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U.S. Provincial Reconstruction Teams in Afghanistan: Best Practices and Recommended Improvements

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> The post 9/11 counter-terrorism efforts in Afghanistan were swift and achieved impressive results in a relatively short period of time, but the follow-on task of building a democratic, secure, and sustainable Islamic Republic was far more daunting. In spite of this complex and resource-intensive task, the U.S.-led Coalition and International Security Assistance Force (ISAF) have achieved much over the past six years. The Afghan people forged a new constitution and successfully conducted its first ever democratic Presidential and Parliamentary elections. With international assistance, the nascent Afghanistan government devised a national development strategy, which through the Bonn and London pacts is now tied to clear and measurable benchmarks. On the security front, the Afghan National Army is 50,000 strong and growing. More importantly, these forces are now effectively fighting alongside Coalition forces. Afghan national health care and education capacity has significantly increased, with basic health care available to at least 80 % of the population and basic education available to some 5 million Afghan children—a 500 % increase from 2001.[1]

Notwithstanding these extraordinary successes, Afghanistan is still engulfed in what is now characterized as a counter-insurgency fight pitting ISAF forces against Taliban and other insurgents supported by foreign fighters.[2] ISAF numbers some 41,700 troops, which includes some 15,000 U.S. soldiers, sailors, airmen, and marines.[3] In the counter-insurgency campaign, the desired end state is to create the conditions of security and stability that will allow the Islamic Republic of Afghanistan (IRoA) to carry out its reconstruction and development plan and

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[1] Donald Rumsfeld, "State of Afghanistan, Five Years Later," *Washington Post* (7 October 2006), A23.

[2] Joseph D. Celeski, "Operationalizing COIN," *Joint Special Operations University Report* 5:2 (September 2005): 64.

[3] ISAF slide of forces deployed in Afghanistan as of 5 December 2007, available at: www.nato.int/isaf/docu/epub/pdf/isaf_placemat.pdf.

transform itself into a stable democracy.[4] Critical to this effort is ISAF's ability to successfully meld military kinetic and non-kinetic operations and activities to achieve the desired end state.

Since 2002, the U.S.-led Coalition—and now the NATO-led ISAF—has employed provincial reconstruction teams (PRTs) as its primary conduit for non-kinetic operations. Typical PRT activities include mentoring district and provincial government leaders, conducting infrastructure development projects, and coordinating agricultural and health sector assistance. PRTs are stability operations tools that provide a mechanism to extend the reach of the government to the local level and provide a path to transfer security and reconstruction functions to fledgling democratic governments. Currently, there are twenty-five PRTs operating in Afghanistan (twelve U.S. and thirteen non-U.S.) This article will discuss the U.S. PRT mission and organization, best practices and challenges, and finally offer some recommendations to improve on PRT effectiveness in the counter-insurgency environment of Afghanistan as well as in the broader global context.

The PRT Organization: Do We Have the Right Model?

The PRT is an ad hoc joint interagency military-led organization (U.S.–Afghan model). The framework of a typical U.S. PRT organization is provided in Figure 1. The basic elements are a command and control cell, a civil affairs/engineering cell, a police training and assistance team (PTAT), force protection platoon, and the standard logistic support elements. The command and control cell is augmented with representatives from the Department of State (DoS), U.S. Agency for International Development (USAID), and in some instances the Department of Agriculture (USDA). Each PRT is also assigned two or more civilian police mentors. These mentors are contracted through the DoS and provide law enforcement capacity building capability at the district and provincial levels and compliment the effort of the PRT PTAT.

The mission of this approximately 100-person organization is to extend the authority of the IRoA in order to facilitate the establishment of a stable and secure environment and enable security sector reform and reconstruction efforts. Simply put, the PRT is in the business of building governance, economic, and security capacity at the provincial and district levels. Almost all U.S. PRTs are under the direct command of a U.S. brigade combat team commander, who is assigned to an ISAF regional command; in the majority of instances, this is Regional Command East (see Figure 2 for PRT Command and Control). To accomplish its mission, the PRTs work very closely with the Provincial governor, the provincial development committee, and the provincial security committee. The latter two bodies are at

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[4] Detailed information on the mission and role of ISAF in Afghanistan is available at: www.nato.int/issues/isaf/index.html and www.nato.int/issues/afghanistan/index.html.
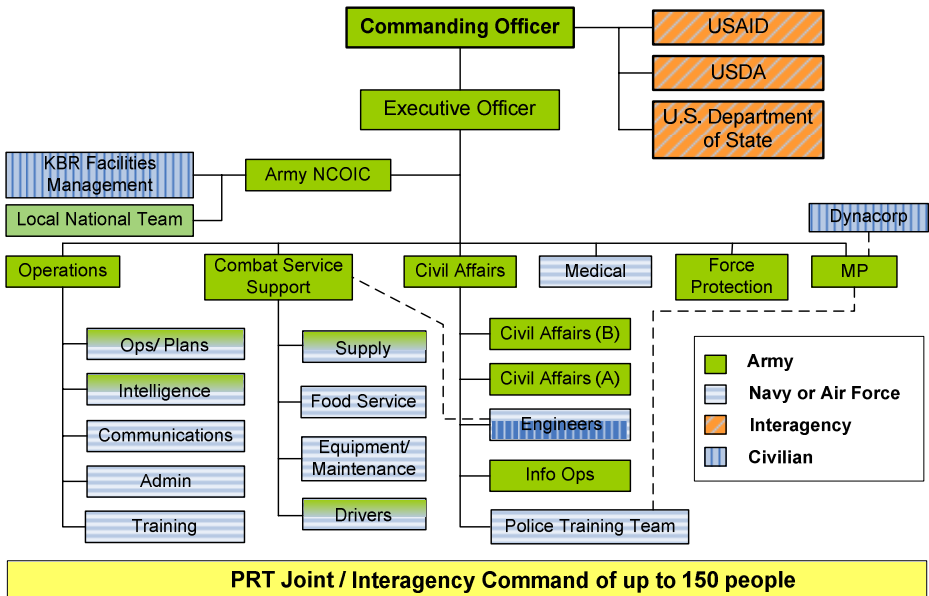
Figure 1: Organization of a Typical U.S. PRT

varying levels of development but provide the best mechanisms for coordinating reconstruction and security sector efforts at the provincial level. Thus, while building governance and security capacity, the PRTs also serve as the focal link-age of ISAF non-kinetic activities at the provincial and district levels of government.

Although the PRTs are organized to specifically address issues related to reconstruction and development, the actual level of experience of assigned personnel and a lack of proper training often constrain the overall tactical and operational effects of the teams. PRTs are assigned a complex and demanding mission, yet the experience level of assigned personnel in critical leadership positions does not reflect the importance and complexity of the PRTs' efforts. Although PRT Commanders are operationally experienced Naval, Army, and Air Force officers, the supporting staffs are generally individual augmentees with little experience in assigned staff positions. In the PRT with which I worked, the operations officer was a newly promoted captain who had not yet commanded a company, much less planned complex non-kinetic operations. Another example is PRT civil affairs officers. The vast majority of the civil affairs personnel assigned to PRTs are not experienced in civil affairs. Every civil affairs officer was a reservist whose only civil affairs experience was the standard civil affairs course provided at Fort Bragg,
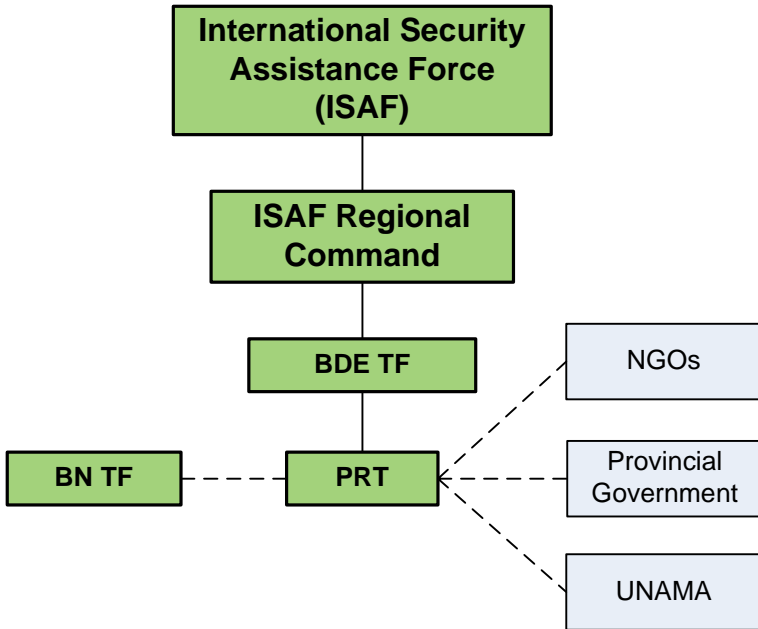
Figure 2: PRT Command and Control Structure

North Carolina prior to deployment. Other PRTs had staff with similar levels of civil affairs experience. Not one U.S. PRT is manned with experienced active duty civil affairs personnel. The PRT engineer cell is manned with military engineers who in many cases are not professionally qualified as building or road construction engineers. The recent addition of Army Corps of Engineers profes-sional engineers has provided much-needed expertise to oversee the myriad of PRT construction efforts, from roads and bridges to schools and clinics.

Perhaps most glaringly, with few exceptions, PRTs do not have a military or civilian member with regional- or country-specific cultural and language skills. Although, each PRT did have assigned interpreters who assisted the team in nego-tiating the complex cultural environment of Afghanistan, trained cultural experts, like Army Foreign Area Officers, would contribute immeasurably to the planning and execution of PRT activities. Current and past PRT personnel performed mag-nificently in spite of the general lack of experience (and sometimes skills). If the PRT is the primary non-kinetic weapon in counter-insurgency efforts, then in or-der to maximize the PRTs' tactical and operational effectiveness our leaders need to ensure that these organizations are equipped with experienced officers, non-commissioned officers, and civilians with the right skill sets.

Another aspect of the U.S. PRT organization that needs review is its "cookie-cutter model"—the assumption that the same type of PRT is best suited to all cases. The reality is that the provinces in which the PRTs operate are diverse in size and terrain, population, ethnicity, level of development, and security environment. Just as military commanders tailor combat forces for specific missions, so too should commanders consider tailoring PRTs to fulfill non-kinetic missions. The PRTs are currently filled with a mix of active duty and reserve individual augmentees. In Army civil affairs doctrine, there is a small team of experts called the Civil Affairs Planning Team B (CAPT B). This small team of five to ten members is made up of functional experts who can interface with host nation government officials to share knowledge and experience—in short, to help build governance capacity. These could be functional experts in the areas of education, finance, banking, construction, and others, based on the province's specific requirements. Having access to CAPT Bs would enhance the PRTs' ability to build capacity across a number of functional areas at the provincial level. Screening reservist PRT augmentees for functional expertise could provide a basis for several CAPT Bs, which the maneuver commander could use to weight his non-kinetic PRT efforts in a particular province.

Some provinces, on the other hand, present a more challenging security environment, and the Task Force Commander may consider shifting PRT organic force protection and police training and assistance team (PTAT) assets to these less secure areas. Task-organizing PRTs to focus additional non-kinetic resources in the Task Force Commander's main effort and utilizing the principle of economy of force may produce more effective non-kinetic effects than the application of a one-size-fits-all approach.

Similarly, other U.S. government agencies should consider developing modular teams that can contribute to the PRTs based on specific requirements at the provincial and regional levels. Currently, only three members of the interagency community make contributions to the PRTs (DoS, USAID, USDA). However, in almost every province there is a desperate need for representatives from the Justice Department, the Department of Education, and even the Department of Health & Human Services. These functional experts would provide additional capability to the PRT in building human capacity and functional government systems at the provincial and regional levels.

I use the term *modular* because every situation is unique and will require a different mix of functional expertise to address the varying development and reconstruction requirements. As requirements are identified, the idea would be to draw on U.S. government modules and plug them into identified PRT requirements on the ground. Each U.S. government agency should identify, fund, and integrate these modular teams into regular military mission training exercises at the Army's Joint Readiness Training Center, National Training Center, and the Joint Multi-

National Training Center in Germany. These training opportunities will provide potential interagency team members with the specific knowledge required to operate in a stability operations environment, and will also build the institutional and professional relationships required for achieving synergy in the field.

Another potential resource to consider in building PRT capacity is tapping into the vast experience and expertise of the American public. If our government agencies are ill equipped or trained to fill critical needs in stability operations, then a possible alternative is to out-source to the public and/or private sectors. If the PRTs are lacking expertise in agriculture, education, public administration, or health care administration, there are thousands of Americans with this type of knowledge who can be recruited to participate in stability operations. This serves two functions. First, it increases the PRT's capabilities. Second, and more importantly, on the strategic level it provides an opportunity for the American public to contribute in a meaningful way to the U.S. war effort.

The selection of PRT Commanders must be carefully considered, ensuring that these officers have the right skill set to operate effectively in a joint interagency multinational stability operations environment. The leadership of the PRT organization is critical to its success. With the exception of only one PRT in Afghanistan, all are commanded by a military officer. The commander or civilian equivalent is critical in forming a functional and effective interagency team. A recent interagency PRT assessment suggested that PRT commanders be selected from former proven maneuver battalion commanders.[5] Although such officers are talented and well qualified, I would submit that former battalion, ship, and squadron commanders are not the best qualified to lead a PRT. A better choice is an experienced foreign affairs or civil affairs officer, who typically would have served several assignments in U.S. Embassies and is a cultural and linguistic expert. The Navy and Air Force should consider those officers from its foreign area officer pools. These officers are trained soldier-diplomats, culturally astute, and have had far more exposure to the interagency process than the majority of maneuver battalion commanders. Understanding the roles of the interagency PRT members and the valuable skills and program resources they bring to the fight—knowledge that most FAOs and CA officers possess—would go a long way toward building an effective PRT interagency team. At a minimum, future training for PRT commanders

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[5] See United States Agency for International Development, "Provincial Reconstruction Teams in Afghanistan: An Interagency Assessment" (5 April 2006), available at: http://pdf.dec.org/ pdf_docs/Pnadg252.pdf. See also the website of the U.S. Department of State, Office of the Coordinator for Stabilization and Reconstruction, at: www.state.gov/s/crs/index.cfm?fuseaction=public.display&shortcut=eh52&cfid=63143&cftoken=96050896.

must include a large dose of the interagency process and a thorough grounding in the specific roles and missions of the interagency PRT members.

The PRTs fulfill an important function in stability operations. As the organization continues to evolve, it is important that our leaders—both military and civilian—provide the PRTs with adequate resources to achieve their reconstruction and development goals. Building PRTs through modularity, out-sourcing, realistic training, and selection of our most capable leaders provides the theater commander with his most powerful weapon in the counter-insurgency effort. In the next section, I will describe several PRT best practices and offer a few recommendations for improved coordination and synchronization of PRT efforts.

PRT Best Practices

One of the more important aspects of the current PRT organization is its civil-military structure, meaning that the addition of civilian professionals from the State Department and other agencies is a key component of the PRT model. Organizing the PRT civil-military leaders into an executive committee provides an excellent decision-making and coordination apparatus. A typical committee might consist of the PRT Commander, State Department and USAID representatives, a senior civil affairs officer, and the operations officer. Ideally, this group would consult daily to assess current activities and discuss future operations. This format allows senior PRT members to discuss various approaches to PRT activities and provides the opportunity to leverage all available resources to achieve a desired effect. A sub-set of the executive committee meeting is the PRT development project review working group. This group is typically led by the PRT Commander or the USAID field project officer. The objective of this interagency meeting is to properly vet development projects so that each project has community and provincial government support, is sustainable, and is linked as much as possible to the national government's long-term development strategy. Without these interagency forums, which provide opportunities to share opinions and compare approaches (and which in most cases achieve consensus on PRT activities), PRT civilian agency members become marginalized, and opportunities for synergy in reconstruction and development efforts are missed.[6]

PRTs positioned in or near provincial centers are the best available tool to influence the development of provincial governance and reconstruction capacity. Indeed, one of the more important objectives of the PRT is to build these capacities at the provincial level. The vehicle for this is the provincial development

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[6] Specific examples on best practices were compiled while I served as a PRT LNO at both CFC-A and at JTF Spartan (3rd Independent Brigade Combat Team, 10th Mountain Division) from July 2006 to April 2007.

council (PDC).[7] The United Nation Assistance Mission–Afghanistan (UNAMA) is responsible for coordinating international assistance efforts, and takes the lead on developing the skills and capacity of the provincial development council. In spite of this mandate, UNAMA has a very limited presence outside of Kabul, and therefore has had little effect on provincial development councils.

