervened, home grown or imported.

Guerrilla warfare is famously the method of the militarily weak: in Mao Zedong's famous analogy, the guerrillas are the fish that rely on the benign environment of the sea of a friendly population for food, shelter, recruits and intelligence to survive, manoeuvre, strike and grow in strength. Usually, guerrilla movements also make use of terrorism as an adjunct to their attacks on governmental institutions and the security forces. Where the cause has significant popular support, as for instance with the Tamil Tigers, the combination of the two can be very effective. This is particularly the case where the struggle is perceived by both parties (and important outsiders) as anti-colonialist. The government defending the *status quo* may, in its cost-benefit analysis, decide that withdrawal is the politically and economically least bad option. This was the case in the period of dismantlement of colonial empires, the latest case being Indonesia's surrender of East Timor. However, where the territory in question is seen by the government as inalienable, as with Northern Ireland, the Basque country, Kosovo and Kashmir, for instance, victory for the anti-government forces is far less likely, absent outside intervention such as that of India in what is now Bangladesh in 1971 or NATO in Kosovo in 1999. And when the stakes are at their highest, ie, the very survival of the ruling elite in a domestic struggle for power, giving in becomes even less likely; though not impossible, as the case of Apartheid South Africa demonstrates.

As a stand alone strategy, pure terrorism is an even weaker form of struggle, for it implies that the movement practising it is unable to garner sufficient popular support to progress to the more advanced stage of guerrilla conflict. This can be the case where the terrorists represent a minority social, ethnic or religious group and the government is overwhelmingly strong and has the political will and popular support to fight it (as, for instance, in the Israeli dealings with the Palestinians). Or, as is normally the case where democracies are dealing with a politically fringe movement, where the terrorists have such extreme views and aims that they lack a popular political base and thus have to operate in the shadows. In either case, the practitioners see themselves as freedom fighters who see no other way of overthrowing tyranny, oppression or imperialist control, of dealing with the overwhelming imbalance of power between the oppressors and the oppressed.

Generalising, terrorists could be said to fall into three broad groups (see below), though there has traditionally been some co-operation between them and it is sometimes difficult to distinguish between acts which were/are politically motivated and those with merely criminal, usually mercenary ends (such as those of narco-terrorists). Many, at least in the past, have been encouraged and supported, sometimes directed by states such as Libya, Syria, Iran and North Korea. But not all terrorists are psychopathic monsters or stupid tools being manipulated by forces of evil. Many are genuine idealists inspired by the need to resist oppression and dismayed by the failure of non-violent methods to achieve change. Where their

views mirror those of much of the community in which they live and their cause is popular, their eradication will prove difficult as ordinary people will provide them with protection and a steady flow of recruits.

Ideological terrorists plagued many western societies in the '70s and '80s, despite the fact that liberal capitalism was demonstrably delivering rising standards of living and social security. Even the open and successful USA had the albeit short-lived Weathermen. In Europe, some were right wing, like the Italian fascists who caused 285 casualties in bombing Bologna railway station in 1980. Most were what could loosely be described as "communist", attempting to destroy "bourgeois democracy" and NATO and American interests in their countries. By the end of the '80s, the most prominent of these (Germany's Red Army Fraction, France's *Action Directe*, Italy's Red Brigades and the Japanese Red Army) had been crushed. Currently, only Greece's 17th November movement is still active, and it is currently under apparently effective attack. By the '90s the failure of communism was clear for all to see, but it is premature to write the obituary of ideological terrorism of the left. It could well revive under the banners of anti-globalization, anti-capitalism and even defence of the environment. No country is short of the sort of egocentric, fuzzy-minded, middle class fantasists and malcontents who can convince themselves that they can create and lead a revolution to save their country or the whole world through bombing and assassination. Even America will doubtless suffer from some deranged successors to Timothy McVeigh and the Unabomber.

Nationalist and ethnic discontent has been, and continues to be, the greatest inspiration for terrorism. In the west, the FLQ's violent efforts to separate Quebec from Canada have ceased but in Europe, the IRA (in various manifestations) and ETA have proved remarkably durable, as, on a lesser scale, have Corsican separatists. The new democracies of the southeast and east of the continent may well provide fertile ground for ethno-nationalist terrorism for years, even decades to come. In the developing world, such terrorist movements, sometimes alone and sometimes in tandem with an insurgency, disfigure politics in recent (mostly quasi-) democracies from Mexico to Indonesia. There is no sign that this is a phase of development that will soon be passed, and already shaky regimes like those in Pakistan, Indonesia or the Philippines might be unable to weather much economic and social disruption.

The third category is religiously motivated terrorism. Most menacing to international security, as well as to that of individual states, is the Islamic fundamentalist variety. Being pan-Islamic, it is a threat both to Muslim governments everywhere, especially to moderate ones which eschew extreme reactions, and also to the western supporters of such regimes and of Israel that it seeks to harm. For the most part, it is a reaction to the failure of either nationalism or socialism to improve the lot of the populace; as former US president Clinton remarked, it is often the last pitch of the humiliated and the hungry. Being inspired by blind faith in the cause of promoting fundamentalist beliefs, its practitioners are intolerant, not disposed to compromise and often prepared for martyrdom. It can draw on a huge reservoir of young people in the more backward regions of the world, especially the greater Middle East, who are alienated, frustrated and in search of scapegoats on whom they can vent their fury. Fundamentalist terrorism is increasingly moving from traditional to what can be called "new" terrorism in terms of aims and methods, especially when attacking the West.

The Future Of Conflict: Looking Out To 2020

Traditional terrorism could be succinctly defined as the systematic use of intimidation for political purposes.² Because it has a political aim, it is not (*pace* popular perceptions) mindless. It is designed to:

- draw attention to neglected issues and injustices, seizing the public imagination (and, as with some Palestinian groups, it can be accompanied by social work to demonstrate a positive side to the movement);
- act as a cleansing force in society and at the same time demonstrate the government's inability to protect its citizens and property;
- create de-stabilising economic problems (and simultaneously provide funds through bank raids, etc);
- create a sense of fear to undermine societal cohesion and faith in the government and force it into a reactive, preferably excessively repressive and delegitimising posture;
- force the government into a change of direction, either over domestic or foreign policy issues;
- win some international support for the cause;
- enforce discipline within its own ranks and keep the public cowed and thus unprepared to co-operate with the security forces.

When making targeting decisions, the terrorist is traditionally faced with a difficult balancing act between being effective (ie, putting real pressure on the government) and being counter-productive (ie, hardening enemy resolve and endangering support from his domestic and international constituency). While attractive as "legitimate" targets, attacks on the security forces generally fail the first test, save where terrorism is carried out in support of an insurgency when tying down military forces is useful. Attacks on civilian, especially high-value economic, targets are often seen as more likely to undermine the will of governments and their electorates to resist terrorist demands. They are also more vulnerable and thus easier.

Because traditional terrorist groups have limited, local, political aims, there is usually a possibility of a compromise settlement – though where the issue is fundamental to both sides, as with the Palestinian-Israeli dispute, it may be very difficult to reach. There is, however, a new phenomenon on the terrorist scene – the group that seems to have a purely negative purpose, such as the apocalyptic Aum Shinrikyo sect in Japan, or whose motivation seems vague and/or irrational, like al Qaeda. Perhaps the former type really is incomprehensible, but the latter is not. The 11th September attack, al Qaeda's most attention-grabbing venture so far, simply represents a rational tactic in pursuit of its goal of an Islamist seizure of political power in Saudi Arabia and other Muslim countries by taking the lead in espousing the religious cause and exposing the hypocrisy of regimes that profess to champion it but do little in practice. In either case, such "new" terrorist movements do not precede or follow their atrocities with political demands. They are more intent on punishment for perceived wrongs, destruction of the existing order and the classic terrorist tactic of propaganda by deed. These groups often wish to maximise civilian deaths for the sake of it. For such implacable enemies, there are many fewer targets that are seen to be counter-productive. It follows that nuclear,

² There is no universally agreed definition because the issue is irredeemably clouded by moral relativism. As the old saw has it, "one man's terrorist is another man's freedom fighter". Were resistance fighters in Nazi occupied Europe terrorists? Are Palestinians resisting Israeli occupation today terrorists? What about Afghans who fought against Soviet occupiers in the '80s and now against Americans in their country? And then there is the question of the use of state terror to cower subject populations and eliminate opponents, against which 'terrorists' often claim to be reacting.

biological or chemical will become the obvious weapons of choice. With a claimed 30-40,000 members and over \$1.2 billion's worth of assets, Aum Shinrikyo was able to procure significant quantities of nerve agent; only bungled delivery in the Tokyo subway attacks of 1995 prevented the hoped-for mass casualties. Bin Laden's movement is apparently even more numerous, much richer, and seeking weapons of mass destruction.

The likely future trajectory of development may favour the terrorist more than his state opponents. Complex, sophisticated societies will become more and more dependent on technology. They will thus become increasingly vulnerable to its disruption, not least by having their own inventions turned against them. Progress may also put hitherto undreamed of means of destruction into terrorist hands (genetically modified biological weapons, for instance). And counter-terrorism must win every confrontation to claim victory; the terrorist only has to succeed occasionally to make such a claim.

Aggression by a state, or by an ideology dependent on state power, can be fought by traditional means – the military and/or political defeat of the state and, if necessary, its occupation. This formula served in the war against fascism and communism but will not work with stateless or supra-state ideologies or religions. Armed forces are of limited effectiveness against an abstract noun like "terrorism". The trouble is that a clandestine, non-state enemy presents no geographical centre of gravity, the capture of which will mean its destruction. Nor will the elimination of the current leadership necessarily extinguish it. For instance, the fall of the Taliban regime in Afghanistan has not meant the end of al Qaeda. However useful a sheltering host government may be, it is not, in the last resort, essential. The movement appears to comprise loose networks deployed world-wide with cells which are comfortable living in hostile states, highly motivated and capable of independent initiative or coalescing according to requirements to execute specific operations. In an age of advanced communications (including encryption), such international terrorists could exist as a virtual movement. Moreover, even the actual destruction of al Qaeda will not end the threat posed by fundamentalist Islam. By their very nature, such movements are likely to be hydra-headed; and al Qaeda is but one of an estimated 50-60 terrorist organisations which are diverse in nature, motivation and locale. A war against terrorism cannot thus be won, any more than can a war against disease. There can be tactical successes against this group/infection or that, but total victory is a chimera.

Conclusions

As awareness of the conventionally unchallengeable nature of western, especially American, military power sinks in, most states which may come into conflict with it will attempt to find a mixture of high and low-tech and doctrinal answers to it. These will include:

- reducing their vulnerability to intelligence-gathering and weapons systems designed to prosecute conventional war;
- fighting at a level below the utility of many such systems (eg, exploiting urban terrain);
- finding ways of levelling the casualty producing playing field so that the cost of waging war can be raised beyond the threshold considered acceptable to the western participants;
- increased attention to information warfare in all its aspects.

The Future Of Conflict: Looking Out To 2020

Given the evolving nature of the threats and problems they are likely to be called upon to deal with, western armed forces will have to review their procurement policies, military organisational structures and doctrines.

There is no purely military cure for terrorism, at least for democracies. It is true that the French Army won a military victory in Algeria in the late '50s, but Algeria won independence anyway and there was a later revulsion within the French electorate against the methods used. Both Britain and democratic Spain have recognised the limits of military means in eliminating nationalist terrorism and rely on a judicious (and patient) mix of coercive and political means to undercut support for the terrorists. Israel, with its national survival allegedly at stake, has been more tolerant of violent repression, collective (indeed, often random) punishment, state terrorism and other pure force responses. It has been relying on force, both within the country and externally, in the latter case either clandestinely or, in Lebanon, through outright invasion and occupation. After more than 30 years, the threat is worse than ever. The Israeli example alone should be enough to demonstrate the bankruptcy both of reliance on pure coercion to defeat terrorism and of terrorism as an unsupported political tool.

President Bush's panacea for defeating international terrorism, of overthrowing governments supporting it and destroying terrorist bases may have worked in the case of Afghanistan – it is too early to tell – but that could be a misleading precedent. The Taliban regime was almost universally detested, both at home and internationally. Similar attacks on other states might be counter-productive. The international consensus forged for the war in Afghanistan would not outlast similar actions against, for instance, Iraq or Iran; there would probably be no unambiguous UN mandate and thus clear legal sanction for it. Unilateral action is likely to make new enemies and lose old friends (and their crucial intelligence and logistics co-operation). And there is nothing like invasion by a perceived imperialist power to unite at a least a significant proportion of a population behind even an unpopular regime. Besides, what would the US do after it had seized Baghdad or Tehran anyway? Impose terms that could not be enforced once American troops left? Install what would be seen as a puppet government and, with little or no outside support, take on a guerrilla resistance and the task of rebuilding the country? Destroy terrorist bases and then leave the country to disintegration and/or anarchy? Such military solutions make the mistake of tackling the symptoms of the disease without addressing the causes. Combating terrorism is primarily a political, intelligence and law enforcement problem, not a military one.

The only sure way to defeat terrorism is to remove the contradictions that give rise to it: in other words, to make the sea of the population a hostile environment for the terrorist fish, in this way depriving him of active, or even tacit, support and ensuring that security forces have the backing of the people at large. Then the appeal of terrorism will be restricted to fanatics with closed minds and those naturally inclined to violence and criminality. The struggle should be primarily a police responsibility as part of ordinary law enforcement and the military involved only when absolutely necessary and then only in a supportive role. Patient intelligence work followed by effective, targeted, perhaps covert, action can then be employed to destroy the enemy without counter-productive collateral damage. But essential intelligence can only come from winning the hearts and minds of the terrorist's potential constituency. This is the political challenge.

Governments must not allow a legitimacy gap to grow, undermining the moral consensus that is essential to peaceful progress. They must ensure that no section

of society suffers from blatant injustices that could create conditions in which violent opposition is seen as the only answer by the oppressed. Such problems need to be identified and dealt with before minorities have resorted to armed struggle, for belated action when polarisation has already taken place can encourage the terrorist by appearing to be surrender to blackmail rather than the reasonable settlement of legitimate grievances. Moreover, while they can restrict civil liberties to an extent in the name of counter-terrorism without losing popular support, governments must ensure that their security forces operate with restraint and within the law. To cross the line between the defence of civil society and repression is to lose the battle for men's minds, alienate significant groups and widen the pool of popular support for the terrorists. It will also corrode the very democratic society that is supposed to be being defended by undermining its values.

Today, religious or religious/revolutionary nationalist groups probably account for more than half the world's terrorists, and the vast majority of those are Muslims. There are real dangers inherent in over-reacting to terrorist outrages committed in the name of Islam, even ones as horrific as 9-11. If western democracies do so, they will foster the impression in Muslim minds that there truly is a clash of civilisations, with the Christian-Jewish world bent on attacking the Islamic religion and way of life. This would not only make Middle Eastern problems more intractable but also spread the terrorist contagion to parts of the Far East and Africa. It would help to encourage an already nascent sense of Muslim solidarity in areas which are currently quiescent or attempting to cope with other problems that could do without the added fuel to the fire of religious conflict. And it would do nothing for the domestic harmony of increasingly multi-cultural states everywhere.