On the other hand, several PRTs have had a profound impact on energizing and building real development capacity at the provincial level. The interagency PRTs, using the UNAMA/IRoA vision for PDCs, have directly engaged key provincial leaders to become involved in regular provincial development meetings and working groups. In Paktika province, the Sharana PRT conducted a PDC training session with key provincial government leaders and continued to coach and mentor the provincial governor to form a committee on provincial development. The governor now receives reports from relevant line ministry representatives (Ministry of Economy, Ministry of Reconstruction and Rural Development, Ministry of Education, and others) and provides specific guidance and follow-up assignments. These committee meetings provide the provincial leadership the venue to develop the priorities and specific projects for a basic provincial development plan.

To complement the provincial development meetings, the Sharana PRT conducted one-on-one capacity building sessions using the organic expertise and talents of the PRT. One Sharana PRT reservist had a banking and finance background and, coupled with the State Department and USAID representatives, provided instruction and advice to the chief of the provincial economic department. Because the PRTs are located in or near the provincial capital and possess development expertise, they are uniquely suited to mentor, coach, and train provincial leaders on the basics of how to develop a coordinated and synchronized provincial development plan. The provincial teams are able to have much more success in this regard than other organizations based out of Kabul, who have infrequent contact with provincial government leaders.

As mentioned above, the PRT's mission is focused on the execution of non-kinetic activities. However, to achieve the greatest benefit in support of higher headquarters' overall mission, the activities of the PRT must be closely synchronized with maneuver commanders who *de facto* control the battle space. PRT commanders who are co-located with their maneuver counterparts tend to have

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[7] The provincial development committee concept was developed in 2004 and is an extension of the UNAMA-supported provincial coordination body. I received this information and other background on UNAMA support of PDCs from the UNAMA-produced document "The Provincial Development Council Fact Sheet" and a briefing entitled "Provincial Development Committees – Need for Strengthening," obtained in meetings with UNAMA representatives on 6 November 2006 at FOB Salerno.

much better success at coordinating and synchronizing kinetic and non-kinetic activities within the shared battle space. PRT Khost and its maneuver counterpart, TF 4-25, TF Spartan (3rd Brigade Combat Team, 10th Mountain Division) used a weekly synchronization meeting to align and coordinate activities. Typical topics of discussion were synchronization and leveraging of resources to ensure coverage of key leader engagements throughout the province, discussion of specific kinetic activities, and strategic planning on the use of PRT resources to mitigate potential negative consequences with the local population. A good example of the latter type of coordination is the Jalalabad PRT's practice of assisting with the re-integration of former detainees into the community. The PRT leadership worked closely with maneuver elements affecting the release of a detainee. The PRT would provide the detainee with a supply of humanitarian goods for the detainee's family, as well as facilitate the delivery of the detainee to community leaders.

Another important aspect of PRT–maneuver force coordination meetings was the opportunity for leaders to "sync" key messages for upcoming meetings and to share feedback from recent key leader engagements. This ensures that PRT and maneuver commanders understand and deliver the same messages, on the same themes, and are aware of the most current host nation government issues and leadership dynamics. Where possible, PRTs should be located with maneuver elements that are operating in the same battle space to facilitate the establishment of effective coordination and synchronization linkages.

Ensuring community buy-in to construction projects is critical to mitigating associated security risks. In some areas of southern and eastern Afghanistan, the security situation poses challenges to development and reconstruction efforts. The Asadabad PRT used an effective technique that significantly mitigated the risks to both the PRT and contractors involved in various reconstruction projects. Before initiating any project, the PRT Commander would meet with the community elders located in the area of the proposed project. In this meeting, or *shura*, the commander would re-confirm that the village elders desired the project and, more importantly, that the community elders would guarantee the security of the contractors and PRT members involved in the construction. Often a formal agreement was signed, with the elders affixing their "thumb print" to a declaration of support for the project. This proved to be a powerful tool in a culture where honor is so highly regarded. With this agreement, the PRT was able to ensure community buy-in to the project and hold the village elders accountable for project security.

Integrating Afghan security forces into PRT activities builds the capacity of the force and provides a powerful example of a functioning government to the local population. A great example of a well-executed joint and combined PRT activity is the Jalalabad PRT's execution of a very sophisticated medical civil affairs project (MEDCAP) in the district of Dor Baba, Nangahar Province in October 2006. PRTs often use MEDCAPs in providing medical and veterinary assistance to the

Afghan population. Normally, humanitarian assistance is also distributed to the populace in conjunction with the medical services. In this case, the Jalalabad PRT coordinated the participation of the Afghan National Army (ANA), Afghan National Police (ANP), French Special Forces, and U.S. military medical teams in the execution of the MEDCAP. To provide security for the event, the PRT employed ANA, ANP, French Special Forces, and U.S. military police in a series of static checkpoints and joint patrols in the MEDCAP area. The ANA and ANP were also used to distribute the humanitarian assistance. Simultaneously, the U.S. medical teams provided assistance to some 3,000 Afghans and over 500 animals. In this example, the medical needs of the people of the Dor Baba district were met. But, more importantly, this aid was delivered through and with the direct involvement of Afghan security forces, who both provided security and assisted in the delivery of the medical and humanitarian aid. Not to be overlooked was the dual purpose of building the security capacity of the Afghan security forces, as the French Special Forces and U.S. military police partnered with the ANA and ANP during this event. Additionally, during conduct of patrols throughout the district, PRT members along with Afghan security force members were able to conduct a series of key leader engagements facilitating the connection of the population with the Afghanistan authorities. Although reported as a MEDCAP, the Jalalabad PRT was able to plan and coordinate this activity with host nation and other Coalition forces to achieve positive effects beyond simply providing medical assistance.

PRT Links to NGOs and Kabul

In most PRTs, no one is tasked to establish liaison with non-governmental organizations working in the battle space. As a result, contact and coordination with NGOs is sporadic. In Afghanistan, the UNAMA (in conjunction with the IRoA) is tasked with the responsibility to register and monitor NGOs contributing to the reconstruction and development effort. Unfortunately, the relatively small number of UNAMA field offices outside of Kabul limits its ability to assist in coordinating NGO efforts. In some PRTs, there are efforts to make contact with NGOs through a monthly meeting with UNAMA representatives; however, these ad hoc efforts are limited in scope and effectiveness. PRTs, through the provincial government, should organize regular NGO meetings to coordinate, synchronize, and leverage resources and activities. The logical PRT members to coordinate this effort are the DoS and USAID representatives. Some NGOs are reluctant to associate with a military organization, but the civilian element of the PRT coupled with a neutral meeting location may provide an acceptable alternative. Assisting the provincial governments in attracting NGOs and then working and sharing information with them in a regular forum will create added synergy in provincial reconstruction and development. Building this bridge with NGOs is important, since the presences of a vibrant and effective NGO network committed to the long-term development of

Afghanistan sets some of the conditions for the eventual downsizing and closure of PRTs.

Many of the issues that PRTs coordinate at the provincial level have linkages to the central government. U.S. PRTs communicate these issues through the Brigade Task Force (BDE TF) and Joint Task Force (JTF) command channels. Many of the requests for information and clarification require coordination with multiple U.S. government agencies and military commands located in Kabul. As currently configured, ISAF has a PRT policy cell, and until recently, CFC-A had a PRT policy cell as well. In addition, the U.S. Embassy has a PRT policy representative, and U.S. AID has a PRT policy officer, all working PRT issues for their respective agency/command. It would make sense to create a U.S interagency PRT action group for all PRT-related issues. The action group would consist of all members mentioned above, as well as a representative from the Combined Security Transition Command–Afghanistan (CSTC–A) and the U.S. Army Corps of Engineers' Afghanistan Engineering District (AED). The BDE TF or JTF would then have a one-stop shop for all PRT issues requiring national-level attention. Additionally, the action group concept would facilitate the sharing of PRT information and more rapid interagency coordination. The best location for this office would be at the U.S. Embassy. Some may argue that this cell is better positioned at the U.S. JTF level. However, the JTF is located at Bagram airfield; this site's physical separation from Kabul would hinder face-to-face coordination with U.S. assistance program coordinators and, more importantly, with IRoA government ministries, all of which are located in Kabul. Streamlining PRT efforts at the national level through a PRT interagency action group provides transparency on all PRT issues and enhances the United States' ability to address key reconstruction and development issues.

Conclusion

U.S. PRTs in Afghanistan are making a difference. In FY2006, Regional Command East U.S. PRTs administered over USD 25 million in assistance.[8] Projects ranged from the construction of new schools, district government centers, and roads to mosque refurbishment, micro-hydro power generation, canal repairs, and health clinic repairs. In addition to the reconstruction assistance, PRTs distributed several million dollars of humanitarian aid to remote villages suffering from droughts, flash flooding, and extreme poverty. Not measurable in dollars but arguably more important, PRTs also built human capacity through daily interaction with provincial and district leaders, provincial and district security forces, and continue to provide a stabilizing presence in remote northeastern areas of Afghanistan.

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[8]   Figures obtained from TF Spartan Civil Military Affairs Cell, October 2006.

The PRT model continues to evolve, and some of the best practices shared in this article are intended to highlight some recent successes and contribute in a meaningful way to the continued development of PRT tactics, techniques, and procedures as well as policy. Selecting the best and brightest to form a PRT inter-agency team is critical to the success of a PRT. The Department of State, the U.S. Agency for International Development, as well as the Department of Defense need to take this task seriously. Military leaders should strive to select experienced foreign area officers and civil affairs officers with a strong interagency background as PRT Commanders.

Building provincial reconstruction and development capacity is another critical PRT task. Teaching, mentoring, and coaching provincial, district, and community leaders about the provincial development process and obtaining buy-in and ownership for projects is key to the eventual draw-down and closure of PRTs. Along with building host nation development and reconstruction capacity, PRTs should strive to build a relationship with NGOs active in the region, synchronizing activities and leveraging resources for maximum benefits. PRTs and maneuver units sharing the same battle space need to develop communication links to properly coordinate kinetic and non-kinetic activities. Without a regular mechanism to share information and coordinate activities, opportunities to achieve synergy in the battle space will be missed. JTF Commanders need to consider the PRTs as a non-kinetic maneuver unit and task-organize the teams appropriately to achieve the desired effects in the battle space. Lastly, creating an interagency PRT action group co-located at the U.S. Embassy in Kabul would go a long way toward coordinating U.S. PRT efforts at the national level.

U.S. PRTs are on track in Afghanistan. The Department of Defense along with other interagency team members should continue to seek improvements to its PRT training efforts, expanding on the PRT seminar at the Department of Defense's Near Eastern and South Asia Studies Center. Lessons learned should be incorporated into maneuver unit rotations at the military training centers, and deploying PRTs should participate in these training rotations to acquire and practice the skills required to operate effectively in an environment characterized by strong insurgent activity. Finally, we should continue to share our PRT experiences with friends and allies so that we may encourage them to develop similar capacities for the long war ahead.

Kosovo and Balkan Stability

Gordon N. Bardos [*]

As the process of determining Kosovo's future status enters its final stages, everyone's worst case scenario—a unilateral declaration of independence by Kosovo Albanian authorities, without United Nations Security Council approval—appears increasingly likely. The diplomatic mismanagement of this process is largely to blame for the fact that the international community has arrived at such an impasse. The most pressing issue now is how all the major international actors (e.g., the United States, the European Union, Russia, NATO, the OSCE, etc.) involved can react to and control the likely consequences of such a development.

The guiding assumption of current U.S. policy (and of a large number of Balkan observers[1]) is that the Balkans are relatively stable, and that whatever spillover effects may result from the outcome of Kosovo's future status can be controlled; in fact, in this view, the greatest threat to Balkan stability comes from *not* resolving Kosovo's status. These assumptions are also either explicit or implicit in the so-called "Ahtisaari Plan" for Kosovo presented to the UN Security Council in March 2006.[2]

Several strong arguments favor moving forward with determining Kosovo's future status: respecting the right to self-determination of the vast majority of Kosovo's inhabitants; the fact that it is difficult to conceive of a situation in which, after eight years of international administration, it would be possible to return Kosovo to any form of meaningful rule from Belgrade; and the fact that Kosovo's unresolved status makes it difficult for Kosovo to receive access to several sources of development aid from international financial institutions like the World Bank and the International Monetary Fund.

What remains open to valid debate, however, are the timing and the pace of the determination of Kosovo's future status, the actual state of Balkan stability, and how an independent Kosovo is likely to affect it. In contrast to the assumptions governing U.S. policy noted above, a strong argument can be made that the current political moment in the Balkans is extremely delicate. South Eastern Europe is experiencing its most profound period of change since the end of the Kosovo

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[1] See, for instance, the signatories of "Kosovo: Breaking the Deadlock," available at: www.usip.org/pubs/usipeace_briefings/2007/0914_kosovo.html.

[2] Formally known as the "Report of the Special Representative of the Secretary-General on Kosovo's Future Status," available at: www.unosek.org/docref/report-english.pdf.

war in 1999. In June 2006, Montenegro declared its independence from the still-born Union of Serbia and Montenegro; during the course of 2006–07, new governments came to power in Bosnia-Herzegovina, Macedonia, and Serbia (with elections due in Croatia and Kosovo). And looming over everything is the aforementioned final decision on Kosovo's future status. Such a quickly changing political landscape carries with it numerous dangers; as was seen in the Balkans in the 1990s, the process of changing borders and creating new states is rarely peaceful.[3]

The Changing Balkan Political Landscape

All of these events are occurring at a moment when several key developments are significantly changing the political dynamics of South Eastern Europe. The first three developments are related to the weakening of the three pillars on which Balkan stability has rested for much of the past decade: the U.S. military presence in the region, the prospect of EU accession for the Western Balkan states in the foreseeable future, and the weakening of political elites in Bosnia-Herzegovina, Macedonia, and Serbia that support the international agreements that have been the cornerstone of Balkan stability for the past dozen years. These agreements include the Dayton Peace Accords, which ended the war in Bosnia; U.N. Security Council Resolution (UNSCR) 1244, which provided the political solution that ended the Kosovo war in 1999; and the August 2001 Ohrid Accords, which regulated an end to Macedonia's internal conflict. It should not be surprising that, given so much political and strategic uncertainty, the democratic transition throughout the region has lagged over the past year, as is evident from the European Union's 2007 progress reports on each of the individual Balkan countries.[4] Added to these developments is one other that will profoundly influence Balkan stability in the years to come: the return of Russia as an increasingly important political and economic player on the regional stage.

Given these developments, there are already many indicators suggesting that the political and security situation in the southern Balkans—in fact, throughout East Central Europe—is becoming more rather than less unstable at this political

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[3] In fact, the violence accompanying the breakup of the former Yugoslavia was, in historical terms, the norm, and not a violent aberration. As Valerie Bunce has noted, "Regime and state dissolution is rarely so graceful as what we saw in 1989–1992. What happened in Yugoslavia is, unfortunately, the historical norm." Bunce, *Subversive Institutions: The Design and the Destruction of Socialism and the State* (Cambridge: Cambridge University Press, 1999), 142.