The trends outlined at the beginning of this paper clearly suggest that both the breeding grounds of, and the ability to conduct, international terrorism are growing. Between 1965 and 1990, the share of world income of the richest 20% of countries rose from 69% to 83% and average incomes per head in the top 20% rose from 31 times to 60 times that of the bottom 20%. If rich democracies wish to sustain the status quo that is so congenial to them, they should think about paying a price for it. Disparities in wealth between advanced economies and the Third World are not only growing but are also becoming more visible and difficult to ignore as the world shrinks and becomes more transparent. Rich countries currently put a derisory proportion of their GDP into foreign aid (the UK, 0.3% of GDP and the USA, 0.1%, for instance), and much of that is tied or ill-spent. Moreover, the rich world currently insists on trade rules that hurt the poorest countries; for instance, their farming subsidies run at \$1 billion per day – more than six times their aggregated foreign aid budgets). Perhaps they should be prepared sacrifice the goal of ever rising living standards to invest in security. Money sensibly spent in poorer countries could help to reduce coca and opium production and the flood of emigration that causes such concern and could help to reduce the constituency from which terrorists draw their support. That pool would also be narrowed if western support were withdrawn from unjust regimes that suppress reasonable dissent and refuse to contemplate reforms that would benefit their populations as a whole.

The problem of finding appropriate carrots and sticks to combat international terrorism is too big for any single country, even the USA. Only a concerted effort and burden sharing by rich countries can make a difference to the economic situation in the Third World that partly gives rise to it. Only a supra-national approach to security in its widest sense (including drug trafficking, money

laundering, mass migration, environmental problems) can cope with a threat that has grown in both scale and nature. Unilateral military reactions run the risk of destroying the international consensus that is necessary for effective action and of fragmenting and thus weakening counter-terrorism.

The Strategic Environment 2000-2020: Selected Regional Trends

The USA

Before considering in some detail possible futures in Europe, Africa and Asia, it is necessary to examine the likely attitudes of the USA to the global trends that have been, and will be, described. After all, America will remain the sole superpower during the next 20 years. Today, the USA, with only 4.7% of the world's population, enjoys 31.2% of global GDP and accounts for 36.3% of global defence spending and 40.6% of global R&D (figure for 2000). While these proportionate shares will shrink as other powers grow, the dominance of the USA will persist throughout the period in question; after all, its current, massive military effort is sustained through devoting less than 4% of GDP to defence and the 6.5%-5.3% of 1985-90 hardly proved detrimental to economic growth over the last ten years. The Americans can maintain or even increase their military superiority without undue strain on the economy. Moreover, to concentrate purely on material indices of power is to ignore the at least as important element of soft power. Whatever the fulminations of governments against the USA, the fact remains that, for many of their peoples, America exerts a great psychological attraction. The country, its ideals and its way of life represent something to which many aspire.

The USA will remain globally engaged. The size of its economy and its dependence on globalisation, an expanding web of commercial, cultural, political and security ties and its sheer pervasiveness, coupled with the certainty of chaos should it retreat into isolationism, would have made this certain in any case. So, too, would growing self-confidence deriving from both economic growth and a conviction of its essential righteousness. The country has been active since the end of the Cold War, witness, for instance, the Gulf war, Bosnia and Kosovo. But it seemed to lack a clear sense of purpose and thus a coherent national strategy. The events of 9-11 and a real fear of more such attacks in future have changed all that. The need for global activism is not a partisan issue now but is accepted by all serious political parties. There is fear of spreading instability, and the consequent challenges of tackling international terrorism and rogue states seeking to acquire WMD will not be abandoned lightly or quickly.

America will continue to believe that its national interests are the same as those of the rest of the world, ie, regional and global security, the rule of law, the flourishing of democracy, free trade and the international movement of capital and the protection of property. Despite all the charges of neo-imperialism and illegality levelled against it by some, America sees itself as a force for good, acting with moral purpose to improve the world. Hence, for instance, its lead in riding roughshod over the UN Charter in the case of Yugoslavia and its insistence that the legal protection afforded by sovereignty should not be a shield behind which unacceptable things can be done by a government to its citizens. America may be well on the way to becoming a hegemon, but, unlike most empires of the past in its view, it sees itself as a benign one.

That does not now, and will not in future, mean that the USA will always be content to work solely within the confines of international bodies and consensus, even with its allies. There is a hubristic sense that the nation can set the rules that govern international relations while operating outside them itself. After all, America alone not only knows what is right but also has the means and will to enforce it. If allies choose to follow, as eventually in Bosnia and in Kosovo, and in 2002 over Iraq, that is good; but if they do not, their approbation and support is ultimately dispensable.

A hegemonic approach even predates the 2001 attacks on New York and Washington. A declared aim of the 1997 'National Security Strategy for the New Century' was "to prevent, disrupt and defeat terrorist operations before they occur". The events of 9-11 have added a new impetus to this unilateralism. The 'National Security Strategy' of September 2002 makes it clear that the USA will brook no rivals and will deal with potential enemies alone if that is necessary. "The United States possesses unprecedented – and unequalled – strength and influence in the world" and "Our forces will be strong enough to dissuade potential adversaries from surpassing or equalling the power of the United States". But Cold War concepts of deterrence or containment are no longer sufficient in a world of "shadowy" terrorist networks. The main danger is no longer seen to be a peer competitor. "America is now threatened less by conquering states than we are by failing ones." Therefore, "to forestall or prevent ... hostile acts...the United States will, if necessary, act pre-emptively". The attack on Afghanistan was merely a first step on a long road. Iraq will probably see the second.

There is, of course, a contradiction between the strategy declared in September 2002 and a general aim of US foreign policy – to promote democracy. Defeating terrorism has as its goal the preservation of order while the other aim promotes values. The two will often be incompatible. For instance, the former seems to require co-operation with and support for unsavoury regimes such as those in Saudi Arabia and Pakistan. The latter would imply their replacement – regime change in President Bush's euphemistic phrase. It remains to be seen where the emphasis will lie in the future – probably an inconsistent mix of the two. One way or another, the USA will leave itself open to charges of hypocrisy, selectivity and bully-boy behaviour, not to mention the deliberate flouting of international law through mounting dubious pre-emptive attacks. It will make at least as many enemies as friends and will probably create more terrorists than it kills, just as does Israel with the Palestinians.

This does not, however, mean that hegemonic behaviour will automatically give rise to global or even regional coalitions motivated by anti-Americanism. Quite apart from the desire of countries to be on the side of the strongest power in the world, many will fear the rise of a regional hegemon even more and will see the USA as a bulwark against this. The America of today is a genuinely reluctant quasi-imperial power; its voters are essentially parochial and evince no desire to subject other countries to their rule. And its soft power exercises a continual fascination for others, especially in the developing world. While it is possible to disagree with individual American actions, it is difficult for an unbiased observer to reject the proposition that the USA does genuinely seek a better world wherein states are free to follow their national interests subject only to the conditions that they do not threaten their neighbours or egregiously ill-treat their citizens.

Of course the moral tone adopted by successive American administrations would carry more weight if they recognised obligations towards developing countries as well as rights to act as arbiters. By the end of 2002, for instance, 23% less had

been spent on rebuilding Afghanistan than had been spent on bombing it. As pointed out above, the US is ungenerous in its disbursement of foreign aid; and most of it goes to lower-middle income countries being cultivated (Egypt, Jordan, Peru and Russia) and high income Israel (which received 43.7% in 2001). Even after the 50% rise in the aid budget promised by 2006, America will be offering proportionately one third less than the combined total of the EU. Moreover, its addiction to farm subsidies, as with the EU does not auger well for the Doha round in which a fairer deal is supposedly to be offered to developing countries. (Rich countries spend \$1 billion per day on agricultural subsidies, more than the entire GDP of sub-Saharan Africa.) Will the USA come more generously to help poorer states towards greater prosperity, thus substantiating its claim to moral ascendancy and at the same time investing in security and deflecting anti-Americanism?

While America's commitment to activism cannot be doubted for the foreseeable future, several developments could contribute, singly or collectively, to undermining it. These are:

- the effectiveness and consistency of its leadership;
- a feeling that its allies are not bearing their fair share of responsibilities and costs. This is particularly likely in the case of the Europeans, who have long been regarded as free-riders, content to rely on Uncle Sam for their security. With American interest in European questions continuing to decline as its preoccupation with the Middle East and Asia increases, the USA will continue its process of disengagement from the region.
- a decrease in domestic harmony and preparedness to shoulder the internationalist burden, particularly likely in the event of a serious economic recession (unlikely, but possible, especially if a war costs a lot more than bargained for and significantly raises the price of oil);
- the nature and extent of any setbacks it suffers. If the United States continuously finds itself having to act alone, or almost so, it may tire of its self-imposed mission. Then, as in Vietnam, Lebanon (1983-4) and Somalia (1993-4), it may become disheartened by failure.

West, Central & South-East Europe

Economic Social & Political Problems In EU & Candidate Countries

The 15 countries of the EU form a wealthy grouping. Even the poorest members, Portugal and Greece, enjoy GDPs per head 20% greater than the richest of the 12 applicant and candidate members (save tiny Cyprus and Slovenia). However, economic growth is unlikely to exceed 1-3% *per annum* for the foreseeable future thanks to structural problems of labour market rigidity and stifling governmental regulation and interference that most states are unwilling to rectify. Judging by British experience of the Thatcher era, it will take more than a decade for continental economies to modernise in order to meet the challenges of globalisation. It is likely that the process will be put off for as long as possible, perhaps indefinitely, as statism and vested interests are very strong. Thus, even the more progressive elements of the EU will mostly lag behind the USA and, indeed, many developing countries in terms of innovation, entrepreneurship and economic growth. While it will remain significant in absolute terms, Europe's long relative decline will continue and with it its ability to shape the global economic system.

The states of western Europe currently enjoy a high level of social cohesion, with the partial exceptions of the UK (Northern Ireland), Spain (the Basque country), Italy (Northern League 'Padanian' separatism) and Belgium (though France's and

perhaps Germany's problems with immigrants should be mentioned in this context). This will lessen perceptibly over the next two decades, though not enough to threaten the very fabric of society as some doom-mongers contend. Slow economic growth will go hand in hand with a trend towards almost static or declining native-born populations. Ageing populations, with a consequent increasing dependency ratio of pensioners to workers, will strain budgets and lead to political tensions. Countries will need to accept growing numbers of immigrants to maintain economic vitality and pay taxes. And as well as legal immigration, however reluctantly accepted, there will be much illegal, largely from the Mediterranean's southern littoral and Eastern Europe. This will challenge social cohesion, especially where migrants live in parallel societies, rejecting assimilation, and place Islam and/or their country of origin before their adoptive country in their loyalties. There will be a rise of extremist parties, particularly of the right, to undermine today's broad social and political consensus. Terrorism of varying political and religious hues will accelerate the process.

By 2010 at latest, the current 12 applicant and candidate states will have joined the EU. To their dismay, absorbing them will be extremely costly for psychologically unprepared western European taxpayers (rather as western Germans found after they took over the GDR). There will be much acrimonious argument about budgets, especially about who gets what out of regional development funds and the CAP (the latter causing particular headaches with Romania and Poland as large countries with, respectively, over four and eight times today's EU average proportions employed in agriculture). Popular resentments will build up: amongst western Europeans about the new members' demands, their alleged levels of corruption and crime, now being exported, and towards immigrants; and amongst those new members about the foreign ownership of land and businesses, unemployment and cultural penetration which will follow accession. Also deeply contentious will be the necessary reform of Union institutions, originally designed for a club with six members and in future having to cope with 27. And without deepening, widening will fail.

At least the new members mostly have homogeneous populations, some thanks to post-war ethnic cleansing. Exceptions are most central European states with their Roma; Slovakia and Romania, which have substantial and aggrieved Hungarian minorities; Bulgaria with its Turks and Pomaks; Estonia and Latvia with their 34% and 42% Slavic minorities (mainly Russian); and deeply divided Cyprus. These should not provide insuperable problems provided other issues are resolved, though the strains which will follow entry into the EU may produce severe local difficulties.

Assuming enlargement can be made to work, huge benefits will accrue to Europe by the end of the period under review. The EU will become stronger and more prosperous as a result of the boost given to trade and investment (as happened with Spain and Ireland after their accession). Democratic institutions will become locked into place in central Europe. Potentially unstable countries, some with contested borders and/or minority problems, will learn to resolve their disputes in a civilised fashion. The Union will eventually become a force to be reckoned with around the world's negotiating tables.

However, the success of the EU project is far from an historical inevitability. There may be a popular backlash against the pain involved in both widening and deepening processes. The populations of new entrant countries have unrealistic expectations of the huge immediate benefits that are to fall to them from being admitted to such a land of milk and honey. Disappointment will breed disillusion.

Nor have publics in existing members been educated about the costs to them of expansion; indeed, they are not even being consulted about it (except in Ireland). Enlargement may well get off to a bad start. Thereafter, attempts to reach agreement between, or impose more and more common rules on, 27 sovereign states at different stages of development and with different national traditions will be fraught with difficulties. These may prove insuperable.

When the economic and social implications sink in, it may prove impossible to gain consensus on institutional reform, leaving the Union in political paralysis. It is even possible to conceive of the disintegration of the EU, perhaps leaving a rump of core members, with the others re-nationalising policies and embarking on beggar-thy-neighbour disputes. This could leave Europe back in a situation loosely analogous to the thirties, with a group of weak and often antipathetic states potentially dominated by a strong Germany or disputed between such a Germany and a revived Russia. Globalisation, however, would help to counter such a trend. The most likely development will be the evolution of the EU into a series of overlapping clubs. All members will subscribe to some rules, eg on the single market, but others, eg the monetary and defence unions, will be optional. This will produce a flexible organisation rather than a super-state, but at the price of coherence and therefore global influence. The squabbles, and possibly unrest, arising from the process of enlargement and integration will also carry with them the danger of partial paralysis which will further undermine the Union's influence for a time.

Foreign, Security & Defence Policies Of An Enlarged EU

Even if enlargement proves a success, the process will be long and tortuous. Already somewhat parochial in its concerns, the EU will be mostly inward looking while its problems are worked through. Indeed, the creation of meaningful common foreign, security and defence policies may prove, if anything, even more problematical than the haggling over internal political and economic issues. It may well be among the last reforms to be tackled. Military reform, too, is unlikely to make dramatic headway. The new missions likely to be called for in the post-Cold War era and the revolution in military affairs have left most contemporary European armed forces of limited relevance to the 21st Century world. But whatever the urgings from the USA, few European powers other than the UK and France, faced with the economic and social problems outlined above, are likely to meet to cost of transformation to meet new challenges. Most countries will continue to lack strategic vision and therefore to subordinate defence budgets and capabilities to narrowly defined affordability rather than to cope with unacknowledged global, perhaps even pan-European, responsibilities. Absent catastrophic attack, issues like WMD and missile proliferation, international terrorism and the need to help eastern European and Mediterranean states are unlikely to excite enough concern to shift priorities from introspective, domestic agendas. Many member countries will, after all, have their hands full coping with noisy protest movements as EU reforms begin to bite.

Until a real common foreign policy and security and defence identities are established, Europe will not speak with one voice and thus carry the weight due to its economic strength, size of population and military potential. This will be a satisfactory outcome for some outsiders, eg, Russia, who will not have to fear a new superpower. Nor will it matter much to most members, who will be satisfied with the preservation and enhancement of European stability and prosperity. Many Europeans will see primary roles of foreign policy as limited: to protecting social and cultural identities from the excesses of globalisation; to protecting and

expanding their economic interests; and to doing good in the world through the exercise of soft power. All three, however, have the potential to produce considerable friction with the USA, particularly if America pursues policies that are seen as unilateral, selfish and/or simply wrong-headed. Particularly potentially fissiparous will be the trade disputes that are inevitable. If these are allowed to get out of hand, the political as well as the economic damage could be extensive.

Herein lies a potential danger – the weakening of the Euro-Atlantic relationship. This is most evident in the decline of NATO. With the disappearance of the single, clear and monolithic threat posed by Soviet communism, it will become progressively more difficult to maintain the western alliance. It has lost its original *raison d'être* and collective security may not provide it with a sufficiently compelling new one (unanimity on specific cases as opposed to the broad principle being notoriously hard to reach). Most Europeans show little enthusiasm for serious 'out of area' operations and are piqued by US high and heavy handedness. The USA, irked by its partners' carping and disillusioned by waging war through committee against Yugoslavia, has already demonstrated its preparedness to dispense with its largely, militarily, ineffective NATO partners in its so-called "war against terrorism" in Afghanistan and, in 2003, in Iraq. The Americans no longer need their allies militarily, however politically useful it is to keep them on side. The changing US attitude to NATO is graphically illustrated by its acceptance of seven new central, southeastern and Baltic members; these will add little or nothing to the alliance's power.

America is apparently happy to see NATO transformed from a serious military grouping into a wide-membership, political club, useful for socialising former enemies/new members with, arguably, not a whole lot more clout and significance than the OSCE. This shift in the US view of NATO is also symptomatic of shifting American priorities. Facing pressing strategic challenges in the Middle East and East Asia, not to mention the struggle against terrorism, America is losing interest in Europe and will, in future, be less willing to involve itself in the continent's problems. Far from being opposed to an EU military arm, of which an embryonic rapid reaction corps is supposed to be operational by 2006, the Americans may well come to welcome a serious effort by Europeans to look after their own security. It is, however, permissible to doubt whether the EU will be prepared to fill the void in a timely and wholehearted fashion.

The consequences of this downplaying of NATO can be exaggerated, though. Such western clubs have come to be more than mere marriages of convenience to maintain a balance of power. Shared values, common democratic societies, market economies and interests in maintaining stability, coupled with long-established habits of inter-governmental co-operation, should prevent a return to the international anarchy that characterised the old international system – at least as far as the west is concerned. And America will realise that unchallengeable military power and the ability to fight unaided is not the sole answer to the complex security problems of the 21st Century. Europe's 'soft power' may be exaggerated by those unwilling to pay more for defence, but it is still a significant contributor to global security – not least through Europe's preparedness to tackle the underlying causes of conflict. So too is its moral weight in supporting US actions, which will go some way to modifying the image of an American bully throwing its weight around in pursuit of its own selfish interests. Of course new, often controversial challenges will necessitate the creation and sustainment of new "coalitions of the willing", a process complicated by differing perceptions of national interest and morality. As the world situation changes, friends and allies in one endeavour may become

opponents or neutrals in the next. This trend is already evident in the "war against terrorism" and the probability of war with Iraq, *vide* the changing positions of Germany, Russia, Pakistan and Saudi Arabia, to name but a few.

South-Eastern & Eastern Europe

In most of the former Soviet Union and post-Communist Balkans, what has emerged since the end of the Cold War has been quasi democracies managed by elites of the former *apparat* and *nomenklatura*. To their political power, the new/old rulers have added great wealth, gathered more through despoiling the crumbling communist state than through being capable businessmen in a new capitalist economy. Many in the West see this period of kleptocracy as merely a distasteful but transitory phase on the road to true democracy and a real market economy (as happened, for instance in the American West in its late 19th Century wild days). So it probably will be in the Baltic states, Poland, the Czech Republic, Hungary and Slovenia (all countries with traditions and relatively recent, relevant experience to fall back on and, importantly, EU help to look forward to). It might well be the case in Slovakia, Romania and Bulgaria, if only because they too seem destined to be accepted by the EU.

It is harder to imagine Russia, Ukraine, Moldova, most of the former-SFRY or Albania, never mind Belarus, in this light. None of them possesses, or shows any likelihood of developing any time soon, stable civil societies with common, western-style values, subject to the rule of law and with efficient, reasonably honest bureaucracies. Without these prerequisites, neither the market nor democracy will flourish. Transition is more likely to be towards ultra-nationalism and authoritarianism (quite possibly neo-fascism) than liberal democracy. Moreover, while bringing increased stability to its members, the near-future enlargement of the EU risks destabilising the countries missed out. Nor are any of those listed in this paragraph likely to be considered for membership within the period under review, absent unexpectedly rapid reform, whatever the rhetoric emanating from Brussels.

The EU will doubtless continue to encourage dialogue and economic and political co-operation. It will hope that the prospect of membership will encourage regional states to embrace western traditions of tolerance, pluralism, good governance and co-operation, even though that prospect will continually recede. But it is unlikely to find sufficient financial and political wherewithal to guarantee orderly progress towards a democratic and prosperous future for Eastern and South-eastern Europe. The problems and cost of taking on the 12 current applicant/candidate countries will simply be too great. Those countries on the non-EU side of the new dividing line in Europe are likely to remain, economically, relatively backward areas, largely missing out on the benefits of globalisation. Politically, they will incline towards the unstable and vulnerable or the authoritarian and potentially troublesome.

The Balkans will probably attract more attention than eastern Europe. As the old proverb has it, "it is the squeaky wheel that gets the grease". Recent conflicts have focussed attention on the region and there is an awareness of the possibility of their renewal, or of fresh ones. NATO, or successor EU, peacekeepers are likely to remain for a time and some aid may be funnelled in through such mechanisms as the Stability Pact for Southeastern Europe. However, it is likely to be enough only to suppress symptoms rather than cure the disease, and there is a real risk of attention wandering and commitments being cut back too early as a result of superficial progress. Furthermore, insistence on maintaining existing state borders (including a strong Serbia) will be a recipe for trouble as it goes against a strong tide

of nationalism. As a result of tackling problems too late and in a piecemeal and partial fashion, the Union may well be dragged into periodic crises and peacekeeping tasks that will further limit its ability to lift its eyes to consider global horizons.

Neglected in practical, if not in rhetorical, terms, Ukraine and Moldova may well become increasingly alienated from the EU and America (Belarus is already a lost cause). They will feel adverse economic, social and psychological effects from their exclusion from the union. There will be no real incentive for ruling elites to mend their ways. They will probably continue to stagnate under corrupt, incompetent and possibly increasingly repressive governments. They will also be increasingly vulnerable to economic pressure from a revived Russia (if Putin and his successors succeed in reinvigorating that country). The prospects of falling again into a Russian sphere of influence will be very real; indeed, the process has already begun, with Russia making huge debt for equity trades with Ukraine and Moldova. Nor will such a development necessarily displease western powers. If Russia plays its hand sensibly and is seen as a co-operative partner by them, they may well come to regard Russian control as beneficial, a guarantee of regional stability.

A particular problem that will loom sooner rather than later will be Turkey's application to join the EU. There is strong European sentiment against it. Powerful countries such as France and Germany see Turkey as simply too big (by 2020, it will be more populous than Germany), too Islamic, too Asiatic and too poor to be admitted. If the Turks continue efficaciously to address such issues as human rights, the treatment of minorities (especially the Kurds), the future of Cyprus and democratic control of the military, then gut-rejectionism may eventually be overborne by such a successful moulding process, by American enthusiasm and by the half-promises already made. This would ensure that this geo-strategically vital state, bordering on Syria, Iraq, Iran and Caucasian states and with influence in Central Asia, works with and not against Europe. Continued rejection, on the other hand, could drive Turkey in an Islamist and anti-western direction. Instead of being a force for stability in troubled regions, the Middle East, the Caucasus and Central Asia, Turkey could then follow narrow nationalist or even Islamist policies towards such issues as energy transportation routes, WMD proliferation, ethnic/religious conflict and water rights. This would greatly complicate life for the EU and the USA.

Conclusions

The European project, to create a voluntary union of 27 sovereign states, is a political undertaking on a truly Homeric scale. To bring it to fruition requires governments to overcome some fundamental difficulties. The existing membership is far from united about the answers to basic questions. What is the union for? How should it be governed? What should be the competencies of the centre and what of the individual states? How should it be financed? Before sorting out the answers, the current club members are preparing to almost double the membership by bringing in mostly very much poorer applicants, some of which are only very recent converts to the political and economic principles required for admission. Most governments have done little to educate their electorates about the problems and pitfalls which lie ahead and are preparing to enlarge without consulting them specifically about the desirability of the process – and this despite often considerable polling evidence of voter scepticism (recent EU-commissioned polls suggest that almost 50% of current EU citizens would be “indifferent” or “very relieved” if the union were to be scrapped altogether).

Given these facts, it is inevitable that there will be much post-enlargement disillusion and resentment and possible unrest amongst the populations of both existing and new members. Attempts to sort out details of who gets what and who pays will produce much bitter wrangling, never mind efforts to solve existential questions such as those above. The project could fail and the EU could break up amidst acrimonious recriminations. The results of the failure of such a union too far would be incalculable, save insofar as it would be disastrous. If it is made to work at all, it will only be functioning at all smoothly after the passage of at least the next two decades. Until then, Europe will punch considerably below its weight. The wider post-Cold War world will continue to be shaped with relatively little input from an introspective EU. Even its own backyard, eastern Europe, is likely to be somewhat neglected, to the detriment of its inhabitants.

This is not to say that Europe's leaders will not try to exert influence. In some *fora*, eg, the WTO, they will be successful. But for the most part, their attention will be absorbed by domestic and union matters to the detriment of wider issues. The Balkans and Eastern Europe will provide a key test of EU strategic vision and leadership. The union currently seems keen to take on the challenge to prove that it can indeed adopt a common foreign and security policy. Unfortunately, it is likely to fail through internal disagreements, belatedness and half-measures, rather as it did over the disintegration of Yugoslavia in the nineties when Jacques Poos, speaking for the union, declared "this is the hour of Europe". And former-Yugoslavia has not lost of its potential for conflict; the wars of succession are probably not over, only the early rounds. Next time, the USA may be less prepared to come to the rescue.

Russia & Former-Soviet Eurasia

Russia: Prospects For Political & Economic Development

Although it may be prevailed upon to give up some peripheral and marginal territory - the Kurile Islands and, far less likely as its loss would destabilise the whole north Caucasus, Chechnya, Russia no longer seems likely to follow the Warsaw Pact and the Soviet Union into dissolution. The bonds of history and habit, common language and culture and fear of alternatives are binding factors and, for the most part, non-Russian groups (approximately 19% of the population) are too weak, divided and isolated within the heartland to contemplate secession from a strong state. And the trend towards the restoration of firm, centralised control started by President Putin is likely to continue. This is not to say, however, that Russia does not perceive internal threats. Indeed, these loom larger than external ones in the country's current military and national security doctrines. The North Caucasus region in particular (especially Daghestan) is likely to be a continual source of trouble. But it is officially recognised that the flourishing of organised crime, narcotics and arms smuggling and corruption are every bit as serious threats as that posed by ethno-separatism. These internal weaknesses will be a major driver of domestic, foreign and security policies.

Politically, Russia may yet develop into real democracy and a state ruled by law, but this will take a generation or more. It would certainly be counter to the current drift towards quasi-authoritarianism. Indeed, many factors arguably make continuation on this course more likely for the foreseeable future. Traditionally, Russia has always been ruled from the top down and democracy is a very fragile plant. The ruling elite (little changed from Soviet times) is now rich as well as powerful and faces no real challenge. Nor is there sign of one emerging; the electorate's predominant attitudes are disillusionment, apathy and resignation on the one hand and a desire for strong government to create unity, order and security

and to restore national pride on the other. However, the re-imposition of pronounced centralisation could prove a source of weakness and even stagnation rather than strength. Russia is too big and its bureaucracy too inefficient and corrupt to promote beneficial change and economic growth.

The country's political system is not the only thing that is unhealthy. Russian demographers anticipate a fall in population of about 12% by 2020 and perhaps one third by 2050. This is only partly due to a fall in fertility to 1.17. The death rate is now 50% higher than the EU average, and infant mortality 340% higher. By 2005-10, the health ministry estimates that 10 million or more, predominantly 15-29 year old males, will begin to die of AIDS. Russia has a sickly population with a bad health care system. Thus a strong, healthy and growing population will not be a driver for economic recovery – rather a declining and sickly people will act as a drag. Nor is Russia likely to encourage non-Slav immigration to fill the void as the social, political (and, in the sparsely populated lands east of the Urals, geo-political effects) are feared.

The pernicious legacy of the USSR will also inhibit economic progress. This includes: rust belt, often value-subtracting, industries; grossly inefficient agriculture in the hands of demoralised farmers; a crumbling infrastructure; environmental neglect bordering on the catastrophic in some areas. The structural reforms necessary to correct these and other ills will take much time, not only because they are so far-reaching but because vested interests (including those at the highest levels of politics and organised crime) and endemic corruption will all retard development. So too will the prevalent business culture, which is collusive, conspiratorial and driven by networks and connections rather than by the market. So far, reform has hardly started. Unless and until such problems are tackled, full exploitation of the possibilities opened up by globalisation will not be possible. Of course, reforms there will be, the privatisation of land, for instance, but they will probably not come at a pace that will allow Russia to catch up with its competitors.

President Putin himself pointed out in 2001 that even with 8% *per annum* growth in GDP, it would take Russia until 2015 to reach Portugal's 2001 *per capita* income. Such a sustained rate of growth is most unlikely. Russia will continue for the foreseeable future to be reliant for its wealth primarily on the products of extractive industries. As so often elsewhere, easy profits from the exploitation of natural resources will inhibit investment in the industries of the future. And so long as political connections and bribery are the way to success, international standards in management and accounting and a proper banking system will be neglected and foreign direct investment will be insignificant. In short, Russia is unlikely enjoy a spectacular economic revival which would create the basis for a restoration of great, let alone superpower, status.

Russia's Attitudes To The Outside World

The Soviet Union sacrificed balanced economic growth and prosperity for the population in the interests of maintaining military power as great as that of the USA and NATO from an inferior resource base. By the beginning of the 21st Century, however, over a decade of governmental neglect, military incompetence, corruption and failure to adjust to changing conditions, and popular hostility/indifference had combined to break a once impressive military machine. It would take at least 20 years to restore even a scaled-down but modernised version. Even that would be unlikely to rival the US armed forces in qualitative parameters, given the scientific, technical and R&D lag that has built up over decades. Nor can future governments expect to get away with neglecting the well-being of the people in order to

The Future Of Conflict: Looking Out To 2020

concentrate on military strength. By 2020, Russia cannot aspire to be more than a fairly modest regional power, save in the admittedly important area of nuclear capabilities.

Russia will probably adjust to these new realities. Indeed, under Putin, it has already started to do so. The USA and NATO are no longer seen as the direct threat they once were and more percipient analysts even accept that they will challenge Russian interests only over some issues and regions. Relations in future will no longer be considered in terms of a zero sum game but can become co-operative over many issues. Foreign and security policies are likely to pursue four main objectives.