[4] The EU's progress reports for the countries of South Eastern Europe, released in November 2007, can be found at: http://ec.europa.eu/enlargement/key_documents/reports_nov_2007_en.htm.

moment.[5] On the positive side, one factor contributing to regional stability is that every country in the region is now either a full member of NATO (Bulgaria, Greece, Hungary, Romania, and Slovenia) or a member of NATO's Partnership for Peace (PfP) program (Albania, Bosnia-Herzegovina, Croatia, Macedonia, Montenegro, and Serbia; Albania, Croatia, and Macedonia are hoping to be invited to become full members at the NATO summit in Bucharest in April 2008, although this possibility looks increasingly unlikely for both Albania and Macedonia). Similarly, a number of regional free trade and energy cooperation agreements have been signed amongst the Balkan countries in recent years, which have slowly been serving to integrate the region. Most notable among these has been the June 2006 signing of the treaty establishing the Energy Community of South East Europe, whose goal is to create an integrated electricity and natural gas market for the region (and its integration with the EU countries). Another important milestone was the expansion of the Central European Free Trade Association (CEFTA) to the countries of South Eastern Europe, an agreement that was signed in Brussels on 19 December 2006.[6]

Despite such positive developments, there is nevertheless reason for concern over whether these institutional security and economic arrangements will outweigh the cumulative impact of the Balkans' changing political dynamics. While a return to the large-scale violence that afflicted the Balkans in the 1990s is unlikely, the threat of violence has not been eliminated. Rather, the nature and scale of the threat to Balkan stability has changed. Over the coming years, the greatest threats to Balkan stability will come from relatively small bands of ethnic militants and guerrillas, often allied with or even identical to organized crime organizations

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[5] As F. Stephen Larrabee has recently argued, "The recent rise of nationalist and populist forces in several countries in Eastern Europe … threatens to undermine the reform process. Enlargement fatigue in the EU and growing calls for protectionism within Western Europe could further hinder continued efforts to create a single European market and fully integrate the new EU members. At the same time, the balance of power is shifting on Eastern Europe's outer periphery…. These changes have gone largely unnoticed by policymakers in Washington despite the important implications they have for U.S. interests." See Larrabee, "Danger and Opportunity in Eastern Europe," *Foreign Affairs* 85:6 (November/December 2006).

[6] See Milica Delevic, "Regional Cooperation in the Western Balkans," *European Union Institute for Security Studies (EU-ISS)*, Chaillot Paper no. 104 (July 2007), 5–6.

smuggling weapons, drugs, and human beings, and the infiltration of Islamic extremist organizations.[7]

Despite the more limited scale of this threat, however, the ability of these relatively small groups of extremists to derail political and economic reform in the region, or to derail the region's Euro-Atlantic accession hopes, should not be underestimated. Such groups have assassinated a prime minister in Serbia, set back Macedonia's EU accession process significantly, and made Kosovo a regional black hole mired in crime and corruption. Unless the U.S., the EU, and NATO devote more time and resources to the Balkans, it is doubtful that the Balkan states will have the internal strength to overcome these forces on their own.

At this point it is worth examining in more detail some of the key developments that are changing the political dynamics of the region. I will begin with the changes to the three pillars of Balkan stability over the past decade: the removal of the U.S. military presence in the region, the region's ever-dimmer hopes for EU accession, and the weakening of political elites that support the political and territorial status quo in South Eastern Europe.

The U.S. Military Presence in the Balkans

The U.S. has pulled its troops out of Bosnia, and the current international peacekeeping force—the "European Force" (EUFOR)—numbers less than 4,000 troops.[8] The NATO force in Kosovo currently totals approximately 16,000 troops, some 2–3,000 of whom are U.S. forces.

Behind these numbers, however, lie three unfortunate realities. First, because of operations in Afghanistan and Iraq, the U.S. military is both over-extended and exhausted, and hence extremely unlikely to be able to react to any eruption of violence in the region. Second, there are considerable problems with relying so much on European forces for security. The European troops garner little respect from local militants, and they lack the capacity to respond effectively to a quick escalation of violence. Third, both the U.S. and Western European countries have repeatedly shown their unwillingness to risk their troops in the Balkans. This has

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[7] As the former head of the OSCE mission to Bosnia-Herzegovina, Ambassador Robert Barry, noted in 1999: "Organized crime and corruption are a more serious threat to security and stability than military forces. The growing nexus between extremist politicians, organized crime and the former communist intelligence services is becoming ever stronger, and this is the single greatest obstacle to democratic reform, economic investment and membership in Euro-Atlantic institutions. Rolling back the mafia must be a central goal of the Stability Pact, NATO, the EU, and the OSCE." See Barry's comments in the *Frankfurter Allgemeine Zeitung* (20 July 1999).

[8] During an October visit to Bosnia, in the course of a 900 kilometer trip around the country I encountered a total of three EUFOR soldiers—sitting in a café outside of Bijeljina.

been evident from the Srebrenica massacres in 1995, to NATO's bombing campaign against Serbia in 1999, to NATO's failure to prevent the infiltration of militants from NATO-occupied Kosovo into Macedonia and southern Serbia in 2000–01, to the March 2004 pogroms in Kosovo against Serbs and other non-Albanian ethnic groups.

This third fact gives extremists in the region a distinct psychological advantage. Knowing that NATO and other international organizations are unwilling to suffer casualties in the Balkans allows extremists to set the political agenda, determine the timetable for future action, and create facts on the ground. This has most clearly been seen in the Albanian insurrections in Kosovo in 1998–99, in Macedonia in 2000–01, and again in Kosovo in March 2004. In sum, absent a substantial U.S. military commitment in the region and a visible determination to confront extremists (which has been lacking up until now), Balkan stability depends to an uncomfortable degree on local militants, who can determine when and where it suits their interests to confront local governments, and hence derail the region's Euro-Atlantic integration efforts.

The Promise of EU Accession

Strategic uncertainty in South Eastern Europe is also increasing due to the fact that, apart from Croatia, the countries of the Western Balkans are not being given firm assurances that they will be allowed to join the European Union anytime soon. Internal EU difficulties related to enlargement fatigue and debates about absorption capacity are increasing both uncertainty and skepticism in South Eastern Europe as to whether these countries will ever be invited to join the union. This uncertainty makes it commensurately more difficult for local politicians to endorse the political and economic reforms needed for EU membership—predictably, government officials are hesitant to take the personal political risks for decisions that will only show tangible results eight or ten years down the line. Former Macedonian Prime Minister Vlado Buckovski expressed the concerns of many Balkan political leaders when he noted that, absent a clear timetable from the EU as to when the various countries of the Western Balkans may accede to membership, "it will be very difficult for us pro-Western and pro-European reformers to continue the political fight."[9]

One of Europe's most knowledgeable Balkan hands, Swedish Foreign Minister Carl Bildt, has echoed Buckovski's concerns, warning that if the EU's doors are closed to the remaining Balkan states, it would "take away the guiding beacon which has guided the reform policies of the region for the past few years. Instead of the magnet of European integration, we might well go back to seeing the poli-

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[9]   Nicholas Wood, "Nationalism Still a Threat in Macedonia," *The New York Times* (4 July 2006).

cies of the region driven by the fears and prejudices of nationalism."[10] Consequently, unless the EU begins laying out a more concrete road map for when the Western Balkan countries can expect to join the union, there is a danger that the reform process in the region will slow down.

The Status Quo Elites

Strategic uncertainty in the region is also threatened by the relative weakness of political elites in Bosnia-Herzegovina, Macedonia, and Serbia who support the current regional status quo, defined as the political and territorial agreements set forth in the Dayton Peace Accords, U.N. Security Council Resolution 1244, and Macedonia's August 2001 Ohrid Accords.

Over the past several years, Serbia has suffered a number of setbacks: the assassination of a prime minister, three failed attempts to elect a president during the course of 2002–03, the inability of pro-democratic parties to form a government for three and a half crucial months from January–May 2007, and the postponement of the signing of a Stabilization and Association Agreement with the EU in May 2006 because of Serbia's failure to turn over indicted war criminals (or, at least, its failure to convince ICTY prosecutors that every effort was being made to do so).[11] Nevertheless, what is remarkable about Serbia's post-Milošević transition to democracy is that, despite these problems, the country is making respectable progress, and a number of indicators suggest that Serbia is, in comparative regional terms, doing as well as can be expected. It is somewhat behind EU member states such as Bulgaria, Romania, and Slovenia, approximately equal to Croatia, and on most measures is ahead of Albania, Bosnia-Herzegovina, Macedonia, and Montenegro.[12]

A decision on Kosovo's future status that is detrimental to Belgrade's interests, however, could significantly undermine the position of pro-democratic parties in Serbia over the coming months. While parties supporting Serbia's EU accession

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[10] See Carl Bildt, "On the Periphery of Europe," *Internationale Politik* (Transatlantic Edition) (Summer 2006): 27.

[11] The criticism is in many ways unfounded; the Serbian government official Rasim Ljajic, for instance, has pointed out that 91 percent of those indicted by the Hague (42 out of 46) have been turned over to the Hague. Ljajic also claimed that, of 1,692 official documents that the ICTY has requested, 98 percent have been turned over. See Ljajic's comments in "Del Ponte: Predložiću uslovjavanje," B92 (26 October 2006), available at: www.b92.net/info/vesti/index.php?yyyy=2007&mm=10&dd=26&nav_category=64&nav_id=269491 (accessed on 26 October 2007).

[12] See, for instance, Serbia's rankings on the following indices: the World Bank's "Ease of Doing Business" rankings, available at www.doingbusiness.org/economy/rankings; Freedom House's Nations In Transit Series, available at: http://www.freedomhouse.org/template.cfm?page=17&year=2006; and Transparency International's Corruption Perceptions Index, available at: www.transparency.org.

efforts—the Democratic Party (DS); the Democratic Party of Serbia (DSS); G17 Plus; the Serbian Renewal Movement (SPO); the Liberal Democratic Party (LDP); and a number of smaller ethnically-based minority parties—won a convincing victory over the Milošević-era ruling parties (the Serbian Radical Party, or SRS, and the Socialist Party of Serbia, or SPS), support for some of these parties is considered to be soft, and a decision to grant Kosovo independence could increase support for the parties of the old regime. A public opinion poll conducted in Serbia in June, for instance, showed that roughly half of those polled said that Serbia should sacrifice EU integration for the sake of Kosovo. The same poll also showed that the number of people who believe that Serbia should model itself on Russia instead of on EU countries is growing, while those who believe that the EU provides the better political and social model is decreasing.

Political elites in Skopje are similarly under severe pressure for a number of reasons. Despite progress in economic reform and tackling corruption, the new Macedonian government elected in July 2006, led by the International Macedonian Revolutionary Organization–Democratic Macedonian Party of National Unity (VMRO–DPMNE) leader Nikola Gruevski, has been less than successful in dealing with Macedonia's fragile internal political situation. The largest Albanian political party in Macedonia, former guerrilla leader Ali Ahmeti's Democratic Union for Integration (DUI), has been engaged in an on-again/off-again boycott of the Macedonian parliament throughout the new government's tenure, which has made it impossible to pass important pieces of political and economic reform legislation required for EU accession. Relations between the two main ethnic-Macedonian parties have also deteriorated.

Added to these problems on the macro-political level is the deteriorating security situation in the country. In a spate of recent incidents in recent months (on 10 September, 24 October, and 7 November 2007), Macedonian policemen and ethnic Albanian gunmen have come into conflict in areas adjacent to Kosovo, resulting in numerous deaths. One ethnic-Albanian village near the Kosovo border, Tanusevci, has announced plans to hold a referendum on unification with Kosovo. The former Albanian guerrilla leader Ali Ahmeti publicly warned on 26 October 2007 that Macedonia could be facing a crisis similar to that which erupted in 2000–01 if the Gruevski government does not move forward on providing pensions to former Albanian guerrillas and in encouraging official use of the Albanian language. And, adding to the level of anxiety, Wahhabists have reportedly taken control of several important mosques in Skopje and Tetovo. All of these developments are causing increasing concern in Brussels and elsewhere about Mace-

donia's ability to meet EU standards, and on several occasions over the past year EU officials have criticized Macedonia's lack of progress in this regard.[13]

Bosnia-Herzegovina is currently going through its worst political crisis since the end of its civil war in November 1995. Twelve years into the Dayton Peace Process, Bosniacs, Croats, and Serbs still have not reached even the minimal amount of consensus needed to allow the Office of the High Representative to shut down, as had been scheduled in mid-2006. The Bosniac vision of a centralized state (which, as the largest ethnic group, they would be in a position to dominate) remains completely at odds with Serb (and, to some extent, Croat) visions of a more decentralized government that grants each ethnic group significant degrees of self-government. Given these difficulties, granting Kosovo independence is likely to increase centrifugal pressures in Bosnia. One public opinion poll conducted in September 2005 in Bosnia's majority-Serb entity, the Republika Srpska (RS), for instance, found that 75 percent of those polled thought the RS should secede from Bosnia if Kosovo were granted independence.[14] Consequently, if the process by which Kosovo's future status is mismanaged, the consequence is likely to drive the wedge between Bosnia's ethnic groups even deeper. And in both Bosnia and Macedonia, the deterioration of the political situation will make it even more difficult for these countries to adopt the political and economic reforms necessary for EU integration.

Russia's Return to the Balkans

As these pillars that have supported Balkan stability over the past several years are weakening, a new variable has been introduced into the Balkan strategic equation: the return of Russia as a major player in Balkan politics. This has been seen most prominently in Russia's role in preventing the UN Security Council from endorsing the Ahtisaari Plan during the course of 2007, but it is visible in a number of other ways as well, most especially in Russia's increasingly prominent economic role in the region. In Montenegro, Russians have bought the republic's largest industrial enterprise; in Bosnia, the largest oil refinery; in Macedonia, Lukoil is planning a major expansion of its operations; in Serbia, Russia is providing the capital to refurbish the hydro-electric plant at the Iron Gates of the Danube, Serbia's main source of electricity; and in March 2007, Russian President Vladimir

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[13] For instance, on 8 February 8 2007, EU Enlargement Commissioner Olli Rehn said while visiting Skopje, "We had higher expectations from Macedonia after it gained candidate status in December 2005." In October 2007, the EU foreign policy chief criticized Macedonian leaders for "political immaturity."

[14] See the public opinion survey conducted by Agencija Partner Marketing of Banja Luka in mid-September 2005. A representative sample of 850 participants of legal voting age was included in the poll.

Putin traveled to Greece to sign an agreement with his Bulgarian and Greek counterparts to build a new pipeline to carry Russian oil from the Black Sea to the Aegean.

The political and diplomatic consequences of Russia's return to the regional stage in the Balkans will be significant. During the 1990s, the U.S. and NATO largely had a free hand in determining diplomatic and political solutions to the problems that emerged after the disintegration of the former Yugoslavia, and Moscow during this time was essentially unable to oppose such actions or to protect its own interests. This period in Balkan history has clearly ended. Dealing with the Balkans will be considerably more complex in the coming years, as Russia's return to the region provides the countries of South Eastern Europe with more political and diplomatic room to maneuver in dealing with both the EU and the U.S. This is already evident in the case of Serbia. In October 2007, for instance, the Democratic Party of Serbia (DSS), led by current Serbian Prime Minister Vojislav Koštunica, officially endorsed a platform calling for Serbia to become a neutral country.[15]

Likely Future Political Trajectories

Whatever the outcome of the negotiations on Kosovo's future status, there are several things we can already say with considerable certainty about what will happen in South Eastern Europe in the months to come. Kosovo is and will likely remain for some time among the poorest states in Europe. Official estimates claim that 50–60 percent of Kosovo's population (half of which is under the age of twenty-six) is unemployed. Compounding these economic problems is the fact that Kosovo has an extremely polarized political system, with loyalties divided mainly along regional and clan lines. Virtually the only thing uniting Kosovo's current political leadership is the issue of independence; absent that, Kosovo's fractured political system will have a hard time dealing constructively with the many problems Kosovo faces. Primary among these will be the seemingly permanent conflict that separates Kosovo along the Ibar River, north of which approximately 40-50,000 Serbs live in an enclave directly adjacent to Serbia proper. No serious plans exist as to how to integrate either the people or the territory into an independent Kosovo. In fact, there is a serious possibility that the Serbs north of the Ibar may declare that they do not recognize a unilateral declaration of independence by Pristina and will continue to adhere to UNSCR 1244, which states that Kosovo is a sovereign part of Serbia.