- Continued *rapprochement* with the West and getting closer to Europe in particular will be seen as necessary for economic and therefore national revival. To this end, Russia will try to avoid the pointless and counter-productive confrontations, so redolent of the Soviet era, that characterised relations in the nineties. There will probably be no attempt to create a bloc to balance and limit western power. (The 2001 Treaty of Friendship and Co-operation with China can be interpreted as an attempt to solidify relations with China so that the westward shift in policy would not leave a threat from the rear.) Russia wants to join the WTO and to be included in Europe's security architecture, not to set up an opposition to it.
- Efforts will be focussed on restoring lost influence in much of the former-Soviet Union [fSU](ie, less the Baltic states, whose loss will be accepted as a *fait accompli*). Through a mixture of persuasion, promises of enhanced security, use of inducements and economic pressure, Russia will try to re-establish a measure of dominance extending from Belarus, through the Transcaucasus and into Central Asia. There may even be an attempt, exploiting EU indifference to the region, to create a Slavic confederation run from Moscow. This would comprise Belarus (where the door is open) and Ukraine (where use of energy debts to gain control over the economy, rotten Ukrainian governance, economic failure and loss of hope of salvation from the EU may yet open one). Covetous eyes could also be cast at Moldova and the Russian-inhabited areas of Kazakhstan. This strand of policy is intimately bound up with the next one.
- Security will be sought against the perceived 'threat from the south'. Islamic fundamentalism, supported by outsiders such as Saudi Arabia and Pakistan, is seen as a clear and present danger not only to Russia's backyard but to its own territorial integrity. The vulnerability of the north Caucasus and Central Asia is currently believed to be the main security problem facing the country. It will likely remain so. There is also a longer-term concern about encroachments by an overlarge Chinese population into the potentially rich but empty lands of Siberia and the Far East (in the last 10 years, over one million Russians have left the Far East alone). These could eventually reopen the question of the lands annexed from imperial China in the 19th Century and even create facts on the ground that challenge control of traditionally Russian territory. The opening of new gas fields in the Far East, on which China may well have to depend, could be an additional motive for expansionism. These perceptions, too, will give Russia a motive for co-operation with the West.
- As a visceral reaction to its history, with its past glories and recent humiliations, Russia will wish to reassert its (now largely illusory) status as a great power. Its membership of the P5 and its nuclear arsenal provide it with some residual

means to do so. This will not, however, mean confrontation for its own sake but rather a desire to be heard and not excluded from deliberations on the great questions of the day.

As long as the West does not shun Russia and thus unwittingly encourage a nationalist backlash against it, there is every prospect of co-operation – at least unless and until the country has revived as a great power. And that prospect lies well outside the timeframe under review. If the West were to ignore Russian sensitivities and ride roughshod over its interests, however, it could drive Russia, *faute de mieux* into an ultimately sterile but still dangerous opposition. This would be unfortunate as Russia has plenty of potential for mischief-making. It could renew support for ‘rogue states’. It could become even less discriminating about its customers for arms deliveries (perhaps including WMD). It could use traditional, covert means to undermine western societies, possibly even including support for terrorism. It might work to forge an axis with India and China in an attempt to balance US power (real substance could be imparted to the Friendship and Co-operation Treaty and India is already thinking of joining the Shanghai Co-operation Organisation).

Central Asia

The five countries of central Asia that emerged from the wreckage of the USSR have no history of independent existence as states and no sense of nationhood. Their borders were arbitrarily drawn in Soviet times as administrative divisions and often divide economic zones, transport corridors, irrigation channels and water supplies. All contain substantial minorities, mostly of other central Asians but including significant numbers of Russians (30% in the case of Kazakhstan, 18% in Kyrgyzstan) and ethnic tensions are considerable. All are increasingly repressive autocracies, run by former Soviet leaders who have donned nationalist mantles as a cover for kleptocratic rule. All their populations endure worsening economic and social conditions; except in Kyrgyzia, problems will be exacerbated by growing water shortages for populations that are expected to grow by 40% in the next two decades. All have territorial disputes, latent or active, resulting from artificial borders, diverse populations and quarrels over ownership of resources, and the other four fear Uzbekistan’s presumed interest in establishing regional hegemony. All, save Kazakhstan, are overwhelmingly Sunni Muslim. Islamist movements have the potential to destabilise them all, and Uzbekistan is already under threat from the militant Islamic Movement of Uzbekistan (IMU). The fate of that other central Asian country, Afghanistan, could lie in wait for any of them. (And, the US-led intervention of 2001 that overthrew the Taliban notwithstanding, the future of Afghanistan is very far from being assured. Without long term continuing, constructive security and economic assistance, the country could very easily slip back into endemic civil war.)

The fate of this backward, isolated region with negligible infrastructure would be of little interest to most of the world were it not for its mineral, and particularly, its fossil fuel resources. Kazakhstan, Turkmenistan and Uzbekistan between them have proven oil reserves about one tenth of the Middle East’s and much greater reserves of natural gas. With more exploration, the totals could rival Arabia’s. These riches in the ground excite considerable interest among countries wishing to lessen their reliance on the Middle East and reduce the power of OPEC. Russia, China, Europe and the USA are all keen to establish a stake (and the former would like to preserve its current semi-monopoly of pipeline export routes). The region is also of geo-economic interest as a crossroads for other trade. Russia wants to open north-south land links with Iran and India. The EU is pursuing the TRACECA

project, a modern equivalent of the old 'silk road' through the Black Sea, the southern Caucasus and the central Asian republics. Russia would prefer a link that used Russian territory, including the Trans-Siberian Railway and BAM.

The region will also pose growing security concerns to its neighbours. All five countries have the characteristics that encourage the growth of revolutionary movements, most likely of an Islamic character as religion is probably the only factor wide enough to unite disparate clans. Tensions between them could lead to conflicts, and/or to states supporting such movements in their neighbours' territories; the IMU is said to have bases in both Afghanistan and Tajikistan. Fear of such developments particularly exercises Russia and China, which worry about the spread of unrest into their lands (in the latter's case, into the Uighur and Kazakh population of Xingjiang). Russia is also concerned about the flourishing of narcotics trafficking through the area, and for the fate of its 6.5 million kin. The regional states, China and Russia have banded together in the Shanghai Co-operation Organisation to combat terrorism, and since 9-11, the USA has become active in the area as part of its war against terrorism.

Shared economic and security interests give strong motivations for the Shanghai Organisation states and America to stick together and co-operate closely to improve central Asian economies and prevent the region, or parts of it, from succumbing to Islamists. Even Iran will fear such an outcome; as a Shia quasi-theocracy, it does not want Sunni missionary zeal to prosper. Yet, geopolitical/economic rivalries could pull the great powers apart, a fate which would be all but certain if they were to fall out over other issues elsewhere. And even if they continue to work in relative harmony, they will not remove the basic cause of unrest and the attraction of fundamentalism if they do not help to bring good governance to the region. That could only be in the teeth of opposition from established regimes, and neither the USA nor Russia (for different reasons) is likely to attempt that. Thus the prospects of peaceful and orderly development towards a prosperous future look poor.

The Southern Caucasus

The southern Caucasus will assume a growing geo-strategic importance for the West as well, particularly for Europe. As demand for imported energy continues to increase (for Europe, it will be around 70% by 2020), so will desire for pipeline routes from new central Asian suppliers that reduce dependency on Russia and the Middle East. The southern Caucasus seems, especially to the USA, to provide a more attractive outlet than routes through Russia, Iran or Afghanistan and Pakistan. (Of course, countries on the alternative routes profoundly disagree.) The West also worries that, as with Central Asia, instability will provide opportunities for terrorists and organised crime; already, the USA has committed troops to Georgia for this very reason.

Post-Soviet independence for Georgia, Armenia and Azerbaijan has not brought peace and prosperity. All three have unfortunate legacies from Soviet rule. The former has been riven by civil war and Tbilisi is no longer in full control over the country (for which it blames Russian interference). The last two are at daggers drawn over the fate of Nagorno-Karabakh. The region is inhabited by many different ethnic and religious groups that straddle borders in several cases, as is to be expected at the crossroads between Europe, Asia and the Middle East. It is characterised by poor governance and instability and, being geo-strategically significant, will increasingly attract the attention of outside powers.

For Russia, the Transcaucasus has long been important as its backyard and, once, as a source of oil. Post-Soviet independence for the region has increased sensitivity towards those lands. Conflict there will have a destabilising effect on the Russian northern Caucasus, especially if it can be exploited by militant Islamists seeking to expand their influence in an area with a substantial Muslim population; outside involvement in Chechnya could be a precursor to similar interference elsewhere. Russia is also worried about narcotics and migrants coming from the region. Economic, security, national and religious interests will also continue to draw in the USA, the EU, Turkey, Iran and Islamists. In future, there will be plenty of reasons for clashes between them. There will also be good reasons for outsiders to co-operate in bringing peace and stability to the region. As with Central Asia, it remains to be seen whether these will triumph over the impulse to mischief-making for national or religious motives. Much will depend on whether wider relationships develop in a conflictual rather than a co-operative fashion.

Conclusions

At least in the short to medium term, economic health will be enough to keep Russia from collapse. It will also give government an excuse to postpone much needed reforms that are daunting in their complexity and strongly opposed by a myriad of powerful vested interests. There will be some reform, how much depending on sustained political vision and will, but it will probably be too slow and too little to effect a fundamental alteration in Russia's circumstances in the medium term. Russia will muddle along, much as at present, a large, poor, mostly backward place under quasi-authoritarian rule. In the best (though far from unlikely) case, it will be making accelerating progress by 2015-20, thanks to the growth of an economically and politically powerful middle class and a new generation government that, too, recognises the need for far-reaching reform. If, on the other hand, the present economic upturn falters and decline resumes, old fears will revive – of increasing poverty and despair, internal unrest, even disintegration (in a country, be it remembered, with nuclear weapons). Hopes of recovery would then be even more remote.

Whatever Russian aspirations, the country will be unable to compete successfully for influence in most of the fSU wherever the West chooses to exercise its economic, financial and political muscle. Unhappy memories of the imperial and Soviet periods will combine with Russia's continuing economic and military weakness to make a western orientation more attractive to fSU states wherever they have a choice. If the West (or, in some areas, Islamism or China) chooses to take advantage of Russian decline, there is a real risk of driving Russia into a sterile opposition that will probably bring in its train, or accelerate, further internal decline. Fortunately, this need not happen. Complementary interests in the economic and security spheres, including combating terrorism, could and should make for fruitful co-operation. And the USA and Europe (with the significant exception of Turkey) are probably too distant and too preoccupied with other regions, the Middle East and Asia, to wish to devote much effort to dominate the Caspian region or Central Asia.

Investment in energy extraction and pipeline and other transport infrastructure developments should help bring a modicum of prosperity to both Central Asia and the southern Caucasus (even, indirectly, to Tajikistan, Kyrgyzstan and Armenia). An improvement in US-Iranian relations and an economically vibrant, peace-loving China would help the process considerably, as would a consensus between extra-regional powers about the need for and the road towards regional stability. However, for these areas to become stable and peaceful, most current regimes

The Future Of Conflict: Looking Out To 2020

would have to give way to more enlightened ones that encourage economic growth and ensure that their populations benefit from it. There is little prospect of such transitions in the foreseeable future – and certainly not in an orderly fashion. Prospects would be further dimmed if these former-Soviet border lands become a zone of geo-strategic and economic competition between several powers in a 21st Century version of the ‘Great Game’.

The Greater Middle East & North Africa

The area from the Morocco to Iran will, if anything, increase in geo-economic and geo-strategic importance over the next two decades. The principal reason for this is its predominance as an energy supplier. The Persian Gulf alone is the source of 40% of current consumption of oil and contains 65% of the world’s proven reserves, enough to keep the world going for another century or so. Of course, consumers are trying to diversify their sources of supply and recent estimates suggest that, including natural gas (the fastest growing part of the energy sector), the area contains only about 30% of future fossil fuel reserves. But in the medium term, it is of critical importance; in 2020, it will probably still be providing half the world’s needs.

Unfortunately, the whole area, and perhaps the Gulf in particular, is not only unstable now but will become more so over the next two decades. This will be the inevitable result of demographic, economic, societal and political pressures, the inherent resistance of most local regimes to change, the growing influence of Muslim fundamentalism and increased involvement of outside powers.

Demographic, Economic & Societal Pressures In The Arab World

The global rate of population growth slowed over the last decade, but that trend was not replicated in the greater Middle East, where it continues to rise. By 2015, UN demographers anticipate that growth will be of the following order: Tunisia and Lebanon, 15-20%; Egypt, 25%; Morocco, Algeria and Bahrain, 25-30%; Libya and Syria, almost 40%; Jordan and Iraq, 45-50%; Palestinian West Bank and Kuwait, 50-55%; Saudi Arabia and the UAE, 55-60%; the Gaza Strip and Yemen, 65-75%; Oman and Qatar, 75-90%. In most Middle Eastern states, over half the population is now under 20 years old, and youth bulges will continue through to 2020.

Providing education, meaningful work (ie, not just in bloated, inefficient bureaucracies), housing, public utilities and medical and other social services for massively increasing (and increasingly urbanised) populations will pose a challenge that several states will fail to meet. Those that are dependent on energy exports will find themselves in real trouble. Today’s price of oil is little higher than in the mid seventies in real terms. Nor will OPEC manage to force prices up and keep them up over a significant period; it is a divided community and its customers are diversifying suppliers, adopting conservation measures, improving efficiency in fuel use and seeking alternative sources of energy (though the latter route is unlikely to bear significant fruit before 2020). This means that producer income per head is dwindling as populations grow; in Saudi Arabia, for instance, it is even now half the 1980 peak.

Even as economic problems intensify, social change is underway. Urbanisation, increasing awareness of the outside world created by improved communications, increasing travel to and (for the privileged) education in foreign lands and growing diasporas are all combining to undermine traditional social organisations and deference to authority.

Plainly, economic growth will be necessary to limit increasing unrest. This in turn depends on economic reforms. However, the conditions for necessary reform do not exist in most countries in the area. Weak education systems dominated by Islamic teaching overlook the technical and problem-solving skills that are required by modern economies. Elites generally wish to perpetuate traditional patterns of patronage, corruption and grossly unequal distribution of wealth. They are unwilling to liberalise and diversify economies, for that would inevitably lead to a challenge to their privileged position by strengthening technical and entrepreneurial middle classes. Rather than seeing the information revolution and other advances as an opportunity to be grasped, they regard globalisation as a problem that will raise expectations, draw attention to income disparities and erode their power to control information and mould opinion.