Second, for the past eight years the worst human rights abuses in Europe have taken place in Kosovo, and it is difficult to see how independence will improve the

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[15] The DSS' declaration on military neutrality, passed on 10 October 2007, can be found at www.dss.org.yu/vesti/vest.php?id=4850.

situation; in fact, it will probably make it worse. International officials such as former United Nations Interim Administration in Kosovo (UNMIK) head Soren Jessen-Petersen, have publicly decried the fact that in twenty-first-century Europe ethnic minorities are forced to live in barbed-wire enclosed ghettoes protected by NATO troops. This situation has persisted despite the presence of thousands of international bureaucrats in Kosovo and upwards of 17,000 NATO soldiers, and despite the fact that Kosovo has received twenty-five times more international aid per capita than Afghanistan.[16] This situation has persisted, moreover, despite the considerable leverage the international community could have exerted to improve the human rights situation in Kosovo for the sake of a quicker route to independence. If Kosovo's independence is recognized, however, political logic suggests that the international community will have even less leverage with which to compel Kosovo's compliance with international human rights standards.

Third, empirical evidence from South Eastern Europe also shows that state independence in and of itself does not automatically attract foreign direct investment. Albania, for instance, attracts the lowest amounts of foreign direct investment in the region because of political instability and governmental corruption. To be sure, bureaucratic red tape within international financial institutions (IFIs) has meant that Kosovo has been denied access to important sources of development and investment capital, a problem that needs to be urgently rectified. But there are several examples of non-sovereign entities (e.g., Taiwan) receiving IFI support. In sum, Kosovo's sovereign status will probably have little impact on the amount of foreign investment it receives until it seriously addresses the problems mentioned above: political instability, corruption, the human rights situation, etc. Meanwhile, there is no insurmountable reason for Kosovo to be denied access to World Bank and International Monetary Fund resources, even with its current status.

Fourth, the past 150 years of Balkan history, more recent experience in South Eastern Europe, and the simple logic of Balkan ethnoconfessional nationalism all suggest that the creation of new states and the changing of borders has consequences for neighboring states. In this case, Macedonia, Montenegro, Serbia, Bosnia-Herzegovina, and perhaps Albania itself will be most directly affected. Macedonia is likely to face the greatest difficulties. With two million Albanians living to the north in a potentially independent Kosovo, and three million Albanians living to the west in another independent state (Albania), it is hard to see why 500,000 ethnic Albanians will remain satisfied in a multiethnic state (Macedonia) in which they are a minority. As we saw in the 1990s in the cases of the Croats and Serbs in Bosnia, such a structural situation is tailor-made for national-

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[16] According to Iain King and Whit Mason, *Peace at Any Price: How the World Failed Kosovo* (Ithaca, NY: Cornell University Press, 2006), 21.

ist/irredentist/separatist conflicts (at least in Bosnia-Herzegovina the three ethnic groups speak the same language).

In sum, recent Balkan history provides little hope for optimism that Macedonia will be able to weather the fallout from Kosovo becoming independent. Extremists are already active and mobile across the region's porous borders—Albanian militants, for instance, have over the past few years fomented violence in Serbia's Presevo Valley, planned violence in Montenegro, and nearly provoked a full-scale ethnic war in Macedonia in 2000–01 when former Kosovo Liberation Army (KLA) personnel set their sights on the one former Yugoslav republic that managed to escape from the disintegrating federation peacefully. In Serbia and northern Kosovo paramilitaries have similarly announced their presence, although they have not engaged in any serious actions.

Moreover, the consistent statements by many Albanian politicians in the southern Balkans that they have no intention of creating a "Greater Albania" or a "Greater Kosovo" should not be taken seriously (the same, of course could be said of many Serb politicians, and some Croat as well). The literature on ethnic conflict often shows how ethnic groups increase or decrease their demands as conditions change, or engage in a "strategic expression of preferences" and "preference falsification" as circumstances warrant.[17] If Kosovo is granted independence, Albanian demands in Macedonia are likely to significantly increase.

Fifth, the consequences of a mismanaged future status process are likely to be much more severe for Serbia—and, by extension, for South Eastern Europe—than is recognized in the best-case scenario hoped for by Washington. As mentioned above, a public opinion poll conducted in Serbia in June 2007 showed that roughly half of those polled said that Serbia should sacrifice EU integration for the sake of Kosovo. The same poll also showed that the number of people who believe that Serbia should model itself on Russia instead of on EU countries is growing (those believing that the EU provides the better social model is decreasing).[18] Proponents of the best-case scenario are unconcerned by such developments, arguing that if Serbia wants to isolate itself over Kosovo that is Serbia's problem. Unfortunately, such views are both politically and strategically myopic. In reality, an isolated Serbia, or one increasingly drifting towards Russia, is much more than

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[17] On preference falsification and strategic expressions of preferences in ethnic conflict, see Hudson Meadwell, "A Rational Choice Approach to Political Regionalism," *Comparative Politics* 23 (July 1991): 402; Timur Kuran, "Now out of Never: The Element of Surprise in the East European Revolution of 1989," *World Politics* 44 (1991): 7–48; and Anthony Smith, "Nationalism, Ethnic Separatism and the Intelligentsia," in *National Separatism*, ed. Colin H. Williams (Vancouver, Canada: University of British Columbia Press, 1982), 18–19.

[18] See "Istraživanje javnog mnenja Srbije, rana jesen 2007 godine," Center for Free Elections and Democracy (Belgrade: September 2007), available at: www.cesid.org.

Serbia's problem. Serbia's size and central location in the Balkan Peninsula makes it in many ways the most strategically important country in the region, and the large number of Serbs living in neighboring states increases its importance. Moreover, forcing Serbia to choose between Kosovo or the EU, or between the EU and Russia, will again lead to a division of the Balkan Peninsula between rival power blocs, precisely at a rare historical moment when all the states of South Eastern Europe still share the same domestic and foreign policy goals: becoming market democracies integrated into the EU. Avoiding a "who lost Serbia" debate similar to the "who lost Russia" debate that is already emerging requires a much more careful approach to resolving Kosovo's future status.[19]

Sixth and finally, the best-case scenario also ignores much of what we already know about how insufficiently considered actions by the U.S. and some EU countries can affect strategic relations between the great powers. Regardless of their position on the political spectrum, for instance, most Russians almost uniformly condemned NATO's attack on Serbia in 1999, and it is no coincidence that Vladimir Putin and other *siloviki* in the Russian establishment rose to power precisely at this time. The United States' willingness to bypass the UN Security Council to achieve its own interests, visible in the decisions to attack Serbia in 1999 and Iraq in 2003, have increased the sense in Moscow and many other places that the U.S. is wielding its current power irresponsibly. Instead of signaling that the U.S. supports multilateral approaches to regional security problems, recognizing a unilateral declaration of independence by Pristina will almost certainly set back international efforts to find peaceful, multilateral solutions to other frozen conflicts around the world.

Given all of these considerations, much can clearly still go wrong in South Eastern Europe. But the current political moment in the Balkans also presents a very rare historical opportunity. For the first time in centuries, the region is not divided between rival empires or power blocs. What is even more unusual is that all the Balkan states (for the moment, at least) share the same foreign and domestic policy goals: internally, political democratization and the creation of market economies, and externally, integration into NATO, the EU and other Euro-Atlantic institutions. The return of Russia means that these processes will undoubtedly be more complicated than they might have been in the 1990s. Ultimately, however, whether South Eastern Europe's Euro-Atlantic integration efforts succeed or fail largely depends on decisions that will be made outside the region. What is clear, however, is that this is a rare political moment when historical change can be accomplished in the Balkans for a relatively modest price.

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[19] See, for instance, Dimitri K. Simes, "Losing Russia: The Costs of Renewed Confrontation," *Foreign Affairs* 86 (November/December 2007): 36–52.

Energy Security and Geopolitics

Velichka Milina [*]

The Final Countdown

According to a number of geopolitical strategists, investment bankers, geologists, and physicists, much of humankind will radically change their way of existence in the next twenty to thirty years. The reason? The supplies of cheap energy sources, which are the basis of the modern economy, will be exhausted. This event will be preceded by a number of conflicts over the control of the last locations of natural energy sources. Undoubtedly, these processes will influence the life of each of us. The events we are witnessing in international relations are being described by many people as "the last Great Game."

Oil (as well as natural gas more recently) has been the lifeblood of the modern economy. The reduction of their production and the increase of world consumption are two factors that point toward a coming economic crisis. This process is inevitable, since all resources will be gradually depleted and finally exhausted.[1]

This curve represents oil production over time:[2]

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[1] Production starts from zero; goes to peak levels, which cannot be exceeded; then follows the drop of production until the total exhaustion of the natural resource.
[2] From www.oilcrisis.com/campbell/cen21.htm.

Reaching the highest point of world production (which is coming soon, according to the diagram), however, will not diminish the need for this energy resource. A rising deficit in supply will inevitably lead to a huge increase in price. The production drop at that time was temporary, and caused by political reasons. However, if this becomes a permanent process as a result of the exhaustion of reserves, the high price of oil will make a number of other manufacturing processes unprofitable, and the economic crisis will inevitably turn into an economic catastrophe. Therefore, the main questions today are: When will there be a peak in oil production? How fast will energy prices rise? And what will be the scope of the economic crisis?

Different experts make different prognoses. The objective reason for this is that, due to the complex overlap of political, economic, and geological factors, remaining supplies can not be estimated with absolute reliability. Besides, the rate of world consumption increase is difficult to predict. Today, this index is the highest in the fast-growing economies in China, India, and some other countries, where oil consumption has increased by 50 percent in just the past decade (and in China by over 100 percent).

The production peak of hydrocarbon energy sources (petroleum and natural gas) is determined by the so-called "energy price" of production. If the energy needed for the research and extraction of energy resources is equal to the energy gained, any further process is meaningless. The monetary value in this case is of no significance. It is only the energy value that is taken into account. After World War II, the energy efficiency (in this respect) was 50:1, in the mid 1980s it was 8:1 (for imported oil, taking into account the energy consumed by delivery, it is 5:1). The prognosis for 2010 is a critical ratio of 1:1.[3] Taking into consideration all these stipulations, most experts believe that the world's oil production peak will be reached within the next twenty years.

Regarding national resources in most countries, this is already a fact. In the last 165 years, mankind has exhausted 65 percent of the world's oil reserves. According to a number of estimates, demand for oil in the coming years will go up by an average of 2 percent per year,[4] while production from existing supplies will naturally drop by 3 percent. In fact, a production increase is still possible only in OPEC nations, several countries in post-Soviet territories, and in some African and South American countries whose reserves are not large. The critical point in

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[3] See www.ifolog.nm.ru/geo4.htm.
[4] The declaration "Global Energy Security," adopted at the G-8 summit in St. Petersburg, says that demand will grow more than one and a half times by 2030.

natural gas production will come a little later, but a difference of ten to fifteen years in the arrival of an energy crisis is of no signal importance.[5]

The answer to the second question on the dynamics of oil prices and the scope of the crisis is even more complicated. Experts are unanimous on one point: the later mankind begins preparing for the crisis, the worse the crisis will be (implementing energy saving technologies, developing new cheap energy sources, enhancing production technologies, etc.). Two generations of specialists (as well as sufficient time to create and implement new effective technologies) are needed in order to put the world's economy on a new energy basis and to expunge its total dependency on oil and natural gas. Regardless, sooner or later, the era of alternative and renewable energy sources will come. The problem is, will the world be able to keep on controlling its use of fossil fuels during the transition to a new energy type? If not, a catastrophic "transition period" will be inevitable.

Today, governments and national oil companies are the ones in control of about 90 percent of the world's oil supplies. Even though private companies are trying to get access to these resources and control them, the fact is that oil and natural gas remain government territory. "Energy nationalism" has a remarkable broad geography. First comes Russia, where the state is in control of the production and transport corridors, defiantly rejecting any foreign participation in the energy market. Hugo Chavez put the independent firm Petroleos de Venezuela under the control of the state and imposed new oil production regulations, according to which Venezuela received a larger profit from oil production and sales. In Bolivia, Evo Morales nationalized the state gas industry. The Ecuadorian government put the U.S. oil company Occidental Petroleum's holdings under their control. These tendencies exist not only in the above-mentioned countries with authoritarian regimes; there are also examples of energy nationalism in countries like Spain, France, and the United States, where big national companies are given preference in buying energy firms.[6] In modern times, governments exert considerable political influence and support national economic leaders in making international deals. These tendencies and events, demonstrating the dominant position of the nation-

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[5] At the current production rate, verified to date oil reserves would be exhausted in forty years, and natural gas reserves in sixty-five years.

[6] In Spain, the German corporation E.ON was refused permission to purchase Endesa, in favor of the Spanish corporation, Gaz Natural. The offer of the Italian oil-gas concern Enel SpA for the purchase of the French group Suez was declined in favor of Gaz de France. U.S. politicians have become involved in two big transnational deals. First, they frustrated the sale of Unocal to the Chinese conglomerate CNOOC (China National Offshore Oil Corp.), so it went to Chevron. Second, they prevented the purchase of the British company P&Q by the Arab company Dubai Ports World (as a result, the Arab company would have received control over six U.S. oil portals); the assets were ultimately acquired by a U.S. company.

state in the energy sector, are a signal for a critical change on the global energy market. The unprecedented boost in demand along with diminishing resources is shifting the balance of power from consumers to producers. Besides, it turns out at the end that resource supplies depend not on private companies, but rather on state-producers, which radically changes the essence of geopolitical relations.

A new trend on the geopolitical stage is the increasing role of so-called "transit states." They intervene in traditional relations between producers and consumers and are creating a new configuration in the global network of energy supplies. They have control over the security of oil and gas pipelines, which is a huge and long-term investment. Therefore, "transit states" today are a subject of political flattery by both producers and consumers. On the other hand, intermediaries are trying more and more to act independently, striving to earn dividends on both sides of the energy market (an example in this context in the past few years has been Ukrainian foreign policy). We should not forget that the dependency of Europe and Asia on oil and gas imported through third countries will likely increase in near future. All new projects for the commercialization of oil and gas in the Caspian region and Central Asia critically depend on their route to the end user, which causes new geopolitical problems directly related to transit.

Complex geopolitical problems arise from the fact that more than 60 percent of the world's oil reserves, as well as the lowest-cost oil production facilities, are in the politically unstable region of the Middle East. According to data from 2006, in billion barrels, reserves in this region are estimated at 742.7; in Europe and Eurasia, reserves stand at 144.4; in Africa, 117.2; in South and Central America, 103.5; in North America, 59.9; and in the Asia-Pacific region, 40.5.[7]

The looming prospect of the depletion of the natural energy resources on which the modern economy has traditionally depended exacerbates the struggle for their ownership. In their attempt to avoid serious economic, political, natural, and social crises, both prominent consumer nations and exporting nations are being active on the global energy market. The aim is *energy security*. Today, this notion has a different and broader meaning, including not only security of export and deliveries, but also security in the political sphere, in critical infrastructure, and in environmental protection (from the point of view of climate change, which threatens stable development). In the global era, the principle of mutual connection and interdependence is crucial for energy security. None of the parties on the energy market could ensure its security and realize its interests unless it considers the interests and security of the other parties involved in the market. It is not possible to use energy at the same volume as was the case in the past, following the existing model, without causing serious global consequences. Further aggravation of the

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[7] Figures provided at http://www.bp.com/sectiongenericarticle.do?categoryId=9017902& contentId=7033474.

difference between "rich" and "poor" nations (from the viewpoint of being able to buy the needed quantity of resources) will eventually result in instability in the political, economic, ecological, and social spheres in individual countries, as well as on a global scale. New dynamics in the energy market call for shifting our attention from the traditional opposition between producer states and consumer states toward a global picture of energy security. Unfortunately, these are still mere findings of scientists and experts, which are rarely implemented in the realm of actual politics.

The Energy of Geopolitics

The geopolitical character of energy resources became visible as early as World War II, when the offensives of German troops were often impeded by a lack of fuel for tanks and automobiles. The emergence of energy resources as an essential geopolitical factor, however, is a product of the oil embargo imposed by OPEC countries in the early 1970s in the wake of the Yom Kippur War against Israel. As a result, the West was on the edge of economic collapse.

Today, the geopolitics of space, whose principle was the occupation and expansion of territories, has been replaced by the hard geopolitics of resources, whose main goal is not occupation of territories, but rather control over the sources of necessary commodities, mostly of energy resources. Today, more than ever, energy resources are the main driving force not only in the world economy, but also in international politics. Experts and politicians are unanimous that energy resources have already become the most important geopolitical factor in our current historical moment. In our world, they are the common denominator and the basic factor for most geopolitical problems, and they will preserve their key role well into the twenty-first century. All this gave birth to the concept of the "energy of geopolitics"—the geopolitics of energy has been replaced today by the energy of geopolitics.