Political Futures In The Arab World

All Arab regimes, with partial exceptions in Lebanon and Jordan, are authoritarian, though a few have some of the outward trappings of democracy. Many, with borders arbitrarily drawn by the colonial powers, contain disaffected ethnic and/or religious minorities. Most will find their legitimacy increasingly under question as they struggle and largely fail to cope with economic and social problems. The problem will be compounded by the fact that most now have ageing leaderships; by 2020, the majority of established political figures will have gone and there may well be destabilising succession struggles

Over the last two to three decades, most regimes have proved unexpectedly durable. Iraq's survived defeat in war and Morocco, Jordan and Syria have recently accomplished smooth successions. But most are fragile and will become more so as time marches on. Leaders are aware of this. Accordingly, coercion and not consent is the main basis of political order. Aware that the *coup d'état* was the main mechanism for regime change in the fifties and sixties, leaderships take great care to keep the support of the armed and other security forces, especially of elite elements. Keeping the soldiers happy entails large defence budgets, awarding excessive privileges and perks to officers and turning a blind eye to corruption and involvement in economic activities (including illegal ones such as smuggling). Any attempt to implement serious economic and political reforms to improve the lot of the people and attract foreign investment for modernisation would challenge military (and bureaucratic) institutions and prerogatives.

Thus, governments will mostly sacrifice transformation that could bring long-term gains but which would endanger short-term stability. The result of economic stagnation and growing populations (especially the young and urban) is bound to be political instability, even turmoil. Struggles for power between established regimes, secular reformists and Islamists will be complicated yet further by inter-communal tensions between rival religious sects (eg, Sunni and Shia) and ethnic groups (eg, Kurds and Arabs). It can also increase the propensity to inter-state conflict where regimes, like Saddam Hussein's in 1990, look to success in war and seizure of other state's assets to win popular favour and maintain themselves in power.

Repression has not been the sole means of regime survival in the past. Also important have been the following elements (the mix varying from country to country).

- For a time, the deference owed to authority helped to sustain rulers. This has been a steadily wasting asset, even in the most traditional of societies like those of southern Arabia.

The Future Of Conflict: Looking Out To 2020

- Some sparsely populated states were so oil-rich that they could provide a good standard of living for the whole populace. For most, even Saudi Arabia, these days are going rapidly.
- Some had genuine populist appeal, either as would-be reformers or as supposed champions of Islam and the Palestinians against Israel and Zionism. The credentials of most in either area are now looking tired and there is a real danger of being outbid.
- The majority of states have ethnic/tribal and/or religious/sectarian divisions that allow the government to indulge in divide and rule policies coupled with repression. Such tactics are effective as long as a unifying force does not appear to bring at least some elements of a fragmented opposition together; and they do make it likely, through denying some groups a stake in the country, that the collapse of the regime might be followed by secessionism (eg, in Iraq).

Islamic radicalism is likely to provide a unifying force in opposition to some existing regimes. This is already happening in Algeria, Tunisia, Egypt and Saudi Arabia. It will probably become a trend. Governments will attempt to crush such movements. It is unlikely that they will be fully successful, even with, or perhaps because of, the brutal tactics employed (in Algeria, for instance, there have been between 60,000 and 100,000 killed since 1992 in a fratricidal civil war and still the Islamic revolutionaries fight on). Islamists reflect deep-rooted economic, social and political problems and will not go away. Repressed and driven underground, fundamentalism will continue to be viewed by many of the under-privileged as the only solution to deep-seated social predicaments and a growing identity crisis. It is likely to provide the only effective opposition to the existing, and failing, order.

Israel & The Arab-Israeli Conflict

In contrast to its neighbours, Israel is a democracy with a technologically advanced and diverse market economy. Growth was strong until the latest outburst of Palestinian unrest (GDP actually fell slightly in 2001). Its GDP per head is hardly less than 20% smaller than the EU average and well ahead of all Arab states, save tiny Qatar and the UAE. Economic prospects appear bright – if political conditions allow.

Despite these good indicators, and even excluding the Palestinian question, Israel is not a country with a united society that knows where it is going. Zionism used to be a melting pot that bound the native-born and immigrants together in furtherance of the project. Now, the period of nation building is over. What will the post-Zionist state look like? There is a deep and growing rift between secularists and the ultra-orthodox (who are increasing in number). There is division between Ashkenazim (of western origin) and Sephardim (oriental) Jewry. And the Russian Jews, the biggest single group as a result of post-soviet immigration, keep themselves very much to themselves. There is also a 20% Arab minority that feels itself increasingly marginalised and may be driven into the arms of the Palestinians. The result of the playing out of competition between these forces, essentially unpredictable, will determine Israel's future direction.

The long-running struggle between Israel and the Palestinians reached a new intensity in 2000 with the final breakdown of the Oslo agreement and failure to agree on the composition of a Palestinian state. The result of the renewed *intifada* has been a descent, on both sides, into depths of bitterness, hatred and violence not seen since the state of Israel was carved out. It is possible that the conflict will

rumble on, inconclusively, much as at present. However, two factors suggest that some sort of decisive point will be reached within the next decade or so. The escalation of the struggle and consequent polarisation are both taking it beyond a level that can be lived with and beyond the point where a *modus vivendi* can be reached without outside intervention. And the religious dimension is becoming increasingly prominent; until recently, the main political forces on both sides have been largely secular in character, whatever the rhetoric, but Islamism (determined on the extirpation of the state of Israel) now threatens to take control of the Arab agenda. One of two outcomes may perhaps be expected.

- However unlikely such a prospect may seem just now, the two sides may be driven into an agreement that will set up a Palestinian state. The Israelis may be forced in this direction by fears that demographic trends will worsen their situation, by continuing attrition, with the resultant mounting fear and exhaustion, by increasingly adverse effects on their economy and, above all, by international pressure including, eventually and crucially, from the USA. The Palestinians, equally, may despair of the futility of continuing the *intifada* and the economic and human catastrophe that it brings in its wake and be prepared to settle for half a loaf rather than no bread. Of course, neither side would be happy with any settlement. The best that could be expected of it would be a 'cold peace', probably with continuing low level violence in addition to constant bickering, accusation and counter-accusation. Life could be very uncomfortable for the international monitors that would assuredly be demanded to police the ceasefire.
- If the conflict drags on, presumably with yet more escalation on both sides, another Arab-Israeli war will become increasingly likely. This could well come about as a result of Islamist government being established in one or more important Arab countries (in itself partly a result of the continuing struggle) and acting on its beliefs. Moderate Arab regimes may feel compelled by fear of 'the street' to join in (somewhat like Jordan in 1967). Such a war could involve the use of WMD on both sides. The results would be incalculable.

Iran: The Internal Political Struggle

Iran, over 30 years since the establishment of the Islamic republic, is currently struggling to find a new and relevant meaning to the concept, to reconcile Shiite Islamism and democracy and to find a balance between its cultural, national and Islamic identities. There is a power struggle within the theo-democracy (the constitution makes religious and elected leaders theoretically co-equal) between reformist tendencies and hard line Islamists. While it is focussed mainly on domestic issues, its outcome will determine Iran's future international role.

Potentially rich, the country is sliding into poverty and decline. Economic and financial mismanagement, corruption and restrictive social policies have combined to produce a population with 53% under the poverty line, rising unemployment and inflation and a dearth of the foreign investment that is needed to improve the economy. The younger generation (and 65% of the population is under 30) is increasingly alienated by the religious leadership's incompetence, corruption and repression and is turned off by its rhetorical injunctions. Reformists regularly win 70% of the votes in the democratically elected parliament, but are over-ruled by the leadership's insistence that divine will and not a popular mandate is the proper source of authority.

The struggle for power will presumably be settled over the next decade or so. With growing demographic pressures and a new generation taking an interest in politics, logic suggests that reformists should win it. But hardliners will put up a bitter fight to retain religious control and also their power and privileges. It may well require another Iranian revolution to change the regime, and perhaps defeat of a conservative counter-revolution to prevent its restoration. The struggle could be long and bloody. Triumph for the modernisers, if it comes about, will probably not produce a liberal democracy on western lines, but it will at least be less ideologically motivated and more open to western style economic and political logic.

Iran: Foreign, Defence & Security Policies

Iran is distinctive in the region, both ethnically and confessionally, and in its form of government as a Shia theocracy. The size of its territory and population, its geo-strategic situation and energy reserves and the nature of its regime make Iran a pivotal country.

As long as the *ayatollahs* remain in control, Iran will probably continue to follow the course set in the post-revolutionary mid nineties. Iran will continue to defend its territorial integrity and sovereignty. This, according to Iran's lesson from the long war with Iraq, requires not only strong air and maritime defence forces as well as well-trained and mobile ground forces but also a deterrent/retaliatory missile capability (possibly – the evidence is unclear – with WMD warheads). Proudly nationalist, Iran will also seek a stronger status and voice internationally. But it is not a territorial revisionist state and is now risk-averse. It is unlikely to sponsor general terrorism, as it did until the mid nineties. This is now unpopular domestically, is no longer plausibly deniable (if it ever was) and is now seen to be counter-productive both regionally and generally, especially since 9-11. It will confine its support to the Palestinian cause, seen as a legitimate and Islamic issue and necessary to its revolutionary leadership credentials. If, however, Iran itself is attacked, the gloves will be off and terrorism will again be unleashed against its enemies and their supporters.

Iran has real security concerns. Most seriously in the longer term, the threat from Iraq could revive. More immediately, low level conflict could spill over from the troubled southern Caucasus (eg, there are more Azeris in Iran than in Azerbaijan), from central Asia, including Afghanistan (where Islamism takes a hostile, Sunni form and could be backed by a nuclear-armed Pakistan) or from restive Kurds in Turkey or Iraq. Either Israel or the USA might take exception to its burgeoning missile force and nuclear power programme and launch pre-emptive strikes lest the clerics create an 'Islamic bomb'. The propensity of both to resort to force is noted with concern. These fears give Iran a community of interests with Russia, which is also a major arms supplier. Co-operation is likely to continue, despite differences over pipeline routes out of the Caspian basin.

If and when achieved, victory for the reformists will change policies in a number of ways. Being more concerned with domestic than ideologically-driven foreign policy agendas and being above all pragmatists, they will seek to end Iran's isolation and sterile confrontation with the 'great Satan', the USA. They will be less assertive and defiant, more prepared for dialogue and engagement. Above all, they will seek foreign investment (including, if not too late, in pipelines and other transport infrastructure from Central Asia) and some of the gains to be had from globalisation. To this end, they would probably scale down or end support for Palestinian extremism and throw their weight behind the search for a compromise and durable settlement of the Arab-Israeli conflict. They could well end any

clandestine nuclear weapons programme, if such indeed exists – especially if Iraq is disarmed; however, a capable, home-produced and maintained missile force will be a non-negotiable aspect of defence policy. Generally, Iran will become more a factor for stability than the reverse, with more transparent, non-confrontational policies.

Conclusions

A troubled economic future faces most of the greater Middle East and North Africa. Given demographic trends and political problems, growth prospects are generally flat or, in the case of most energy producers, negative. High levels of unemployment will accompany youth bulges and rising inflation and excessive external debt will be common. This will give rise to yet greater political instability. Some countries may react effectively to head off trouble – some of the minor Gulf states are already leading the way, demonstrating that Arab culture is not immune to external influence. Secular trends in Iran are already strong. The overthrow of Saddam Hussein's regime and the destruction of his WMD arsenal could provide an incentive to change and a benign example to follow. But economic and political reforms to head off trouble are unlikely in most countries. These adverse economic factors will threaten the existence of governments, moderate as well as authoritarian, and increase the propensity to intra-state conflict.

Conflict will stem from a potent mix of ethnic/tribal tensions and the rise of militant Islam, the latter becoming steadily more important if only because it has some power to unite otherwise disparate groups. Governments will try to repress opposition, but if the experience of Algeria, Tunisia, Egypt and Saudi Arabia are anything to go by, they will succeed only in driving it underground, there to grow in strength and purpose. By 2020, there are likely to be some Islamic regimes, fulfilling Osama Bin Laden's dream. There will certainly be regime change of some sort in several states, with Saudi Arabia, Egypt and Jordan looking especially vulnerable. There may also be two or three failed states; revolution against bad government could be but a prelude to civil war as disaffected minorities endeavour to secede from the state.

Over the next two decades, Iran could proceed in any of three directions. Political deadlock could continue between reformists and conservatives, with the day of reckoning being postponed as the balance of forces is too even and both sides shrink from violence. A clerical clampdown could reverse the liberalising steps taken so far, producing more domestic and international confrontation. The progressives could succeed in establishing a more democratic and accountable regime and foreign and security policies that are more transparent and internationally acceptable. This would probably necessitate a violent revolution with all the uncertainties that that would imply in the meantime for an unstable region.

With the Middle East destined to grow more volatile with the passage of time, both moderate and conservative regional powers and the outside world will become more and more anxious to see a resolution to the Arab-Israeli conflict. With Palestinians and Israelis coming to appreciate the futility of their mutually destructive strife and heavy outside pressure being applied, it is possible that a settlement will be reached. Unfortunately, however, this will merely reduce the likelihood of escalation, not end the issue. Palestinians will be dissatisfied with the extent of their new state and Israelis with the amount they have to concede. The best that can be hoped for is a Middle Eastern cold war, with tensions remaining high and producing occasional crises. The spread of militant Islamism could lead to a resumption of hostilities at any time.

The Future Of Conflict: Looking Out To 2020

The strategic implications of these trends are far reaching. They will include the following.

- The environment for security co-operation will become less predictable and less congenial. Formal and informal alliance patterns could change as changes in government lead to realignments. Islamic revolutions will be driven mostly by pressing internal agendas, but they will be pre-disposed towards anti-westernism – especially where western powers attempt to prop up unjust and failing regimes and/or are seen to back Israel uncritically in a still active conflict over Palestine. Some pro-western but vulnerable governments will start to modify their views in the light of public hostility. Even if they are not replaced by revolutionary successors, they might end co-operation and deny access to the region. Of course, some so-called rogue states, Libya, Syria, Iraq and Iran, will prove every bit as exposed to revolutionary movements, but replacement regimes will not necessarily be more favourably disposed to the West (would an Islamist Iraq be an improvement on Saddam's secular dictatorship?).
- Instability may give rise to inter-state conflict as well as internal troubles, given the highly militarised nature of the region. Governments may use war, perhaps against a weakened neighbour, to win popular support and seize important resources (eg, water or oil supplying areas). Would-be local or regional hegemony may arise, or proselytising Islamic regimes.
- Further to complicate the security situation in the region, there are likely to be more actors there than hitherto. As they become more dependent than ever on Middle Eastern energy supplies, Asian powers, especially China and possibly Japan, will probably become actively involved. Pakistan too may well raise its profile if militant Islam becomes more influential in that country. This, together with economic considerations, could draw India in as well.
- Anti-western terrorism will increase, both as an expression of rage and frustration and because it will provoke violent reaction. It is the dearest wish of al Qaeda and other fundamentalist groups to polarise Arab societies and set Muslim against Christian, the West against the Arabs to bring on Islamist revolution. The likes of Osama Bin Laden would welcome a Huntingtonian clash of civilisations. Actually, there is unlikely to be a domino effect, with the victory of Islamism in one country leading inexorably to its success in others. There is no international Islamic revolutionary movement (comparable to the Comintern, for instance) and each country has a different history, temperament, national consciousness and current circumstances that exert as least as much influence as the Muslim faith. It is notable that Iran's now defunct efforts to export its Islamic revolution failed (with the exception of a partial success amongst the Shi'ites of Lebanon). The formation of an Arab bloc, never mind a wider, pan-Islamic one, is unlikely.
- Motivation for the acquisition of WMD will be strengthened by fear of regional rivals and outside interventionists, or by a desire for an 'Islamic bomb'. Some like-minded regional proliferators could well co-operate with each other, or with outsiders (especially, perhaps, North Korea and, in future, Pakistan).
- There will be vastly increased migratory pressures. Refugees, whether political or economic, will increase tensions within receiving countries, both regional and further afield (eg, in Europe). Their treatment, if not enlightened, will also stoke up resentment in their countries of origin and the wider Muslim world generally.

Asia

Overview

In the American view, Asia will become the new, global centre of gravity by, or even before 2020. This will primarily be due to economics. Without suffering from the growth inhibiting factors that hold back most of the Middle East, many of the countries there have moved on from the single product and/or labour-intensive economies of yore and are now significant competitors in the high-tech market place. The trend will continue to accelerate with the diffusion of technology and some countries will join Japan to become leaders in the scientific and technical field. The area is on the way to becoming the greatest concentration of economic power in the world. Growth rates of 6-9% *per annum* are predicted for Taiwan, South Korea, several ASEAN states, China and India; though Japanese growth may only average 2.5%, it will be developing from a high base line (GDP per head is currently almost seven times that of China or the Philippines, 10-11 times that of Indonesia or India, and one seventh larger than the Euro area's). It is important, however, to keep this Asian renaissance in perspective. For instance, if the USA and the EU enjoy annual growth of 4% and China 9% until 2020, by then America will be producing \$21 trillion-worth of goods and services, the Europeans \$19 trillion and China only \$5 trillion (with Japan coming in at \$8 trillion). Moreover, as Asian economies mature, as Japan's has already done, growth will inevitably slow; capital and labour will become harder to find and productivity will matter much more - an area where the USA is likely to maintain its advantage, perhaps with Europe catching up.

Optimists hope that increasing wealth (though this will be uneven) and growing economic interdependence, together with the development of international *fora*, will lead to a sense of Asian community and the flowering of co-operative security relationships. Unfortunately, this is far from guaranteed. Nationalism is a strong and perhaps growing force. Religion is reviving as a cause of contention. Old conflicts, dormant during the Cold War, could revive. New ones, over water or energy sources, for instance, could appear. Without improvement in currently weak security institutions, these could lead to destructive tensions and even armed conflict and thence to curtailment of economic growth with a ratcheting downwards effect. Moreover, several countries face severe internal problems that could also spiral out of control, some affecting their neighbours. Much will depend on the political as well as economic evolution of the more important regional powers, China, Japan, India and, above all, the USA.

While the overall picture may be one of economic progress, development will be uneven, both within the area as a whole and within states. Rich societies, such as Japan, South Korea, Taiwan and Singapore will grow richer. Poorer ones, eg, South-east Asia bar Thailand and Malaysia, and China's hinterland in the west, will lag further behind. Some, particularly coastal China, may make great strides forward while others like Indonesia and the Philippines may advance rapidly but with less assurance; painful economic and political reform will be keys to success.

The Asian Giants

China: Internal Development - China claims to have achieved annual economic growth rates of 8-10% since the 1980s; even allowing for the possibility that these often opaque calculations are suspiciously optimistic, progress is undeniably spectacular. In its wake, it is bringing profound social changes. While prosperity is increasing, it is doing so very unevenly. Coastal areas are thriving, but the vast hinterland is not. This results in both growing dissatisfaction in neglected areas and large scale internal migration from them; as elsewhere in the world, economic

The Future Of Conflict: Looking Out To 2020

refugees have a hard life. Within the more prosperous regions, wealth is also shared very unequally. Indeed, Chinese income disparities are among the greatest in the world, with the ruling elite and crony-capitalists hogging as much of the benefits of modernisation as they can through control of government.

Continued economic progress will sooner or later depend on deeper economic reform. The huge state owned sector of industry is mostly value-subtracting; currently, bad loans to it probably represented about 37% of GDP in 2001 and it eats up uselessly much of China's high rate of savings. The necessary privatisations and closures will cause much unemployment and hardship. Adherence to the tariff-lowering commitments China made to enter the WTO will cause further pain. The banking system is on the verge of crisis. So far, the government has flinched from tackling these, and other, necessary structural adjustments and reforms. However, the familiar policy of muddling through will soon cease to be an option, if only because reform will be vital to maintain the high rates of foreign direct investment on which the economy depends (over \$50 billion in 2002). The consequences for millions of ordinary people will be hard and productive of much ill-feeling. Will change be embraced before problems have become intractable? Thereafter, will economic development proceed at a rate which will be sufficiently rapid (ie, at least 7% *per annum*) to alleviate the distress of the losers from reform and meet the fast rising expectations of the emerging middle class? On the answer to those questions will depend, to a substantial degree, whether change can be accomplished peacefully.

Economic and social change is not being accompanied by political development. Learning from the perceived error of its Russian counterpart under Gorbachev, the ruling Communist Party [CCP] is endeavouring to bring about economic progress and consequent enhancement of national might without disturbing its hold on power. (Jiang Zemin's 'three represents', an ideological contortion to justify bringing capitalist entrepreneurs into the party hardly represents a major change in political direction.) No political opposition is tolerated. Calls for pluralism, or even government accountability are regarded, and punished, as subversion. There is no sign of emergence of civil society. From the point of view of the ruling elite, this makes eminent sense. With the abandonment, for all practical purposes, of ideology, its right to rule has become questionable and it must perforce rely on a mixture of repression and satisfaction of popular aspirations for a better life and national ambitions.

Thus, continued internal stability is not a given. Anti-communism amongst the peasantry, bad working and living conditions for the industrial proletariat (especially in moribund state industries), increasing middle class resentment about governmental corruption and exclusion from the political process and minority, nationalist stirrings (eg, amongst Tibetans and Uighurs) could lead to large scale unrest. In the absence of any political safety valve, this is likely to result in violent repression. Next time, it might prove more difficult to subdue popular discontent than it was at the time of the Tiananmen Square demonstrations of 1989. Revolution and possibly civil war are far from inevitable, but cannot be discounted, particularly if there is a leadership struggle as the old guard dies off. (There is no constitutional mechanism for the transfer of power and aspiring challengers may appeal to regional leaders, to whom power has been seeping from the centre, or even to the people.)

China: Foreign & Security Policies - In the absence of a serious external challenge to national security, China's leadership is likely to emphasise economic over military

investment for the foreseeable future. But even within existing priorities (assuming continued economic growth), China could still become a potent, modernised regional military power by around 2015 or so; much will depend on its continuing ability to access Russian and other advanced military technology, reform of state-owned military industries and development of a capability to integrate advanced systems. Certainly, it will expand and improve its nuclear forces to field a credible inter-continental second-strike capability. Internationally, growing economic power gives China increasing clout, and the military modernisation that it makes possible will increasingly make the country a force to be reckoned with both regionally and, to an extent, further afield. China is on the way to realising its self-image as a global actor. Absent debilitating internal conflict, future governments, whether authoritarian or democratic, will be drawn in different directions.

- On the one hand, China will be impelled by a nationalist agenda. It wishes for the respect that was not accorded for over a century of weakness, when other powers treated it with contempt and despoiled it of territory. More specifically, it would like to recover at least some of the lands it lost. China is even more sensitive than most countries to sovereignty issues. There are more or less latent border disputes with Russia, Tajikistan and India, with Japan over the Senkaku Islands, with Vietnam over the Paracel Islands and with Vietnam, Malaysia and the Philippines over the Spratlys. Several of these areas will assume increasing economic and geo-strategic importance as the century progresses. Above all, Beijing is determined to complete reunification by bringing Taiwan under its control.
- On the other hand, China has pressing reasons to exercise restraint and pursue good neighbour policies. Economic growth, prosperity and therefore internal stability will depend on a continuing flow of foreign direct investment, flourishing external trade and, increasingly as time wears on, unimpeded access to external energy resources. For the next two decades, China will probably have much more to lose from confrontations and war, even successful ones, than it has to gain through peace and stability. One thing that could upset this calculus would be a growing threat to the CCP's grip on power. This could push the government towards foreign adventures in the belief that realising national ambitions and/or facing down an external threat would unite an increasingly nationalistic population behind it.

However, the choice between being seen as a peaceful, responsible, *status quo* power and a resentful and revisionist one is not China's alone to make. The country's growing strength, particularly as it acquires serious force projection and expanded nuclear capabilities, may make its neighbours, and the USA, unite in fear of future hegemonic ambitions. Increasing American and Japanese concerns over human rights issues could feed into a confrontation. This could lead to a cold war situation, with all the dangers that that implies. This may be quite a likely scenario as mere partnership with neighbours does not come naturally (China does not see itself as simply part of Asia, but rather regards Asia as its back yard). And Japan could conceivably depart from its post war, self-abnegating role of economic giant but political pygmy and seek leadership in Asia again. Finally, were Taiwan to declare independence, as it appears increasingly likely to do, or even take too long to come back into the fold, China would almost certainly react with a blockade or (if the required capability has been created by then) invasion. While China would regard this as a purely internal matter, and one not susceptible to mediation or compromise, it is unlikely that the USA and some other Asian states would agree.

The Future Of Conflict: Looking Out To 2020

Nor would Taiwan, a populous and rich country with regionally formidable armed forces and a growing sense of identity, prove to be a walkover.

Probably, while continuing to promote as non-threatening an image as is consistent with maintaining its territorial claims, China will continue to prepare for adverse developments: these will include threats to its energy supplies; a Taiwanese bid for *de jure* independence; a souring of relations with the USA and/or Japan; and the implosion of North Korea or its unification as an adversarial state. To this end, China will try to maintain close relations with Russia, exploit Central Asian energy resources (even at an uneconomic cost) and build up its armed forces (including a substantial maritime capability). Of course, such precautions will improve China's strategic options and provide the country with the ability to challenge the American-dominated security order in Asia if and when the time comes to do so.

Japan: Political & Economic Prospects - The precipitate slow-down of the world's second largest economy, plunging from 5% growth in 1990 to -1% in 2002, has revealed severe structural problems and an inability to tackle them. At the heart of the problem is a fundamentally flawed banking system; there are too many banks which are too weak and unable to cope with a mountain of bad debts - the latter totalling between seven and over 30 per cent of GDP, depending on whose figures one chooses to trust. Behind the banks' woes lie massive over, and under-productive, investment in some internationally uncompetitive industries which live only through protection and loans they cannot repay. The result is a vicious cycle of stagnation, deflation and financial debility that erode Japanese economic and social well being. Government attempts to stimulate the economy have failed to halt this trend and its room for manoeuvre is shrinking (eg, the interest rate is now effectively zero and government debt has risen to 130% of GDP).

This prolonged crisis has resulted from the way Japan is ruled. An 'iron triangle' of big business, government bureaucracy and the Liberal Democratic Party (in power since 1955, save for a few months in 1993-4) runs the country. Their collusive, indeed corrupt, relationship in a system with almost Soviet central direction and control has mismanaged the economy into the current impasse. Each element of these interlocking relationships needs reform and the cosy and opaque arrangements between them ended. This, however, is easier said than done. Vested interests are pervasive and strong, and the deep Japanese instinct to avoid confrontation and seek consensus militates against the drastic action that is needed. Despite its promises, the reformist government that came to power in 2002 seems unable or unwilling to deliver. One is driven towards the conclusion that the political system itself is at fault. Certainly, recent regional elections indicate a grass roots appetite for reform, but it will probably take a long time before it gains critical mass and longer still to produce change that will inevitably be painful (not least in unemployment that Japanese fear and abhor).

In the meantime, demographic trends are inexorably storing up trouble for the comfortable way of life currently enjoyed by most Japanese. The fertility rate fell below 2.1 (the natural replacement rate) in the seventies and is now 1.4. This means that the dependency ratio will be over 30% by 2020. There is no likelihood that this trend will be reversed, and the traditionally unwelcoming attitude towards foreigners means that immigration to sustain the work force will not be encouraged. Considerable pension and health care problems lie ahead.

There would appear to be two possible futures for Japan. One is for the country to muddle through in its consensual way, gradually yielding its position as the second

largest of the world's economies to a more dynamic China. The other is for democracy, perhaps driven by a traumatic financial implosion, to throw up strong, real reforming governments that have the will, through a popular mandate that can survive the inevitable pain and disruption, to overcome the vested interests that hold the country back. Such a change would be revolutionary in its effects. It is not impossible that, as well as being reforming, the new broom would be strongly nationalistic. However, any problems that that might bring in its wake would be unlikely to be revealed until late in the period under review, given the time that will be necessary to sort out the domestic mess.

Japan: Foreign & Security Policies - Since the Meiji Restoration of 1868, Japan has moved from feudalism to modernity under the slogan of 'western technology, Japanese spirit', through militarism, imperialism, defeat and occupation to post-1945 full-scale industrialisation and western-style democracy. Today, the country is becoming torn between its western and Asian identities.

- In its former guise, Japan views the world through the prism of values such as democracy, the market economy and human rights. It is a member of all the western clubs, but the bedrock is its alliance and close relationship with the USA, which is the guarantor of its security (and to a considerable extent, the guide for its foreign policy). The Japanese currently care relatively little about the outside world, being content with their country's status as an economic giant but political pygmy. They are mostly enthusiastic about Article 9 of their constitution, which renounces the use of force except in self-defence, and there is no appetite for foreign adventures, even under UN auspices.
- However, there are signs of a feeling, which will grow, that Japan should assume leadership in Asia, espouse an Asian view on the world stage and play a more active part in global affairs (not least by gaining the seat on the UN Security Council that is warranted by its weight). Accordingly, the country should become a 'normal' one with a 'normal' role for its military (on which it already spends at least as much as Russia and China, albeit, at only 1% of GDP, with much less drag on the economy).

The end of the Cold War has undermined the original *raison d'être* of the security relationship with the USA. Relations between the two countries have become somewhat strained over trade, the status and behaviour of the American military in Japan and over Japan's failure, as perceived by America, to pull its weight in international actions (eg, the Gulf War of 1991). With the USA demanding active commitment from its allies in its 'war against terrorism', these strains could become greater - especially if economic relations between the two countries should worsen as a result of a growth of protectionism. It is now possible to imagine the US and Japan drifting apart, particularly if the latter becomes more Asian in its outlook and priorities. This would definitely result from any Japanese perception that the former was having second thoughts about its security commitments in the region, or if it started to court China at Japan's expense. Then, Japan would increase its defence efforts and could well become a nuclear weapons power.

Another development that could push Japan towards a more assertive Asian role is the continued rise of China. Rapid growth in Chinese economic and military power will fuel traditional mistrust and even dislike of that country and help to shake Japan out of its complacency. Any sign that China is seeking regional leadership could fuel a Japanese counter-bid. If, as is likely, much of at least East Asia moves closer to Japan on key values such as democracy and human rights, Japan's

leading role in shaping the regional environment could well be acceptable, though many neighbours are, for historical reasons, wary of the country.

In the short to medium term, Japan will probably maintain its current course, though it may be led into a more active role by American pressure or, more likely perhaps, by Chinese or North Korean aggression or implosion, by a threat to its oil supplies, or by significant international terrorist action on Japanese soil. In the longer term, the future direction of Japan's foreign and defence policies is uncertain. Whether it continues more or less on its current course or opts for cutting the apron strings to the USA and Asianisation, perhaps with a leadership role, will depend on two factors: whether any internal political shake-up is sufficiently radical to bring a strongly nationalist government to power; and the actions of other regional powers, especially China, and of the USA. It is unlikely to try and resolve its only major territorial dispute, Russian occupation of the Kurile Islands, by force, still less to contemplate any forcible re-creation of the Greater East Asia Co-prosperity Sphere of the early forties.