Over the last fifteen years, the main region of oil production has changed its geography significantly. Considerable quantities of oil are still being produced in Iran, Iraq, Brazil, Venezuela, Mexico, as well as in some countries in West Africa. The new energy axis that will define the energy of geopolitics, however, is the so-called Saudi-Caspian-Siberian-Canadian axis.[8] Besides the key OPEC country Saudi Arabia, this axis passes through the Caspian region, Siberia, all the way to

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[8] Joseph Stanislaw, "Energy in Flux: The 21st Century's Greatest Challenge," Deloitte & Touche (2006), 9; available at: www.deloitte.com/dtt/offices/0,2328,sid%253D22 89,00.html.

the Western Hemisphere, to Canada.[9] This, in fact, is the corridor with the most considerable amounts of reserves and production capacity of natural gas, which is gradually replacing oil as a basic energy resource.

Who are the main players, and how are control and influence over the production and routes of oil and gas distributed along this new energy axis? Due to the fact that energy resources are becoming a basic dimension of power, today Russia is considered by others as well as by itself to be an "energy superpower." The more natural gas replaces oil as a basic energy resource, the more the economic and political importance of Russia will grow.

In order to turn energy supplies into geopolitical potential, there are two requirements: total and unconditional subordination of energy corporations to the state, and the dependency of the consumer nations' economies on an external energy monopolist (in this case, Russia). The main "energy weapon" in Moscow's hands is natural gas (and, to a lesser extent, oil). According to one study, Russia holds the eighth position in confirmed oil reserves, even though, with daily production of 9.5 million barrels (out of which roughly 7 million are exported), it is the second oil exporter after Saudi Arabia.[10] The key role of natural gas in the transition to new energy sources is what places Russia at the center of "the energy of geopolitics" in the coming century. In terms of reserves, production, and export of natural gas, Russia holds first place in the world, and is in fact a monopolist in blue fuel supplies for the countries in Eastern and Central Europe. Western European countries are less dependent, but the portion of Russian gas in their economies is considerable.

Figures for 2005 in the table below are a good illustration.[11]

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[9]   Canada's leading position is due to its wealth of so-called "oil sands" (a mixture of sand, clay, water and resin-like substance, which is essentially super heavy oil). Due to the high cost and complexity of extracting oil from them, until recently these reserves were not included in the world balance. Today, however, realities have changed. If all these sands are utilized, the produced oil would meet the energy demands of North America for several generations to come. In proven reserves, Canada takes second place (180 bil. barrels), overtaking Iraq (112 bil. barrels), behind only Saudi Arabia (264 bil. barrels). Today, the largest global oil companies are making serious investments in projects to extract oil from oil sands, including Exxon Mobil, Chevron Texaco, and Royal Dutch/Shell. Chinese corporations are also investing in extraction projects, as well as in building oil pipelines to a Canadian port on the Pacific, where they expect supertankers would set off for Asia. Since 2006, India has been in the game too, investing almost USD 1 billion in "Canadian sands."

[10] It is preceded by Saudi Arabia, Canada, Iraq, Kuwait, the UAE, Iran, and Venezuela. Libya and Nigeria round out the top ten.

[11] From http://news.bbc.co.uk/hi/russian/business/newsid_4580000/4580630.stm (in Russian).

Country	Consumption of gas in m^3	Total imports	Imports from Russia	In %
Austria	9 billion	8.4 billion	6.7 billion	74%
Germany	100.2 billion	90.8 billion	39.1 billion	39%
Ukraine	76.5 billion	56.5 billion [12]	16.5 billion	26%
Italy	79.7 billion	67.9 billion	23.6 billion	30%
Turkey	22.4 billion	21.7 billion	14.1 billion	63%
France	44.7 billion	37 billion	11.5 billion	26%
Slovakia	6.7 billion	6.9 billion	6.9 billion	103%
Finland	4.9 billion	4.9 billion	4.9 billion	100%
Bulgaria	3.1 billion	2.9 billion	2.9 billion	94%
Lithuania	3.1 billion	2.6 billion	2.6 billion	84%
Greece	2.7 billion	2.6 billion	2.2 billion	81%

Today, the percentage of Russian natural gas on the European market is 25 percent, and the prognosis for is that it will reach 60 percent by 2030.

Since the end of the 1990s, Russian geopolitics has been focused on the formation of an East-West axis. This strategy allows Russia to sign oil and gas delivery contracts with South Korea, China, and India, while at the same time playing an active role on the European energy market. The gas from the gigantic deposit near Shtokmanovsk will be directed toward European consumers along the North European pipeline.[13]

The Russian state gas network, the so-called "united system for gas transportation," involves a huge system of pipelines and compressor stations over 150,000 km in length, running throughout the vast territory of the country. According to national legislation, only the state-owned firm Gazprom can use this network, which along with oil and gas is assessed as the most essential element of Russia's national wealth.[14] The policy of utilizing this energy transportation system is the

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[12] Ukraine imports 40 billion cubic meters of gas from Turkmenistan along a Russian pipeline.

[13] Building started in 2005. The value of the project is approximately EUR 4.7 billion, developed by a Russian-German consortium chaired by former Chancellor Gerhard Schroeder. Gazprom holds a 51 percent stake in the pipeline's stock, while German firms BASF and E.ON hold 24.5 percent each.

[14] The world's largest gas company.

essence of the new Russian approach to geopolitics (based on natural gas) and the core of the conflict with Western oil and gas companies, as well as with the EU.

Russia's exceptional position on the European energy market is a temptation to gain real political dividends, moreover because right now Russia has no other effective instruments to influence and counteract the ongoing process of NATO's enlargement to the east and the approach of EU territories to its borders. Natural gas and oil are Moscow's main "weapons" in consolidating its position in the global economic and political arena.

The European Union is the second largest energy consumer in the world, and the "gas war" between Russia and Ukraine starting in the winter of 2005–06 sharply brought forward the issue of the security of its energy supplies. Energy security today is the most crucial problem of European security. Its implementation strategy is being elaborated by EU member countries through a common EU energy policy, whose basic priorities are energy efficiency, increasing the role of alternative energies, diversification of suppliers, and building energy supply routes that circumvent Russia.

So far, the EU is not able to claim any particular achievements, since practically no such common policy is functioning, and its implementation, involving twenty-seven member countries, often with different interests, will encounter many obstacles. Besides, energy policies that are formulated in this manner have no significant potential to quickly achieve energy security. First, "old Europe's" economies are amongst the most energy-efficient ones in the world, and increasing this index would not be easy. Second, in March 2007, the European Council adopted an action plan for energy efficiency and countering climate change, planning that by 2020 the amount of energy produced from renewable energy sources in the community will be 20 percent. Its implementation, however, will not be smooth, because the additional expenses involved in achieving this goal will come to amounts between EUR 10 and 18 billion annually, depending on individual nations' plans. Third, the problem of diversification of suppliers is closely connected to the problem of transit. For the past ten years, the European Union has been unsuccessfully trying to bring Russia under the sway of the European Energy Charter.[15] The reason for disagreement is the Charter's appendix, the Transit Protocol. According to this protocol, Russia shall ensure the European countries free access to its pipeline transport network, which would allow them to transport oil and gas from Central Asia. Of course, this is in conflict with the geopolitical interests of the new energy superpower.

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[15] The Energy Charter was signed in 1996 by thirty nations, including Russia. The State Duma, however, has not yet ratified this treaty, due to its obvious reluctance to open Russia's energy sector to foreign companies.

Searching for a solution, the EU is expanding the geography of its energy interests. Lately, it has been actively trying to gain positions in Central Asia, particularly in Kazakhstan, Uzbekistan, and Turkmenistan. Giving promises for economic and technical assistance, loosening visa regimes, and providing support within the framework of the OSCE, the EU is aiming at contracting supplies using the future new transport line that runs to the south of Russia, through Azerbaijan (the Trans-Caspian pipeline).

Today, practically all gas flows from Central Asia have been closed by Russia, which leads the regional market and is establishing its own "gas OPEC." We should not forget that in 2004 Gazprom signed a contract with Turkmenistan (the second for natural gas supplies with a country in the former Soviet territories) for twenty-five years of gas deliveries to Russia and its transportation to the European market.

A milestone in taking protective measures against unilateral investments by Russian companies in EU countries will be the adoption of the Draft Directive of EU Energy Market Reform, proposed by the European Commission in September 2007. The core of this document is the establishment of an agency for the cooperation of energy regulators (ACER); this will be a transnational body that will work out a unified rate, regulatory, and competitive policy for national regulators in EU countries and will manage all energy flows within Europe. Aside from this effort, reforms include anti-monopoly rules for the electric energy and natural gas markets, as well as amendments in the regulations for work in trans-border networks and gas pipelines. New regulations ban the control of production and transportation of electric energy by the same company, as well as natural gas production and its transportation through pipelines. What is most important, however, is the provision that, if a company from a non-EU country is willing to purchase assets from an EU member-country company, in order to be sanctioned by ACER and the European Commission, the same rules must apply regarding its activities on its own territory. Only companies whose home countries have signed the respective inter-state agreements with the EU shall have access to EU energy and gas networks. In other words, in order to be present on the EU energy market, Gazprom will have to split itself into a production company and a transportation company,[16] and Russia will have to sign an agreement on cooperation with the EU,[17] where the most serious demand, of course, will be to open the gas transportation system.

All EU member countries agree that such a reform of the European energy market is necessary, but it is very difficult for them to reach consensus on the

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[16] If this happens, Gazprom will have to sell its share in the North European gas pipeline.

[17] Gazprom will have to sell gas at the EU border, and further commercialization will be taken on by European companies.

deadline for splitting their national energy concerns (Gaz de France, Électricité de France, E.ON, RWE, Endesa, etc.) into producing and transporting firms. At the EU Council meeting in June 2007 the discussion was postponed due to disagreements on this issue of timing.

In any case, European countries understand that, due to geographic and economic factors, it will not be easy to get rid of their dependence on Russian energy. The EU actions to this point have not contributed effectively to energy security guarantees. For this reason, countries like Germany and Italy have chosen the safe route: individual rescue. In contrast with the common European energy policy, they signed bilateral long-term contracts with Gazprom for energy supplies.[18] Furthermore, in both countries, the Russian gas giant got direct access to local consumers.

The success achieved by Russia in the geopolitical game by taking advantage of the "energy card" has inevitably had an impact on its relations with the United States. From the era of "strategic partnership," which was the doctrine of bilateral relations between the U.S. and Russia at the beginning of the war on terrorism in the wake of 9/11, the United States is now viewing its former Cold War adversary more in the context of the later USSR doctrine, known as "strategic patience." The main issue is to wait patiently for changes in the country (coming presidential elections), to look for cooperation (when feasible), to offer resistance (when needed), all while avoiding serious conflicts.

The United States is the largest consumer of hydrocarbon energy resources in the world, and the most powerful player on the global energy market. The domestic oil production peak in the U.S. was at the beginning of the 1970s. The U.S., however, has a strategic oil reserve of 640 million barrels, which is approximately half of all world strategic oil reserves.[19]

Officially, U.S. energy strategy is built on the basis of the "National Energy Policy," adopted in 2001.[20] It states that the percentage of oil used by the U.S. that is imported is expected to reach 70 percent by 2025, a considerable part of which will come from the Persian Gulf region. The percentage of natural gas imported from outside the Western Hemisphere will also increase, even though sources sufficient to meet the country's demands are located there. The basic aspects of U.S. national energy policy include: 1) balancing the volume of production with effi-

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[18] As compensation, they receive clearance for Russian energy projects. We have already mentioned Russian-German cooperation in building the North European gas pipeline. Italy, through its company Eni (where the biggest shareholder is the Italian state, with a 30.3 percent stake), which signed an agreement for strategic partnership with Gazprom. This deal will allow the Italian company to participate in joint investment projects in Russia.

[19] See http://usinfo.state.gov/journals/ites/0504/ijee/abraham.htm.

[20] See http://old.iamik.ru/15956.html (in Russian).

cient and environmentally sound consumption; 2) international cooperation with producer nations and consumers of energy resources to extend access to energy resources; and 3) diversification of energy sources.

The Persian Gulf region is the main exporter of oil to the United States (up to 25 percent of total U.S. import volume). This is a region featuring a high level of political instability, characterized by periodic high-intensity conflicts. In order to regulate and control the political and economic situation (continuity of supplies), the U.S. is seeking to maintain a permanent economic, political, and military presence there.

However, it might be wise for the United States to place a greater priority on Central Asia and the Caspian region in their energy geopolitics. Some reasons for this include the impossibility of achieving stability in the Persian Gulf (including the uncertain outcome of the war in Iraq), the tenuous political situations in Nigeria and Venezuela, and Russian resource nationalism.[21]

Experts estimate the energy potential of this region as relatively high. Reserves of hydrocarbon sources are concentrated predominantly in the Caspian region. Azerbaijan occupies a particularly critical position in the region. Azerbaijan owns considerable oil and gas resources, and is a key factor in any non-Russian energy transit route from Central Asia to the West. Most of the oil and gas reserves in Central Asia are located in Kazakhstan, Uzbekistan, and Turkmenistan. Tajikistan and Kyrgyzstan have limited oil and gas reserves, which are still not attractive to foreign investors. Of particular interest in the region is the fact that there are oil and gas reserves yet to be studied, and that can be exploited in the future, and that national governments in the region are relying on foreign investors to help carry out these costly projects.

Most of all, however, the region is extremely important from a geopolitical and geoeconomic perspective. So far, Russia has been in control of most energy export routes from Central Asia and the Caspian basin. Nevertheless, previous routes (e.g., the Baku–Ceyhan pipeline) and the current efforts of other players in the region have contributed to the existence of a number of non-Russian variants of export routes.[22] Besides Russia and the United States, active efforts in the region have been carried out by China, India, Iran, Germany, France, Italy, and Great Britain, as well as the EU. As early as 2005, Henry Kissinger stated that the global

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[21] A study was carried out on the effect of a potential oil embargo on exports from Venezuela to the U.S. It predicts that such an embargo would cause a rise in world oil prices of USD 11 per barrel, leading to a decrease of the U.S. gross national product by USD 23 billion. It is alarming to realize that the U.S. government does not have enough options in case of a long-lasting embargo. Venezuela is only the eighth-largest exporter of oil in the world.

[22] For example, China has purchased the oil company PetroKazakhstan and signed several important contracts for pipeline building.

competition for control over energy resources in this region could become the contemporary analogue of the "Great Game" in the nineteenth century. Competition for routes and locations of pipelines instinctively parallels the competition of former colonial states over a century ago.

One of the main goals of U.S. geopolitics in the region is the successful establishment of a "southern corridor" for the transportation of energy resources. This involves active U.S. participation in several projects, aiming at the establishment of a new gas pipeline infrastructure to Europe as an alternative to the Gazprom network that exists and is being extended to the north. The "southern corridor" will change the strategic map of Eurasia, and give Europe and Central Asia a chance to escape from the growing dependency on Russia as a single supplier of resources and a single operator of the transit network.

The center of these geostrategic efforts will be Turkey. The first part of the new route has been in place since 2006—the oil pipeline that runs from Baku in Azerbaijan, through Tbilisi in Georgia, to the Turkish port of Ceyhan, on the Mediterranean. A parallel gas pipeline on the route from Baku-Tbilisi-Erzurum (in eastern Turkey) will be in operation soon to transport Azerbaijani natural gas to the West. Another project is related to the oil pipeline from Samsun to Ceyhan, which will circumvent the Bosporus and will carry oil from the Turkish Black Sea coast to the Mediterranean port of Ceyhan. In addition, intensive talks are being held with Kazakhstan regarding the use of tankers traveling via the Caspian Sea to feed the Baku–Ceyhan pipeline. Azerbaijan will be expected to boost its natural gas extraction until 2014 in order to use the full capacity of the future gas pipeline planned to run from Turkey via Greece to Italy, and eventually the Nabucco gas pipeline (planned to run from Erzurum to Austria, via Bulgaria, Romania, and Hungary). The Trans-Caspian gas pipeline from Kazakhstan to Turkmenistan is expected to link with the Baku–Tbilisi–Erzurum pipeline as well.[23] If implemented, all these large-scale projects will become part of the "southern energy corridor," which will represent a genuine rival to Gazprom transport network.

Other big players in the geopolitical game for access to energy resources and control over transport corridors are OPEC, China, and India. According to data from British Petroleum, OPEC member countries today control over three-fourths of the world's confirmed oil reserves, and carry out 41.7 percent of the world's extraction of oil. OPEC's policy is clear: to maintain oil prices at a level that are high enough to allow exporters to earn large profits, but are not so high that they will encourage importers to use other, cheaper energy resources. The cartel sustains price stability through decreasing or increasing the supply of oil. Each coun-

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[23] As mentioned before, this project is not feasible because of the contract signed between Russia, Kazakhstan, and Turkmenistan to build a Caspian gas pipeline.

try has a specific share in a joint export total. This share is established according to each nation's volume of proven reserves.

According to experts, this mechanism could represent a ticking time bomb, which could suddenly and totally destroy the stability of the world energy market. When oil prices start falling, production is decreased, and then the only and most convenient way of boosting profit is for nations to declare larger volumes of proven reserves. Periodically, the world press shows figures indicating that the actual reserves in Kuwait and Saudi Arabia are only half the size of the declared volumes. Of course, these statements can not be proven, since precise data on the reserves in the cartel nations is not publicly accessible. It could turn out, eventually, that "The Final Countdown" to the exhaustion of oil resources has started from the wrong numbers.

The factor that will have the most significant impact on the energy market in the twenty-first century is likely to be the unprecedented rate of energy consumption in China and India, particularly since their oil and gas reserves are still scarce.[24] Both countries have clearly stated their firm intention to look for suppliers that are capable of guaranteeing sufficient volumes of energy resources necessary to maintain their breakneck pace of economic growth. The geography of contracts signed by India and China in the sphere of energy supplies extends from Kazakhstan and Azerbaijan to Russia, the Middle East, Sudan, Burma, Angola, West Africa, Latin America, and Canada. In 2004, China negotiated with Hugo Chavez, the president of Venezuela, for oil exports, extraction from local reserves, and investments in new refineries in Venezuela.

It is remarkable that Beijing and New Delhi have an agreement and a signed protocol to jointly search for partners for oil and gas deliveries. This is a highly strategic approach, since countries in the developed world in one way or another control most of the world's energy reserves and transit routes. As a result, the new, dynamic economies of China and India are not welcomed as competitors on the energy market.

This section has outlined the main actors that play a significant role and exert substantial influence on the production and transportation of oil and gas along the main energy axis. The following section will offer a case study of how one nation receives and secures its supply of natural gas.

Case Study: Bulgaria's Gas Supply

The new alignments within the global energy market—and particularly the increasing importance of transit states—are creating new opportunities for Bulgaria

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[24] The two countries own 1.3 percent, extract 5.6 percent, and consume 11.5 percent of the world's oil reserves. Their natural gas reserves are 1.9 percent of the world's total, while they extract 2.9 percent and consume 3 percent.

in the arena of energy policy. Natural gas consumption in the country is roughly 3 billion cubic meters annually (3.2 billion in 2006); the rate of growth in the past three years is an average of 3–4 percent. Bulgaria is among the nations in Europe that are strongly dependent on a single supplier: Russia. Historically, this dependency has been virtually complete. Currently, it is at approximately 90 percent, which will continue for the next three to four years due to the exploitation of the Galata gas deposit, which was opened three years ago. In the near future, then, once the Galata deposit is exhausted, imports from a single source (Russia) will again be essentially equal to the total amount of national consumption.

The security of supplies, contracting terms, prices, and the quality of services and products are defined to a considerable extent by the presence or absence of competition in the market, along with the technical security of equipment. When the acquisition of supplies involves fixed infrastructure (e.g., gas pipelines), owned and/or managed by a monopolist, the terms of the market are defined by the presence or absence of different sources (suppliers) of the product. In Bulgaria, there is no diversification of suppliers: there is a single source of natural gas (Gazprom), one public supplier (Bulgargas, which is entirely state-owned), and only two private suppliers (Overgas and WIEE, both of which are majority-owned by Gazprom).

The monopolistic position of Gazprom in the Bulgarian gas market allows it to dictate market conditions. For instance, at the end of 2005, the Russian firm unilaterally demanded an amendment of its contract with Bulgaria, which was valid until 2010, and implemented a price increase for its natural gas supplies. This was hardly a minor issue, since it involved raising the price of 40 percent of all the volume of natural gas provided by Gazprom to Bulgaria, including Russian gas destined for transit to Turkey, Greece, and Macedonia. This service is provided by Bulgartransgas, the Bulgarian transit operator, which is also completely state-owned. In December 2006, a new contract was signed, valid till 2030; however, its terms were not publicly discussed, nor announced, except for some vague ideas of an agreement that will lead to increasing the prices of natural gas paid by end consumers.

The price for the remaining 60 percent of gas supplied to Bulgaria by Gazprom is set in U.S. dollars, and is determined by an unknown formula based on the current stock exchange prices of crude oil derivates for certain European markets. According to the Russian press, it is about USD 260, and is paid directly by the Bulgarian public supplier Bulgargas. The sale price of gas in Bulgaria is set as an average of both prices, plus an surcharge for Bulgartransgas, which transports natural gas to consumers throughout the nation's territory. This price is lower than

market prices by 30 to 60 percent, a subsidy rate that is typical of EU nations.[25] The result is crossed subsidization, which, at least in the next few years, will continue to provide some comfort to consumers that rely on having access to affordable natural gas. Every state regulatory subsidy, however, provides the greatest benefit to the biggest consumers of the subsidized product (who are, at least in theory, the wealthiest consumers), thus creating conditions for market and social deformation, which are ironically encouraged by the state through its subsidy scheme. In addition, due to objective tendencies on the world energy market, the price picture for natural gas consumers is likely to become dramatically less appealing over the next few years, having a negative effect on their market positions. Thus, since October 2007, the wholesale price of natural gas for in-country consumers in Bulgaria has gone up by almost 10 percent. This process will accelerate.

A new, significant factor for energy security in Bulgaria is the rise of infrastructure projects for the transportation of natural gas in South Eastern Europe. They could dramatically change the makeup of Bulgaria's natural gas supplies, and could allow the country to adopt a more active policy as a transit state. Figure 1 below shows the projects that could most significantly influence the natural gas market in the region.

Supplies from Turkey

Bulgaria could in the short term diversify its supply of energy through gas supplies from Turkey, which travel through the operating transit pipeline from Russia through Ukraine, Romania, and Bulgaria to Turkey. This could be realized through a swap (if the Treaty for Gas Supply from the Russian Federation, dated December 2006, does not ban third-party access to the transit infrastructure on Bulgarian territory). In any case, though, energy infrastructures on EU territories must be able to be accessed by third parties, a requirement that applies to Bulgaria as well.

Generally, gas sources from Turkey could fall into both categories, feeding the terminal for liquefied natural gas on the Sea of Marmara, as well as gas from Azerbaijan, which has recently begun to be delivered to Turkey via the South Caucasian gas pipeline from Azerbaijan via Georgia. Turkey receives only limited supplies of gas from Iran.

Supplies from Greece

Another option for the diversification of Bulgaria's gas supply is through the nation's southern border, from Greece. The Turkey–Greece pipeline in East Thracia,

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[25] For instance, the price approved by the State Commission for Energy and Water Regulation for the first quarter of 2007 is 321.11 leva per 1000 cu m (standard cubic meters natural gas). (1.95 leva = 1 Euro.)
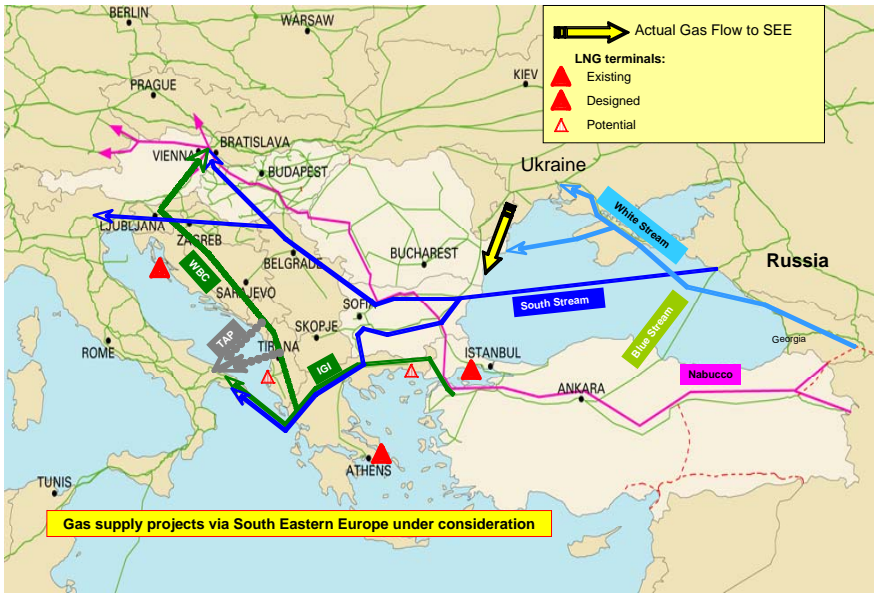
Figure 1: Gas Transit Projects in the "Southern Corridor"

to start operation soon, will initially supply limited volumes of gas to the town of Komotini in northern Greece, and later will grow into a gas pipeline extending to southern Italy (it is known as the IGI Project, or Poseidon). The establishment of an inter-systematic link between Bulgaria and Greece could bring these supplies of gas into the Bulgarian market.

Recently, there has been a public debate about starting a joint Bulgarian-Greek study to build a terminal for liquefied natural gas in the vicinity of the town of Al-exandropoulos in northern Greece. This represents a serious expansion of the op-portunities to establish relations with Greece in the context of diversification of Bulgaria's energy supply, and possibly through Bulgaria to Macedonia, Serbia, and Romania. In addition, the already operating transit gas pipeline from Bulgaria to Greece could be used to transport supplies from sources in Turkey.

Nabucco

The purpose of this huge pipeline project is to provide a direct supply of natural gas from the Caspian region and the Middle East to Europe, passing through Tur-key, Bulgaria, Romania, and Hungary, reaching the Central European Gas Center in Baumgarten an der March, Austria. This project could ensure the unlimited di-versification of gas supplies in Bulgaria, providing resources from Azerbaijan, Iraq, Egypt, and—after the completion of the Trans-Caspian corridor—from

Turkmenistan and Kazakhstan. In the long term, supplies from Iran could be included as well, once its political situation is resolved.

The Nabucco gas pipeline would ensure the European energy market access to the largest gas reserves in the world. It would be the fourth energy corridor to meet the growing market demands in EU countries, to complement the three existing ones running to Europe from Russia, the North Sea, and North Africa. How and to what extent Bulgaria becomes involved in this infrastructure project depends mainly on the country's politics.

Additional Supply Routes

There are some additional potential supply routes that could serve to bring natural gas to the Bulgarian market, although they are smaller in scope than those discussed above. As has been mentioned previously, the IGI Project, which runs through Greece to Italy, would use the same gas sources as the Nabucco pipeline.

Another potential supply route runs through the West Balkan Corridor (WBC). This proposed pipeline, negotiated by countries in the Western Balkans in 2003, involves the implementation of the IGI Project in a northwesterly direction. Bulgaria could receive indirect supplies through this project if it established an inter-systematic link with Serbia, an idea that has been discussed for more than a quarter of a century and has inevitably been listed among the priorities of a dozen Bulgarian governments.

The TAP Project pertains to the transit of gas supplies from the Balkans to Italy. This project in its different versions would not directly benefit Bulgaria, but its indirect positive effect on the political climate in the Balkans is by itself quite significant.

The Georgia–Ukraine route, known as the White Stream,[26] is a relatively new idea that has been embraced in high-level political circles in both countries. The various sources of the gas to be carried are the same as in the Nabucco project. Bulgaria could directly benefit from such a project, receiving a supply of natural gas from Ukraine or Romania through existing infrastructures or through establishing a new inter-systematic link between Romania and Bulgaria. Similarly, the joint project of leading European and South Eastern European companies to build a liquefied natural gas terminal in Croatia could help provide Bulgaria with independent gas supplies, either directly or by a swap via Serbia.

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[26] White Stream, a project to transport Caspian gas via Georgia and the seabed of the Black Sea to Europe, was presented during the summit-level Energy Security Conference in Vilnius on 10–11 October 2007. This pipeline project could encourage investments in Caspian gas field development by diversifying export options and transport routes directly to European Union territory. The availability of more routes and capacity could advance the timeline for Caspian gas resources coming on stream.

Recently, the idea of a new energy corridor—known as the "South Flow"—from Russia to Europe through Bulgaria and Serbia fed by gas sources both in Russia and in Central Asian countries has surprised the wider public. The structure of the ownership of the investment company for the portion of the project on Bulgarian territory has not yet been negotiated. This project would represent about one thousand kilometers of high-capacity gas pipelines, and would require joint investments of no less than EUR 1.5 billion. The Bulgarian government has declared that it would not allow majority ownership to remain in Russian hands. At the same time, the inter-governmental agreement between the Russian Federation and Bulgaria is actually a copy of the agreement governing the Burgas–Alexandropoulos oil pipeline, which raises serious concerns about the realization of these intentions.[27]

Maintaining ownership and control over the investments in new energy infrastructure on Bulgarian territory is of critical importance to Bulgarian national security. Although this issue seems to be clear, it may turn out to be a serious test for Bulgarian political circles, a test that may underscore the need for a clearly defined national energy strategy and policy in Bulgaria.

What are the conclusions that can be drawn about how to develop a successful national energy policy that will lead to energy security for Bulgaria? The most general steps are stated in the Bulgarian Roadmap, with reference to the development of the country's gas market, which was announced to the European institutions at the end of 2006: "The diversification of sources, the enhancement of standards in relation to gas storage, increasing the number of gas import sources, increasing the number of suppliers from different sources, establishing physical links with infrastructures in neighbor countries, etc., including market management in a situation of short-term and long-term crises." What is alarming in the Roadmap is the lack of any specific projects, timelines, and indicators for the accomplishment of goals in the implementation plan.

There is a general impression of a lack of a functional strategy regarding the development of the natural gas wholesale market in Bulgaria. As has already been mentioned, the terms of the new contract for gas supplies from a single source—the Russian Federation—have not been publicly announced. It is assumed that access of third parties to the transit network of the Bulgarian gas pipeline operator is

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[27] We should remind ourselves that the Russian share in the Burgas–Alexandropoulos is 51 percent, while Bulgarian and Greek investors hold 24.5 percent each. Negotiated but not included in the inter-governmental agreement is the provision that Russia provides 100 percent of the oil to be carried along the pipeline. Recently, Russia has claimed that Bulgaria and Greece should provide oil volumes for transportation corresponding to their shares. Otherwise, it could be expected that these partners would considerably reduce or totally eliminate their investment influence.

free of any restrictions, since this is a basic principle in European Union legislation. We should keep in mind, however, that Bulgaria's 1998 treaty with Russia (in effect, its treaty with Gazprom) banned the utilization of free volume in the existing Bulgarian transit infrastructure by any sources other than Gazprom.

The feasibility of the penetration of new gas sources into the country (diversification of supplies) and their respective sale, however, depends not only on the competitive price of new supplies, but also on the thresholds negotiated in the "take or pay" provision in Bulgaria's 2006 treaty with Russia/Gazprom.[28] Unless these volumes from other sources are close to the real level of gas consumption in the country, or there is an intent to increase them along with the eventual future increase of gas consumption in Bulgaria over the years, the prospects for the inclusion of new supplies in the Bulgarian gas market is limited, and Russia's monopoly position is guaranteed.

The average-term feasibility of the diversification of supplies is relatively high. One of the most promising projects is the Nabucco pipeline. With the help of effective Bulgarian policy, it will be implemented in five to six years. Waiting to diversify supply routes until the sources of gas can also be diversified would be thoughtless.