The Korean Peninsula

Since the end of the Korean War, the two halves of the divided peninsula have developed very differently. The South is one of the four 'Asian Tigers'. Its GDP is now only 10% smaller than India's, and *per capita* it is seven times higher. While still vulnerable to another financial crisis like that of 1998, as much needed reforms have been ducked, the country has generally bright economic prospects. Since the late eighties, South Korea has demonstrated true democratic credentials. By contrast, the North is a heavily armed communist dictatorship (hereditary, since Kim Il Sung's death in 1994). Its GDP is 17 times smaller than the South's, and per head 19 times. Growth has been negative for over a decade. Central planning has failed even more spectacularly than elsewhere in the communist world, its effects exacerbated by a quest for autarky and a military capability to conquer the more populous and richer South. Industry is ruined, possibly beyond repair, and agriculture is so bad that the country has relied on food aid since 1995 to avoid mass starvation. While some small, tentative reforms have been initiated, they are far too little and too late to rescue North Korea from its economic disaster. Nor can the regime hope for the resumption of the subsidies from Russia or China that kept it afloat until the end of the Cold War.

North Korea cannot now stave off collapse through economic reform such as is being practised by China or Vietnam. Any attempt to implement it would simply accelerate the breakdown through the high economic and social costs involved and the simultaneous weakening of governmental control over the populace. Anyway, neither the ruling elite nor the powerful military seem prepared for significant change that would threaten their hold on power. The regime would like continuing economic aid from the South, Japan and the USA to help it stagger on, postponing the inevitable. Nuclear blackmail is the latest ploy through which the dictatorship hopes to get its way. However, the geo-strategic climate has changed to its disadvantage since 9-11. Russia and China are more co-operative with the USA and America is now more impatient with Pyongyang's nuclear activities. The massive and open-ended commitment required will not be given, at least not without attached political strings that are intolerable to the regime and its generals. And the North Korean threat may well be enough to convert Japan to acceptance of an American deployment of theatre missile defence [TMD] to increase regional security and reduce the effectiveness of nuclear blackmail.

Systemic failure in the North means that unification is inevitable. But it will not resemble Germany's. North Korea's masters will not go quietly. The only question is how violently it will come about; through the collapse of the regime as a result of a coup, through massive unrest leading to implosion, or through war. Can South Korea, Japan and the USA maintain a precarious stability through a combination of deterrence, engagement and bribery until the collapse occurs? Will the Americans, with whatever allies they can muster, mount strikes in an attempt to destroy Pyongyang's nuclear and missile capability? Such a move would almost certainly prompt an invasion of the South. Will the North invade the South anyway in the ultimate gamble to solve its problems through conquest? The only thing that is certain is that a rational response to its plight cannot be counted on from Pyongyang. No rational government would have presided over the destruction of its own economy, as the North's has done over the last half century, in a single-minded effort to create the ability to conquer its larger and stronger neighbour which, moreover, is guaranteed by the USA.

The crunch will probably come sooner rather than later, perhaps within the 2005-10 timeframe. What will be China's reaction to it? Much will depend on the circumstances of the time, both on the peninsula and more widely in the region, but an intensification of anti-American and possibly anti-Japanese sentiment is possible or likely – especially if US troops again approach the Yalu. It is impossible to predict with any certainty the orientation of post-unification Korea; sturdy independence, pro-China, pro-Japan, even pro-America are all contenders. While it will be decades rather than years before the country can boast of a united society again on the road to prosperity, Korea's leanings will profoundly influence political alignments in Asia.

South-East Asia

Currently, Thailand, Malaysia, and the Philippines, to a greater or lesser extent, share characteristics that give promise of growing prosperity. At least the first two could follow Singapore to join the ranks of the Asian Tigers. Education levels are improving and there are few cultural barriers to economic progress. Their governments increasingly adhere to international norms on such key issues as the free working of markets, legal protection for businesses and international trade rules. Insofar as they do, their countries will become increasingly attractive to foreign investors. The first two are stable. The Philippines shows signs of becoming so, having seen two peaceful presidential transitions since Marcos was ousted by people power in 1986 and six coup attempts (the last in 1989) have been defeated. Moreover, neither the Islamic Moros nor the communist New People's Army insurgencies remain a credible threat to the government.

The future of Indonesia since the popular deposition of the Suharto regime in May 1998 is less assured. The former Dutch East Indies, now effectively a Javanese empire, is a very heterogeneous collection of islands. Storms are being weathered, but there is a strong possibility of a succession of weak and indecisive governments. Waiting in the wings is the military, angered by loss of power, the surrender of East Timor and the threat of being held accountable for its crimes; it may yet seek to crush the fledgling democracy. The country's economy and society are relatively backward and development will be impeded not only by major structural problems but also by debilitating nationalist insurgencies in Aceh and Irian Jaya and probably by growing inter-communal conflict.

Vietnam, Laos and Cambodia have yet to recover from the succession of civil wars, invasions, occupations, insurgencies and coups that beset them until the 1990s.

The Future Of Conflict: Looking Out To 2020

They are all very poor and backward but have some prospects of progress now that peace has at last arrived. At least they are better off than their neighbour, Myanmar, which is comparable in its misery only to North Korea and, despite its natural wealth, with prospects as poor without the overthrow of its ruling military *junta*. All are threatened by an HIV/AIDS epidemic that could reach southern African proportions.

All countries of the region, especially the last four mentioned, where problems are particularly acute, need to institute far-reaching structural reforms and tackle corruption if they are to attract outside investors and realise their human and economic potential. They also need internal and external peace and an international environment conducive to development.

Domestic disharmony will probably, sooner or later, threaten smooth progress in several countries. In those where economic success is being achieved, increasingly numerous and wealthy middle classes (with aspirations growing even faster) will demand greater democracy to give them more influence over government. The so-called 'Asian way', used to justify more or less autocratic or oligarchic rule, will be challenged by the Asians themselves, egged on by western states concerned about democracy and human rights. Growing disparities between rich and poor and ethnic and religious tensions will also cause unrest, especially if there are prolonged recessions and terrorism undermines the current, often remarkable levels of tolerance. Will a new generation of enlightened leaders be prepared to challenge the cronyism and corruption that inhibit change, avoid playing the race and religious cards, and steer their countries in directions that encourage stability and economic dynamism?

Renewed warfare is less likely now that the Cold War is over and the region has ceased to be an ideological battlefield and the prevailing ethos is one of the quest for prosperity. ASEAN will help with this. There is an active building of structures underway to shape regional relations in a positive fashion. The association is helping to forge a common Asian identity, maintain stability and contribute to economic development. The economic growth which characterised the late eighties and early nineties has helped to engender a new South-east Asian self-confidence. It also raises the potential cost of conflict and lowers incentives. However, ASEAN has its limits. Founding principles eschew interference, however benign, in the internal affairs of members, and the organisation can only proceed by consensus. These factors limit its possibilities as a security organisation and increasing political diversity (there is a world of difference between Myanmar, Vietnam, Singapore and Indonesia, for instance) will make consensus difficult. Will ASEAN and amity be able to survive future shocks like the financial crisis of 1997-8, or tensions between the great powers in Asia? And will lack of resources, as well of consensus, limit its role in shaping the regional environment? ASEAN is no eastern EU, and will probably not become one.

In the longer term, regional co-operation, even peace, may be undermined by many factors. These include: cultural, religious and ethnic diversity combined with very different economic and political systems; historical legacies and rivalries; competing territorial claims in an era of rising nationalism; competition for access to resources; increasing disparities in wealth and trade tensions; the rise of rival bids between China and Japan for leadership in Asia. All have the potential to cause political or even military conflicts.

South Asia

Having liberalised its economy to a considerable extent and with large numbers of well educated, English-speaking people able to provide software services, India is well positioned to advance in both manufacturing, pharmaceutical, food-processing and knowledge-based industries. Absent a global economic crisis or major internal disruption, it is likely that the country could increase its current GDP growth of 5% *per annum* to up to 8%. This would help to ameliorate the consequences of massive population growth (up by one third by 2020) and perhaps, with improved agriculture, even raise the living standards of the 25% or so of the population currently below the poverty line.

Unfortunately, however, social peace looks unlikely to endure in even the medium term, despite the country's democratic credentials. For nigh on fifty years, Naga and other northeastern separatists have waged costly insurgencies; for two decades, Sikh separatists have waged a terrorist campaign for independence; and in 1988 the Kashmiri struggle for independence/union with Pakistan resumed with steadily escalating ferocity on both sides. These conflicts led to inter-communal violence, often on a considerable scale, extending in 1989 into India proper. Religious fundamentalism is now establishing an increasing hold in India. The Hindutva, a quasi-fascist Hindu nationalist movement, is gaining rapidly in strength. It wishes to turn the country from a secular into a Hindu state. With safeguards for minorities removed through the very process of democracy itself, the outlook for the 12% Muslim and 1.9% Sikh minorities does not look good. There will probably be an extension of the religious civil war, which most recently disfigured Gujerat in 2002, to all areas with significant minority groups.

India seems well on the way to becoming the regional hegemon. Given the rising tide of Hindu nationalism, this may not bode well for regional peace. In the event of the recently brokered settlement of the two decade long inter-communal war in Sri Lanka breaking down, it is possible to imagine India backing Hindu Tamils in a renewed fight for independence. More portentously, increasing Indian assertiveness may well lead to renewed military conflict over disputed borders with China and/or Pakistan – a development now even more dangerous than before as all three powers have nuclear weapons.

- The border dispute with China flared into war in 1962 and India is not prepared to accept the verdict of its defeat as final, as several subsequent confrontations attest. War could be resumed as India's military might increases as a result of economic growth and if China is seen to be vulnerable, either through internal chaos or conflict elsewhere. Another possibility would be that each country encourages and supports separatist movements in the other.
- More important and more intractable is the dispute with Pakistan over the Rann of Kutch, water-sharing problems over the Indus river and, principally, over Kashmir where a full blown insurgency has been running for fourteen years at a cost of up to 70,000 lives. A fourth Indo-Pakistani war was only narrowly averted in 2002, and the problem will not go away. Indeed, the rising tide of religious intolerance and nationalism on both sides makes a peaceful outcome less likely. It may be only a matter of time before India employs its overwhelmingly superior military strength to punish Pakistan for supporting the Kashmiri Muslim cause in a probably vain attempt to end the costly and debilitating guerrilla war. While international, especially American disapproval is an important restraining influence, as is Chinese support for Pakistan, it is mainly Pakistan's possession of nuclear weapons which deters India from

The Future Of Conflict: Looking Out To 2020

seeking a military solution. None of these factors is guaranteed to hold back an increasingly nationalist India indefinitely, especially if trouble brews up elsewhere to distract the attention of the international community.

Pakistan

The economic progress that has characterised so much of Asia is passing Pakistan by. It remains an impoverished and backward country. The country is still reliant on international creditors for hard currency inflows; though its stance on the 'war against terrorism' has produced an improvement in this area, it will probably prove temporary. The current government has introduced some much-needed macroeconomic reforms, but much remains to be done and long term prospects look doubtful – not least for political reasons. By 2020, the population is expected to rise by about 50% and the economy is unlikely to grow fast enough to provide employment for the increase, let alone reduce the proportion of the population under the poverty line below today's 35%. With a more dynamic economy, a superior educational system, and greater attractiveness to foreign investors, its rival, India, is increasingly drawing ahead.

Politically, since its birth, Pakistan has suffered continuously from unstable, incompetent democratic governments alternating with incompetent, only slightly less corrupt military dictatorships. No government of any stripe has been able truly to unite the various ethnic groups so that they consider themselves Pakistani first and Punjabi, Sindhi, Muhajir, Pashtun or Baluch only second: or, for that matter, to persuade Sunni and Shi'ite to sink their differences; or to exercise effective control over the areas on the long border with Afghanistan (which artificially divides the Baluchis and Pashtuns, both of whom would like their own state). Underdeveloped civil society, inter-communal conflict and, increasingly, Islamic fundamentalism, spreading from the wars in Afghanistan, and ethnic and social unrest on a vast scale, make Pakistan one of the most unstable countries in Asia.

Whether a military dictatorship or under weak civilian rule, Pakistan's course is likely to be increasingly influenced by militant Islam. It could become an Islamist state. This would not only make a peaceful settlement of the Kashmir question even more unlikely but would also impact on other problems. Afghanistan will continue to be strongly influenced by developments in its neighbour, as to a lesser but still significant extent will other Central Asian countries. Pakistan will probably also become more concerned with affairs in the Middle East when religious motivations are added to economic. It is easy to imagine circumstances in which the current *rapprochement* with the USA, born of its military leader's stance on the 'war against terrorism', breaks down. On the other hand, religion is unlikely to prevent Pakistan seeking a closer alliance with China (any more than it estranged revolutionary Iran and Russia). All these developments could hold far-reaching consequences both in the region and beyond.

Conclusions

With the end of the Cold War, Asia, like the Middle East, has entered a period of probably prolonged uncertainty. Great powers will no longer underwrite potentially unstable, allied regimes for geo-political reasons. Indeed, in the throes of threats to the established order themselves, the more powerful countries cannot be sure of their own internal stability. The regional security environment has become fluid and alignments are no longer fixed. While the USA shows no sign of losing interest in Asia and reducing its security commitments there – quite the reverse in fact – states are unsure about the durability of these commitments and the future direction of America's Asian policy. Long term economic trends seem favourable

towards growth for most, and this will help the cause of peace. But a major disruption to international trade and/or financial markets, or prolonged recession in one or more big players, could have the reverse effect and threaten the sustainability of long term growth (eg, by reversing the trend towards trade liberalisation and increasing foreign direct investment). This last point also highlights the region's vulnerability to developments outside it. There are dangers of spill-over from instability in Central Asia and serious interruption of Middle Eastern energy supplies. For the most part, Asian futures are essentially unpredictable.

Most countries will have to face problems of internal unrest. Authoritarian regimes will be increasingly pressed for greater pluralism, democracy and observance of human and minority rights. This applies to economically relatively successful states such as China and Malaysia (South Korea and Taiwan are leading the way) as well as to manifest failures (Myanmar, North Korea). At the same time, some new democracies, eg the Philippines and Indonesia, may suffer from military coups and the resultant turmoil. Most, too, will have to cope with the rise of nationalist, ethnic and religious intolerance (though, fortunately, militant Islamism may be less of a problem, save in Pakistan, as the Asian brand of Islam is generally more gentle and tolerant than the Middle Eastern variety). This may well be exacerbated by perceptions of excessive income disparities within countries.