In relation to short-term policy, Bulgaria has an opportunity to diversify its sources of gas supply from Turkey and Greece. In this way, a self-developing and sustainable gas market could be established, creating the opportunity for real access to the markets of different sources. Simultaneously, the current domestic gas dealer—Bulgargas—could be promoted from being an administrator for natural gas, coming from only one source, to being a real gas dealer, selling gas from a variety of sources.

Public interest in natural gas and the development of the gas market in Bulgaria should be considerable. It should not differ from the level of interest in developed nations, since this market, directly or indirectly, concerns the interests of each and every citizen. Contrary to logic, however, the topic of natural gas seems to have been largely ignored by the general public in Bulgaria in the recent past. On the other hand, there is an impression that the policy of diversification of gas supplies has not been transparent enough, and that Bulgarian politicians are improvising, rather than pursuing a clearly articulated energy strategy.

Conclusion

Undoubtedly, the processes of increasing competence and inter-state cooperation in the energy sphere will have a long-term impact on the world's energy markets and the status of global and regional energy security. The crucial issue in such co-

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[28] Annual volumes which, even if not used, are paid for either in part or in full.

operation is to achieve a balance of the interests of the main players in the energy sector: producer nations, consumers, and states with energy transit routes.

In order not to have simply "losers" and "winners," in order to enable all nations involved to guarantee their energy security, and to ensure mankind a smooth transition to an economy based on new energy sources, the global economy needs a new set of geopolitical rules. Energy resources must once again become a typical commodity, whose movement follows common rules, are regulated by the international community, and are used with optimum benefit both by consumers and producers. Otherwise, the global political and economic arena could witness the emergence of a new geopolitical drama fueled by conflict over energy resources. Unfortunately, the conduct of the main players in the energy market today does not give us many reasons for optimism.

Redefining the Role of Humanitarian Organizations in Civil Emergencies

Katarina Strbac, Natasa Petrusic, and Katarina Terzic [*]

Introduction

The end of the twentieth century brought about the collapse of the bipolar world order and the "balance of fear," and saw it replaced by the increase of global instability, which prompted worldwide integration processes. The position of the authors is that a global war is hardly likely to occur in the twenty-first century. Instead, we find that the main challenges to global security will be insurgencies, international terrorism, civil emergencies such as natural disasters and man-made disasters, and conflicts over natural resources. Consequently, the role of humanitarian international organizations and other institutions is being redefined, along with the nature of their participation in conflict prevention and emergency management. A new overall approach to this issue is being developed that touches on all aspects of crisis management: political, military, economic, humanitarian, social, and environmental. All participants in those processes must adapt themselves to new conditions, and humanitarian organizations are no exception, since they are important players in the prevention and mitigation of emergencies and in post-crisis recovery efforts.

The circumstances that can cause emergencies have changed significantly; yet security challenges still exist, as well as the need for efficient civil emergency planning and relief. Within the framework of the new circumstances, crisis relief in cases of emergency and war is the most important humanitarian activity carried out by society.[1] Good organization and efficient functioning of humanitarian organizations in an emergency situation—and particularly in the case of war—can be of paramount importance for the survival of civilian populations as well as for the management of the consequences of peacetime emergencies. In the organization and implementation of civil emergency relief, humanitarian organizations—both national and international—participate alongside the maximum engagement of governmental services and institutions. The core roles, tasks, and principles of the work on which civil emergency relief is based and implemented reside within different areas of assistance provided by humanitarian organizations. The conse-

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[1] This article discusses war, although the authors' opinion is that in the near future the possibility of large-scale direct military aggression is almost nonexistent.

quences of emergencies include human losses, environmental destruction, the inability to provide basic human needs (water, food, and shelter), and the destruction of infrastructure, all of which endanger the survival of civilians, and especially that of the most vulnerable: children, women, and the disabled, sick, and elderly. Since assistance needs to be provided promptly, humanitarian agencies need to become immediately engaged at the request of the relevant authorities.

New Challenges for Humanitarian Organizations

The last decade of the twentieth century was marked by positive and encouraging security tendencies, on one hand, but on the other hand it was marked by the escalation of global terrorism and other security challenges that have significantly changed the security climate around the world. Although the number of armed conflicts between states is decreasing, the world is, nevertheless, facing numerous challenges, above all the violation of basic human rights to live in peace, freedom, and in a healthy environment, and to enjoy economic development or state territorial integrity. Huge economic differences between the developed West and the non-developed East (or, perhaps more accurately, between the wealthy North and the poor global South), fueled by support from a wide variety of interest groups, instigate terrorism, corruption, and organized crime. Terrorism—which is promoted by different groups, from political radicals to religious fundamentalists, and has the potential to deploy highly dangerous weapons, including weapons of mass destruction—has been the greatest threat in recent years, and it cannot be prevented without eliminating its deep roots.

Although the nature of global security challenges has changed, their consequences have not; the results of a terrorist attack can be the same as those of an attack carried out by a conventional military force. We still need to engage all of our resources in civil protection. In order to develop an overall security approach, all its aspects ought to be analyzed: political, military, economic, humanitarian, social, etc. For this reason it is necessary to redefine the role of humanitarian organizations, since the mobilization of all humanitarian organizations in the field of emergency management is still an important factor for overcoming the challenges of crisis response.

In cases of emergency, the state authorities, the respective government institutions and bodies in charge of civil emergency relief, and non-governmental humanitarian organizations are responsible for the protection of endangered populations. They plan, organize, and conduct civil emergency relief operations. Regardless of the altered conditions of the security environment, civil emergency relief efforts are to be divided into two different categories, the consequences of which are still the same—civilian losses and suffering. Those categories are peacetime civil emergency relief and wartime civil emergency relief.

Emergency Relief in Wartime

In both scenarios mentioned above, humanitarian organizations play a critical role in providing urgent civil emergency relief and aiding in the mitigation of consequences following a crisis. If we look at the wartime civil emergency scenario, there are certain situations that demand a response from humanitarian organizations. Those situations include mass civilian losses in the war zone and its vicinity, or the use of weapons of mass destruction or other forms of attack that cause the loss of lives, destruction of property, and the environment.

The lessons learned from major refugee crises worldwide show that the usual emergency measures, such the provision of food and water, shelter, and medical assistance are ineffective if rescue plans are not implemented in an organized manner.[2] These situations are followed by states of humanitarian emergency; the most important step in such cases is to properly react to and meet the needs of the affected civilian population. In such extreme situations, cooperation between different humanitarian organizations is too often slow and inadequate (although there are international efforts underway to improve reaction time and cooperation in emergency situations). Consequently, it is no surprise that there is confusion on the part of humanitarian organizations when facing extreme situations.

In order to adequately respond to such emergencies, it is necessary to conduct certain preparations. In cases of war-related catastrophes, it is necessary to implement urgent measures in order to alleviate negative consequences. The plans for deployment and rules of engagement of all the available resources must be in place in order to minimize human losses and material damages. It is of the utmost importance for a state to have at its disposal the resources necessary to carry out any type of emergency relief and, if the situation requires, to mobilize additional human and material support. Civil Protection, Civil Defense, or an institution responsible for emergency management should be the organization through which the state assists its population in cases where humanitarian relief is required. The Red Cross and other humanitarian organizations that can be part of emergency relief operations should be involved as well.

If a country is in a state of war or involved in other armed conflict, and there is no emergency management system in place, or the existing system is inadequate, the state then must mobilize all its available national resources and request assistance from the international community. As a rule, humanitarian organizations shall provide assistance to endangered populations regardless of their race, gender, age, religion, political affiliation, or any other differences. Assistance from humanitarian organizations is based on consolidated appeals launched by state institutions or from the endangered territory. Their direct assistance includes providing

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2   As has been illustrated by the crises in Serbia, Sudan, Rwanda, etc.

emergency supplies of food, drinkable water, drugs, and other medical assistance, as well as emergency housing for displaced persons and/or refugees.

The 1990s frequently witnessed intense conflicts within state borders that caused mass displacements of people, increased violence, and loss of life, as well as severe damage to the states' society and economy. Those complex, urgent cases caused enormous humanitarian crises in what were often extremely confusing and complicated political and military environments. The aspirations of modern society to maintain the peace and avoid war, as well as to enhance international cooperation and mutual respect and tolerance, are the starting points in improving solidarity and cooperation in humanitarian activities. Therefore, the fact that current research projects focus on the role of humanitarian organizations in protecting endangered civilians in civil emergencies is of great relevance. Presently, that role is arguably more relevant than ever. Due to contemporary challenges, risks, and threats, it is not possible to foresee all potential emergencies, and that greatly complicates the operations of institutions and individuals devoted to protecting and rescuing civilians and material and cultural property.

Despite the development of international institutions and world aspirations that have produced cooperative efforts in the field of security, international relationships still cannot be completely controlled nor considered a guarantee of peace and security. This is particularly true of civil emergencies that cannot be predicted and prevented on the basis of previous experience, and under which civilians suffer. In any case, regardless of whether these civil emergencies are caused by human or natural factors, the consequences are the suffering and agony of innocent people, and significant destruction of property. War has always been and still is the main cause and the worst form of emergency situations, with catastrophic consequences for civilians, mostly because of the advanced weapons systems that are deployed, and the frequently indiscriminate application of extremely dangerous and destructive capabilities. Therefore it is necessary to increase the efficiency of humanitarian activities and to evaluate the capabilities of humanitarian organizations and institutions according to their preparedness to carry out their functions in civil emergencies resulting from armed conflicts.

Challenges in Providing Relief

The most complex problems in civilian relief operations are supplying adequate shelter, food, and health care, and creating the optimal conditions for the return of displaced people to their normal lives (leading to the final resolution of their status). The lessons learned from major civil relief operations show that there is a significant discrepancy between the needs that exist and the efficiency of the relevant institutions and organizations in providing for those needs. That phenomenon should be analyzed, taking into consideration economic, social-educational, legal, and political parameters. A thorough analysis of this problem may lead to a more

clearly defined role for humanitarian organizations in civil relief operations in emergency situations.

Based on the experience of the recent wars on the territory of the former Yugoslavia—the largest emergency in this region since World War II—a few basic problem areas can be emphasized. For the purposes of this study, we will examine the influence and contribution of humanitarian organizations, as well as internal and international actors that provide assistance for refugees, persons affected by war, and internally displaced persons (who came to Serbia after the wars on the territory of the former Yugoslavia).

The problems identified and examined during our research are as follows:

- The lack of defined steps in the process of providing shelter, food, health care, legal status, and humanitarian aid in civil emergencies on the basis of prior experience
- An inadequate level of efficiency on the part of humanitarian organizations in carrying out fundamental tasks of assisting civilians in civil emergencies
- Incomplete regulations and inertia of relevant institutions in assisting endangered civilians and the elimination of the consequences of emergency situations
- The volume and dynamics of delivery and the abuse of humanitarian aid.

A study of the problem of assisting civilians in crisis situations is accompanied by various difficulties, mostly of a methodological nature. Those difficulties indicate the lack of adequately developed instruments for measuring the efficiency of humanitarian organizations in providing emergency relief to civilian populations. Beyond that, research on humanitarian organizations is limited for various political reasons, as well as by the reasonable doubts that exist regarding the accuracy of statements given by refugees and internally displaced persons. In social science research, the requirement to state one's social status and nationality affects minority groups to the degree that they perceive the questionnaire as an inappropriate form of a test of loyalty or gratitude to the donor or humanitarian organization, regardless of whether the question is based on a factual situation or on attitudes and beliefs. Beneficiaries may have doubts about the motivations behind a questionnaire they are asked to complete and, consequently, they may exaggerate in agreeing with generally accepted norms, and may even modify their actual behavior to comply with these norms. In such polls, recipients of aid often give socially acceptable answers for fear of losing their legal status, which jeopardizes the reliability of the study. This phenomenon is known as the "interview effect." It can certainly be concluded that respondents in this study were subject to this effect. To confirm that, the same questions were asked by the UNHCR, the Red Cross, and the authors of this study. In our opinion, the responses we received are more hon-

est, because we come from the same region and social background as the respondents, so they felt free to tell the truth. It is also important to emphasize that we are not part of the institutional system of humanitarian aid, and respondents knew that. This indicates the need for new and better solutions that will solicit adequate answers to research questions about the role of humanitarian organizations in assisting civilians in emergencies.

The results of those questionnaires create a solid basis for analyzing and assessing the methodology of this project. Well-established interview effects should be taken into consideration by international organizations within their own projects. Research that takes into consideration elements of its own supervision and project evaluation should enable these organizations to present objective indicators of success to donors. This is important because the authors of current research projects for such organizations are often experts in humanitarian aid, but not in methodology. As a result, serious errors in research are not unusual. This can lead to collecting unreliable data, which leads to inaccurate conclusions.

Generally speaking, social acceptance is used to emphasize the tendency of respondents to give answers in order to satisfy researchers. While that could be a fundamental motivation, especially in a survey conducting research on attitudes and opinions, those who conduct research on social acceptance do not see it as an adequate explanation of influence on factual questions. Stereotyped behavior disables the pressure of unpleasantness and thus helps to avoid appraisal and potential degradation in the processing of information. The research effort coincides considerably with the environment that is being tested, where stereotyped behavior can affect answers to factual questions.

In spite of these problems, the results obtained should be interpreted from an analytical and scientific point of view. The parts of the study that investigate both the scope of the activities and the role of humanitarian organizations, as well as the factors that affect them most in civil emergencies, are shown at the level of scientific description. That is to say, the impact of the described factors on humanitarian organizations in civil emergencies as well as the cause/effect dependence and legality are identified and described by applying relevant scientific methodology. During the research, the authors' level of cooperation with international humanitarian organizations was higher than with national organizations. Different UN agencies were much more cooperative than the International Red Cross. Essential data for the research were provided by the Belgrade Red Cross, which demonstrated a high level of cooperation and a positive attitude toward this research.

The events of the 1990s in the former Yugoslavia (SFRY) required a more intensive response on the part of humanitarian organizations in assisting endangered civilians. But the disintegration of the SFRY and its former political regime made humanitarian organizations' activities almost impossible, and destroyed their na-

tional organizational structures. Thus, the SFRY Red Cross organization, formerly composed of many small Red Cross organizations (on the level of the Republics), became the Red Cross organization for the rump Yugoslavia (SRY, eventually Serbia and Montenegro). Thus the overall responsibility for assisting refugees, war-affected persons, and internally displaced persons lay with that weakened organization.

A unique situation developed due to the civil war (which had both sectarian and ethnic characteristics) and the resulting NATO intervention. In a relatively short period of time (1995–99), military operations provoked two great social disturbances, and the consequence was a great influx of internally displaced persons and refugees. At the dawn of the new millennium, Serbia, a European country, was facing a major social, economic, and humanitarian crisis brought about by the presence of 560,000 refugees and other war-affected or internally displaced people. Under these circumstances, providing relief for that number of people was a mission close to impossible. The state, along with humanitarian NGOs and society in general, was incapable of offering either sufficient or efficient assistance to the refugees and displaced civilians. The following factors negatively influenced the intensity and effects of the process of assisting these categories of beneficiaries:

- The transition and transformation of the state and society, which are long-lasting, complex, and difficult processes
- The closure or obsolescence of industrial facilities as a result of events that occurred in the 1990s
- Severed economic and commercial relations with foreign countries and within the country itself
- A certain degree of distrust and a negative attitude toward Serbia within the international community, caused by the civil war
- Economic sanctions, which lasted for a long period of time and resulted in an economic crisis
- A halt to the work of humanitarian and other NGOs, and limitations on humanitarian activities.

Although the most important mission for humanitarian organizations is taking care of endangered civilians in peacetime—that is, offering help with humanitarian aid and shelter; supplying adequate amounts of quality food, water, and health care; and especially resolving people's refugee status—humanitarian organizations have to be supported by relevant institutions both within individual states and the international community. Therefore, the final and overall solution of these problems requires the cooperation and coordinated activities of all participants involved in humanitarian efforts. Humanitarian organizations should play an important principle-driven and creative role in these processes.