Increasingly powerful nationalist and other forces will probably ignite some flashpoints into armed conflict – notably Kashmir, Taiwan and Korea. Others could go the same way, for instance the South China Sea or the Sino-Indian border. Critical to questions of a sense of security, never mind the possibility of war, will be the direction followed by China, Japan and, to a considerable extent, India. If they prove content to be *status quo* powers, concentrating on economic growth and regional co-operation, then the future is bright. If either China or Japan seeks regional leadership and follows aggressive economic, let alone foreign, policies, it will push the other in a countervailing direction. The outcome would probably be an intensive militarisation of the region, conceivably the spread of nuclear weapons, and the formation of opposing blocs. This process would not, in itself, make conflict inevitable. But it would make it more likely, not least because of its economic effects, and more difficult to contain if it happens. The USA's continued engagement and pursuit of enlightened policies that mitigate and not exacerbate tensions will be critical.

Sub-Saharan Africa

The Basic Problem: Bad Governance

Nature has not been kind to much of sub-Saharan Africa. Poor soil, droughts and floods, diseases affecting man, beast and crops are brakes on economic development in many countries. Nor has history been kind. State borders are mostly those defined by the European imperial powers, which divided up the continent in an entirely arbitrary way during the 'scramble for Africa'. When the empires were dismantled, they left ill-educated populations with little sense of national identity, still rooted in tribalism and affording excessive respect to tribal leaders. Only an insignificant middle class existed which expressed allegiance to the idea of the 'nation' and believed that the rule of law and institutions were more important than the leader and his party. Power was left in the hands of tiny groups of western educated Africans who followed their erstwhile masters' example and exploited their countries rather than building them up. Africa's new rulers behaved as if the state was their personal property, to be disposed of as they liked. The power of the state was used to keep them in office. Cold War rivalries encouraged

this as the great powers backed their chosen, mostly kleptocratic clients for geo-strategic reasons. In most countries little has changed as the 21st Century has dawned. Rulers still want power to enrich themselves and their supporters, and power comes from the barrel of a gun and thence exploitation of the treasury (as if it were a private bank account) to pay the army, police and private militias. Democracy, honest and efficient government, attention to human rights and all the other things beloved of developed states simply get in their way.

The main problem which faces most countries today, and will continue to dog them for the foreseeable future, is bad governance. Governments will mostly remain nepotistic, corrupt, inefficient and uncaring about the well-being of most of their people. Political systems will still fail to offer: personal liberty and security; the right of association and participation in the political process; equal treatment under the law and the right to impartial and effective judicial remedy; honest and competent administration. Any trend towards real democracy will be limited and local because the conditions for it to flourish are mostly absent. Traditionally, most African societies are not democratic. Middle classes will remain too small to effect change in the political process, particularly as they are disproportionately affected by the AIDS epidemic. Would-be reformers will be excluded from political influence and will shun the public sector because of its character; many of the most talented and better educated will seek to emigrate in search of personal security and prosperity. There will be elections, but these will continue to be held to impress foreign governments and donors, not to change domestic regimes; in about 40 years of post-colonial rule in 38 countries, only three presidents have suffered and accepted electoral defeat. The normal way to power is through the military coup or, if that fails, victory in civil war.

While fatalistic resignation and apathy may well be the reaction of most poverty-stricken and ignorant Africans, a movement that seems to offer both a point to existence and a fairer social and legal order will gather support. For many, especially in west and east Africa, where the religion is already very strong, Islam may provide the answer. Fundamentalism is on the increase (though its solutions to Africa's problems are more likely to be counter-productive than anything). This will lead to the sort of vicious clashes between Muslims and Christians that have begun to disfigure Nigeria, just as they have long troubled Sudan. In some countries, it could lead to civil war, the imposition or re-imposition of military rule, or the emergence of a failed state with consequences such as those endured by Somalia.

Economic & Security Prospects

The prospects for economic growth that might, in turn, create social conditions for political change in a virtuous spiral are poor. Apart from the difficulty of escaping the current vicious circle, most of sub-Saharan Africa has too little going for it. About two thirds of all Africans still live on the land, mostly as subsistence farmers. (Twenty five countries depend on agriculture for 25-62% of GDP.) Overpopulation, poor soil, erratic climate, poor infrastructure, lack of investment and rich-world protectionism combine to prevent progress; indeed, from the early sixties to the mid nineties, *per capita* food production actually declined by 12% (in Asia, for contrast, it rose 70%). Some countries cannot feed themselves, and with 32 countries having 35-55 live births per thousand of population, this position will not readily improve.

For the most part, those states that are less dependent on agriculture suffer from the fact that they are principally producers of primary products; the prices of most of their commodities have been falling steadily since the sixties. Congo-Brazzaville,

Angola, Nigeria and Sudan have flourishing oil industries and will benefit from rising demand. However, oil has already proved (as elsewhere), a destroyer of other economic activity and profits are not invested in diversification, education and other productive endeavour but mostly disappear through corruption. Nigeria's *per capita* GDP, for example, actually halved between 1983 and 1996 despite its oil wealth.

Foreign investment in the region is very low; in 1995, Africa received only 3% of that flowing into the developing world. This will remain the case as long as the continent south of the Sahara is written off by the developed world as both unstable and marginal to its well-being, and this will remain true as long as bad governance persists and there are no geo-strategic interests at stake. Indeed, even France has tired of providing military and financial aid to its francophone ex-colonies. Aid continues to flow, but not a rate that will change things for most countries (Rwanda is a current exception). It is also ambiguous in its effects (emergencies apart). Aid dependency does not encourage a take off into self-sustained growth and often, as in the Horn, merely frees up money for governments to spend on arms, internal repression and war. Donors and investors hope that, in the long run, prosperity, law and good practice will end corruption and lead to growth. But over 45% of Africans live in poverty, and it will take growth rates of at least 7% *per annum* to halve that number by 2015-20; the region's current growth rate is only 2.5%. As long as population growth remains rampant, living standards have little hope of rising – even if conflict is avoided.

South Africa is seen by some as the ray of hope for southern Africa. Its multi-racial democracy, it is hoped, will catch on elsewhere, and, with its rich natural resources and relatively developed economy, it will provide an engine of economic growth and a foundation for security. This, in turn, will provide inspiration for renewed efforts elsewhere. This is an entirely plausible scenario. It is, however, possible that South Africa will go the way of Zimbabwe, rather than the reverse. Even if it does not, it is far from clear that such hopes will be realised. Economic growth will largely be soaked up in meeting the huge demand for resources to provide domestic employment, rising living standards and social services. It will also be affected by the fact that already (in 2000), almost 20% of the adult population has HIV/AIDS; in ten years time one third of South Africa's 18 year olds will be orphans, with all that that implies for health and crime statistics. (The whole region south of the Zambezi has an incidence of 10-over 20%, as do Ethiopia, Kenya, the Central African Republic and Cote d'Ivoire.) Moreover, South Africa's economy will probably be more closely tied to the wider, global economy than with its neighbours. The country may well prosper, but its impact on its neighbours, while significant, may not be as large as optimists hope.

South Africa's accession to the Southern African Development Community (SADC) in 1994 did little to further the organisation's aims of promoting economic integration and regional solidarity, peace and security. Greater things are now hoped for from the New Partnership for Africa's Development (NEPAD), an ambitious 2002 plan to attract \$64 billion *per annum* for the continent by convincing investors and donors about the prospects for stability and progress towards good governance and the rule of law. Coincidentally, wars have stopped in Sierra Leone, Angola and Congo. There is however, no reason to believe that these, and others, are over for good. Nor is there any mechanism for compelling governments to mend their ways internally and work for the good of their peoples. Peer review is proposed, whereby leaders will accept and act on criticism from fellow Africans. This, what little there was, has already signally failed to alter Robert Mugabe's course in Zimbabwe. Probably, NEPAD, like SADC and ECOWAS, led by

Nigeria in west Africa, will fail through lack of political will and teeth, internal bickering and an addiction to large scale show projects that do little to meet real needs and fail through corruption, lack of money and/or war.

Indeed military coups and civil wars are an endemic condition in much of sub-Saharan Africa. Between 1986 and 1998, at least 31 countries out of 42 experienced actual or attempted coups, eight of them twice, seven of them three or four times. Thirteen civil wars/wars of national liberation took place and 12 are still going on or have broken out anew. Civil society has largely collapsed in Somalia, Liberia, Sierra Leone, Congo (Brazzaville) and Zaïre (now Democratic Republic of Congo). Other countries, afflicted with endemic tribal conflict, could go (are going?) the same way (in some, for the second or third time). These include: Côte d'Ivoire, Chad, the Central African Republic, Cameroon, Senegal, Uganda, Burundi, Rwanda, Angola and Sudan. While the main type of conflict has been intra-state, there have been two major inter-state wars and many of the civil wars have been complicated by interventions from neighbours (many motivated by the search for loot). The prospect of more wars, resulting from the colonial powers' arbitrary drawing of borders and competition for scarce resources between desperately poor countries, is high.

Conclusions

In short, sub-Saharan Africa is probably, for the most part, condemned to miss out on economic growth through globalisation and scientific and technological advances (save, perhaps, GM crops), instead to live for the next two decades with misrule, civil and inter-state wars and consequent poverty and the never absent threat of natural disaster. The next generation will be more numerous, with youth bulges in most countries, poorer, ravaged by AIDS (absent a cure), less educated and more desperate. High levels of discontent, crime and political instability, much centring on overlarge urban centres where conditions will be appalling, are inevitable. Failed states and the emergence of new, and probably in many cases, unviable, states will be seen. It is, however argued by some that the two great regional powers, Nigeria and South Africa, will be both progressive influences and forces for stability and order, limiting damage. The latter may well serve such a function in the south. It is far less plausible that Nigeria could do the same for the west. The country is troubled by religious and tribal divisions, endemic bad governance (with the possibility of return to military rule), and poor economic prospects due to too rapid population growth and dependence on a single commodity (oil), the earnings from which are squandered.

The special relationships that had loosely tied former colonial powers to their ex-colonies, sometimes through feelings of guilt, will finally wither away. Many developed countries will despair of the region as a hopeless case. This is not to say that efforts will not be made to help some states, either because they are significant producers of raw materials (especially oil) or because they are making genuine efforts to reform, or just because globally aware consciences demand that something be done. It is to say, however, that there is little likelihood of the developed world raising the political will and cash required to make a fundamental difference to the region.

The relative indifference of governments of the developed world to Africa south of the Sahara will not be matched by others. NGOs will become more deeply involved in efforts to improve conditions in the region. They will exert pressure on those governments, both in international *fora* and through electorates, to support and defend their work to effect change. Arguably less benignly, fundamentalist

movements, especially proselytising Islam, will exploit fertile ground with promises that they possess alternative, and more effective, answers to the problems of meeting basic needs. These will fuel insurgencies, civil wars and inter-state conflict. Outsiders, including organised crime and mercenaries, will also be attracted by the opportunities for plunder. Many will be welcomed by local leaders seeking to shore up their positions or displace others. The likelihood of the region spawning some more failed states is high, and these will provide attractive havens for terrorists ideologically hostile to western states and their policies and values.

These conditions may well, from time to time, attract interventions by developed states. These may be prompted by humanitarian concerns (eg, to prevent another Rwandan-type genocide or cope with the results of natural calamities), because strategic raw materials (eg oil) are at stake or the need to root out the terrorists and organised criminals that flourish in failed states such as Somalia.

Some Conclusions

Francis Fukuyama's "end of history" is not going to mean the end of conflict. Rather, it will probably proliferate and, in some cases and some ways, become more dangerous. Cold War restraints and habits of caution are steadily eroding. Force has been at least partially unchained through its de-coupling from fear of global nuclear war. At the same time, and partly because of this, more states are aspiring to, or actually acquiring, nuclear and other weapons of mass destruction. Some may well not be as conservative about their role (ie, as deterrents) as were the Cold War warriors. Nor may they put in place the elaborate safeguards against accidental, premature or unauthorised use that formerly characterised the latter. And the new breed of terrorists that acknowledges no moral or even practical need for any restraint will certainly not balk at using them if they can acquire them. The dangers of further WMD and missile proliferation are, of course, frequently and well rehearsed. Will it require their terrible realisation before the international community actually does something about them besides expressing pious platitudes? Given the contemporary experience of trying to disarm Iraq and North Korea, the disappointing answer seems to be in the affirmative. Coalitions to prevent or deal with proliferation are very difficult to form.

There will be strong, sometimes irresistible pressures for western states to intervene in other countries' conflicts. Fortunately, most opponents are likely to be authoritarian leaders who may lack the far-sightedness, clarity of understanding and thought and the flexibility of mind effectively to prepare for and resist intervention. They may also, because of the nature of their regimes, lack the united and determined national will behind them that is necessary to avoid defeat. But vastly superior western military capabilities will not necessarily result in a quick and easy victory. Heaven help the interventionists who, possibly through ignorance, arrogance and overconfidence, come up against a cohesive enemy who has found an effective asymmetrical response to that superior strength. Such a development and its attendant setbacks have the potential to topple governments, as happened with the Vietnam War, or to fracture alliances, as almost happened to NATO over Bosnia and may be occurring today over Iraq.

Another danger potentially besetting interventionism is that overwhelming military power may make success look too easy and thus make the military the principal instrument of choice in dealing with the problem. Interventionists may discover the hard way the truth of the adage that if the only tool you can think of is a hammer,

The Future Of Conflict: Looking Out To 2020

then there is a temptation to view every problem as a nail. Attempts to resolve complex and difficult issues through the use of force will not necessarily produce a speedy, low cost solution. It may produce an unwelcome backlash while merely suppressing the symptoms of conflict and not address the causes. After military success, there is a tendency not to follow through with time and resources consuming political and economic action to produce an enduring settlement. Democracies are often insufficiently patient and tolerant of costs; fine words are frequently substituted for action, as seems to be happening in contemporary Afghanistan. And some conflicts are simply so intractable that intervention should really be eschewed. This will often be the case if they have been left to fester for such a time that they have led to open warfare. A theoretical answer is to identify such potential conflicts before they come to a head and take preventive action. This has only ever been done with the deployment of UNPREDEP in Macedonia (FYROM) during the wars of Yugoslav succession. The practical reality is that such preventive measures are difficult for democracies to sell to their taxpayers; and usually it is impossible to sell to enough of the international community.

Sporadic terrorism, domestic and international, will continue to plague democracies. Weaker ones with systemic problems may suffer such socio-economic disruption that military governments take control, leading to a further downward spiral (as has happened in the past in Turkey and much of Latin America, for instance). However, while terrorism will cause destruction and loss of life, it will not endanger the existence of stable western democracies. As in the past, the terrorists will fail to gain popular support (which is why they must operate in the shadows and can never move from mere terrorism to guerrilla resistance). But the threat posed by "new", international terrorism will require international co-operation and real sacrifices by the better-off to reduce its appeal and thus its ability to operate. Will rich countries be able and willing to pay the price in economic terms (a price which will pay dividends later) and in political terms? Or will they, in pursuance of a simplistic policy of conducting a "war against terrorism", create more enemies than they destroy and contribute to a new polarisation of the world?

Information cut off date February 2003.

Disclaimer

The views expressed are those of the
Author and not necessarily those of the
UK Ministry of Defence

ISBN 1-904423036-1

Published By:

Defence Academy of the
United Kingdom

Conflict Studies Research Centre

Haig Road
Camberley
Surrey
GU15 4PQ
England

Telephone: (44) 1276 412995

Fax: (44) 1276 686880

E-mail: csrc@defenceacademy.mod.uk

<http://www.csrc.ac.uk>

ISBN 1-904423-36-1