Improving Standards for the Provision of Aid

Various analyses show that the current level of overall humanitarian activities with respect to solving the problems of refugees and assisting displaced persons is not satisfactory. Even though there are objective problems at the general, social level, which often provide the environmental context for action, humanitarian organizations are unable to fully accomplish their essential role in assisting endangered civilians. A clear example of this problem is the situation in Serbia in 2005. Fifteen years after the influx of refugees from the former Yugoslav Republics, and six years after the displacement of part of the population from Kosovo and Metohija, the 2005 census in Serbia showed that 346,749 persons still held the status of refugees or internally displaced persons.[3]

The lessons learned from the experience of humanitarian organizations in assisting endangered civilians in civil emergencies have not been comprehensively analyzed and sufficiently taken into consideration in defining either the standards that must be met by any successful civil emergency relief operation or the criteria for evaluation of the defined solution to the civil emergency situation. The study carried out by Dr. Strbac confirms the existence of significant discrepancies in the level of success for different stages of a civil emergency operation.[4] In addition to that, the beneficiaries have very different perceptions of their treatment and the performance of the services involved in the relief effort. The research also shows that the process of assisting refugees and displaced persons is done in a disorganized and fragmentary manner. Consequently, the majority of potential beneficiaries are left out, and forced to take care of their needs on their own. This leads to the conclusion that, although there are situations that are difficult to envisage, civil emergency planning is currently very poorly done, and significant efforts need to be invested in enhancing both the process and the final product of the process—the creation of a civil emergency plan of action.

Shelter

Dr. Strbac's research shows that refugees and internally displaced persons are of the opinion that very little is done in providing housing, although it is a vital element of any civil emergency operation. The reasons for expressed discontent are as follows:

- Lack of estimates for the duration and consequences of war operations from the humanitarian perspective, and an unexpected influx of refugees and displaced persons, resulting in a "surprise effect"

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[3]   The census was performed by the Belgrade office of the UNHCR.

[4]   See the doctoral thesis on which this article was based, Dr. Katarina Strbac, "The Role of Humanitarian Organizations in Civil Emergencies," Belgrade University, 2004.

- Insufficient preparation by humanitarian organizations, nongovernmental organizations, and the government itself in organizing and planning the admission of these categories of people
- An insufficient number of the various types of emergency shelters, and the meager supply of such shelters to existing refugee camps
- Lack of direct communication and concrete cooperation and coordination between the government and humanitarian organizations and NGOs in admitting and sheltering refugees and internally displaced persons
- The absence of monitoring and the lack of agreed steps to be taken toward improving conditions in the refugee settlements.

One of the most difficult problems in providing for endangered civilians in emergency situations is shelter. Regardless of the causes of the emergency, in either wartime or peacetime circumstances, the first activity in taking care of endangered people is evacuation from the endangered territory and the provision of shelter. Therefore, resolving the problem of shelter—the most critical and important step that is *the* basic condition in taking care of any endangered population— should not be left to chance and resolved in an arbitrary way.

Therefore it is more than necessary to standardize methods of providing shelter for endangered populations and getting housing solutions to a level of mobile readiness, so that they can be deployed on short notice. On the basis of our research, several things would contribute to greater success on the part of humanitarian organizations in providing shelter:

- Defining the concept, content, and various methods of sheltering endangered civilian populations in emergency situations
- Precisely defining the types of shelter that might be used (centralized, group, or joint kinds of shelter in refugee camps should be the basic types; all the other, complementary forms would be used depending on individual choice)
- Defining standards for the infrastructure, equipment, autonomy, and general conditions for normal living in refugee camps
- Specifying criteria for the objective evaluation of the quality of shelters, which should depend neither on respondents' judgments nor exclusively on the observations and unsystematic estimates of examiners.

Addressing these questions could be the foundation for humanitarian organizations to take concrete preparatory steps in providing for endangered populations in eventual civil emergencies, such as:

- Selection and refurbishing of existing facilities suitable for the collective lodging of endangered civilians, including schools, military barracks, rest homes, camps, and similar sites, and eventually organizing new camps if needed (of

course, these are mostly objects that are used for different purposes in regular situations, but they could be adopted and used in emergency situations)

- Anticipation of needs and, depending on the possibilities, equipping of special housing for the elderly
- Creation of processing centers for the admission and recording of details on refugees in order to obtain general insight into the number, structure, and conditions of the endangered populations, as well to as classify and assign people to suitable buildings and shelter types.

To conclude, well-organized, well-prepared, and highly mobile admission centers and refugee shelters are the first and most important links in the chain of providing shelter and more generally successfully aiding endangered populations.

Food

Humanitarian organizations, as suggested earlier, should have a well-prepared global action plan that would be useful in any civil emergency. On the issue of food, our research confirms that assistance is mostly provided on individual bases by means of financial support to refugees. A number of refugees are supported by their relatives, who often provide food and temporary shelter. The observation that only a very small number of refugees are able to rely completely on refugee camps points to the fact that the camps did not have enough food of good quality, and were not able to prepare it.

Respondents' level of satisfaction with food quality must be perceived as circumstantial, because their statements stemmed from the fact that they had very limited financial means, and that they were not exactly starving. That pointed to the need to define standards and criteria for the provision of quality nutrition to the endangered civilian population. The following elements were taken into consideration:

- Timely supply of prescribed quantities of food for immediate consumption, as well as of food reserves
- Reopening and complete fitting of public kitchens in refugee camps or outside them, and plans to establish new ones depending on future needs
- Ensuring a centralized method for the preparation and distribution of quality food within the refugee camps.

Health Care

The issue of medical care for refugees and internally displaced persons generally received a positive evaluation, mostly thanks to the well-developed structures and widely dispersed medical institutions in Serbia, as well as the social protection policies that were in place in the country at that time. Taking into account the possible appearance of sudden emergency situations provoked by natural phenom-

ena—or, for example, terrorist actions, which could lead to massive numbers of injuries in a very short time—humanitarian organizations should define the rules of action and operation in such cases.

In order to provide needed care for endangered people on a large scale, it is critical to accomplish the following steps in a timely fashion:

- Establish and prepare mobile medical teams for work in refugee camps and interventions in caring for civilians

- In coordination with appropriate state authorities, the possibility of free or very inexpensive medications should be arranged for sick refugees and displaced persons

- Similarly, free medical treatment should be provided for people who get sick while under refugee or displaced person status.

Efficient Operations

Under emergency circumstances, humanitarian organizations make essential contributions to the reduction and alleviation of threats to endangered populations. These organizations play a critical role in taking care of refugees or internally displaced persons that are suffering as a consequence of warfare or peacetime catastrophes; both people and the reduction of material damage depend on their efficiency. The efficient functioning of humanitarian organizations is conditioned on various factors, of which the most significant are:

- The level of organization and mobile readiness for quick action in emergency situations

- The financial and material capabilities of the society in which the organization operates

- The intensity and scope of the actual international humanitarian support

- The level of built-up trust in and reputation of humanitarian organizations in general within the society

- Respect for the main principles of the Red Cross and Red Crescent and enforcement of international human rights.

Dr. Strbac's research results indicate that humanitarian organizations did not fully carry out their role in the relief of refugees and internally displaced persons from the territory of the former Yugoslavia.[5] According to this analysis in the field of humanitarian aid, the current state of affairs in assisting endangered people is unsatisfactory. Great numbers of refugees and displaced persons are dissatisfied

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5   Ibid.

with the scope of humanitarian aid, and even more are dissatisfied because of abuses in the distribution of that aid.[6]

The Red Cross, in its role as the largest humanitarian organization in Serbia, was not efficient enough in taking care of the refugees and displaced persons. That inefficiency was demonstrated through:

- Insufficient preparation for the reception and sheltering of refugees and internally displaced persons
- Lack of involvement in enhancing standards of living in the refugee camps
- Poor organization of the distribution of humanitarian aid, as well as insufficient monitoring of its use
- Insufficient provision of hygienic items and other goods necessary for daily life
- Limited influence on national and international politics to alleviate or eliminate the consequences of the civil emergency.

Improving Cooperation

It should be noted that the internal organizational shortcomings of humanitarian organizations cannot be exclusively blamed for their overall performance, which should be viewed within the broader social, economic, political, and even military context. One of the reasons for the inefficiency of these organizations is the lack of strictly defined standards and criteria for needs assessment, provision and distribution of aid, as well as the clear definition of what constitute "minimum living standards" in a given environment.

Another reason for humanitarian organizations' unsatisfactory performance is the cooperation and coordination of activities—or rather the lack of it—between humanitarian organizations and relevant state institutions, in particular in monitoring the situation and events in the war-affected territories of the former Yugoslavia. Due to the government's poor assessment of the situation in the war-affected territories, there was no sustainable action plan for receiving and providing assistance to the refugees and displaced persons. More precisely, in addition to their internal organizational issues, the unsatisfactory performance of humanitarian organizations was also the consequence of the poor assessment of the course and outcomes of the war by the relevant government institutions.

Lessons from the Balkan Case

In order to overcome the above-mentioned problems in humanitarian work, and to achieve higher operational standards in humanitarian NGOs, it is necessary to analyze the lessons learned from operations similar to those in the former Yugo-

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6   See ibid., table 42.

slavia. The findings and conclusions drawn from these analyses should be applied in future operations of the same character.

A significant reason for the unsatisfactory efficiency of humanitarian organizations in providing for refugees and displaced civilians in the former Yugoslavia was the imposition of sanctions and the introduction of a trade embargo as punitive measures that greatly limited the work of humanitarian organizations in peacetime, and made that work almost impossible in wartime. Thus, a desperate domestic economic situation and the diminished economic potential of the population, along with the reduced volume and intensity of international humanitarian support, were the most important reasons for the inefficiency of humanitarian organizations in providing for refugees and displaced civilians. Besides that, the operational capabilities of many humanitarian organizations completely depend on the material reserves of the state and on state financial support. Humanitarian organizations do not possess their own resources for the provision of humanitarian aid, but rely on donations, contributions, and help from international organizations. Consequently, their ability to act independently is significantly limited.

Dr. Strbac's research results point to the need to improve the protection of, and level of care for, endangered civilians from the consequences of emergency situations, from the viewpoints of both the practical role of humanitarian organizations and of international law on human rights. It is also necessary to improve the primary work of the national and international Red Cross organizations for health and social services in civil emergencies, and to raise that work to a defined level on the basis of experience from past wars and intervention in the former Federal Republic of Yugoslavia. It is critical to carry out timely preparations during peacetime, so that humanitarian organizations will be able to act at maximum capacity to help endangered civilians in wartime situations. In connection with that, it is very important to monitor and constantly evaluate events related to contemporary social changes in nearby countries and around the world so as to extract lessons and conclusions in order to adjust the concrete measures, actions, and assumptions governing humanitarian work in future civil emergencies. Namely, organizations' emergency response measures and emergency planning—along with crisis management capabilities—should be significantly improved in order to reduce the suffering of vulnerable civilian populations.

One of the first steps toward the improved implementation of humanitarian operations is to enhance the awareness and enforcement of international law on human rights and humanitarian assistance. All parties to armed conflicts (members of humanitarian organizations, military personnel, government and civil defense representatives, medical staff, etc.), and potential victims of such conflicts should be the target of awareness programs. Effective dissemination and enforcement of international law on human rights and humanitarian assistance could directly con-

tribute not only to better protection of civilian victims, but also to the security of humanitarian workers participating in relief missions in war zones.

Besides the Red Cross and Red Crescent societies, the main role in the observation and enforcement of international humanitarian law belongs to national humanitarian organizations and NGOs, which have to establish relations with government institutions and other interested parties in order to resolve questions about national and international legislation and provide for their observation and enforcement. By launching initiatives for the adoption of legal measures in connection with the enforcement of international human rights law, as well as with the protection of the emblem of the Red Cross, national societies contribute to the dissemination of ideas, culture, and knowledge, as well as to the enforcement of international law. Dissemination should not be limited to the Red Cross members and government institutions; the general public ought to be informed of the limitations and rights laid out by international humanitarian law. Programs to raise awareness work best if they target all social and age groups, and are done through the regular education system, by organizing seminars and courses for specific target groups, as well as by launching media campaigns. The responsibility for raising awareness of international humanitarian law and the principles of the Red Cross/ Crescent movement does not rest solely with national and international humanitarian organizations and NGOs. The Geneva Conventions and their Additional Protocols oblige the signatories to respect and implement international humanitarian laws and the principles of the Red Cross/Crescent movement. That also means providing training for legal professionals in humanitarian law, including sanctioning war crimes and crimes against humanity.

Still, it must be understood that there is no mechanism that can guarantee a minimum level of respect for individual rights in an armed conflict. That could be achieved by educating the general public that, even in an armed conflict, an enemy is also a fellow human being who deserves respect.

Nongovernmental humanitarian and other organizations must work very hard in peacetime in cooperation with relevant government institutions and with society in general to acquire resources and accumulate reserves of humanitarian aid. In this regard, rules of behavior and standards of operation for humanitarian organization personnel should be arranged in order to exclude abuses in the provision of humanitarian aid, thereby avoiding behavior that could compromise the entire relief effort. Humanitarian aid should be seen exclusively in the context of guarding lives and health, and in no way should its provision be permitted to be conditional on political concessions. Humanitarian aid ought to be based on socioeconomic factors (the number of endangered persons, demographic data, economic and financial power, and similar factors) that could help establish appropriate forms of aid, sites and methods of distribution, and measures for improving that aid. Related to this, it is necessary to document relief efforts regularly, so that data on

needs can be gathered and delivered on very short notice to potential sources of aid in order to help those most in need.

A detailed plan for the distribution of aid in crisis situations should be put together. This would prevent abuse of aid and possible political manipulation. A well worked out plan would also protect the recipients of aid and the personnel involved in its distribution. Donors should have insight into the distribution and use of donated aid. It should be taken into account that aid in emergencies can contribute to the reduction of social tensions and political instability. Thus, the political leadership of a country might be reluctant to encourage and support the repatriation of refugees and displaced persons in order to politically benefit from the received aid. Therefore, it is important to establish strict plans and rules for the provision of aid.

Aside from developing more efficient systems for providing humanitarian aid, or broadening its range, preventive action is also very important, so that groups will not be seeking aid when matters have already reached a crisis level. The sustainable solution of the status of refugees and displaced persons should include granting permanent residence and/or citizenship, providing adequate housing, and promoting conditions for economic independence (such as employment programs). However, a recipient country experiencing internal economic and social problems is usually not capable of effectively and efficiently providing sustainable solutions for refugees and displaced persons; this failure could lead to their discontent and a complete lack of hope that their situation will ever be resolved. The absence of a solution to these problems in the former Yugoslavia, and the failure to respect the laws on civil protection (the implementation of which was not overseen by a separate agency), contributed significantly to humanitarian organizations' uncoordinated work, which led to poor care for refugees and displaced persons.

The resolution of the final status of refugees and displaced persons is of vital importance. Still, in the former Yugoslavia it seems to have been neglected, and even forgotten. The reasons for such inefficiency and negligence in addressing issues of prime interest to the refugees and displaced persons are various: political, economic, legal, etc. In our opinion, the most significant are as follows:

- The weak material and financial capability of the state, and the insufficient and irregular nature of international aid, as a result of which the national strategy for resolving such problems did not fully succeed
- Imprecise and incomplete standards, legal procedures, and limitations, as well as slowness in redefining existing positive regulations (and enacting new ones) for carrying out integration
- Disorganized relations among Serbia and Montenegro and other new and neighboring states, and distrust of refugees and displaced persons, which made the repatriation process difficult

- Indecisive and slow reactions of the state, the international community, and national and international humanitarian organizations in resolving the status of refugees and displaced persons
- Lack of clarity and legal obsolescence of some international rules and methods, and their selective application in practice

Conclusion and Recommendations

Contemporary emergency situations show a tendency toward increased suffering and victimization on the part of civilians.[7] The accomplishment of the programmatic goals and tasks of humanitarian organizations in emergency situations in which global threats to people, material goods, and the means of survival are increasingly present must be adjusted and matched to the conditions and methods that result from contemporary challenges, risks, and threats. Related to that, from a humanitarian point of view, it is necessary to update standards and legal procedures in order to create legal bases for resolving problems in the areas of providing aid to endangered civilians and achieving greater operational efficiency in emergency situations. Therefore, where domestic standards and legal procedures are concerned, the following should be undertaken:

- Establishment of legal and regulatory duties, rights, obligations, and procedures of supervising institutions in the areas of contemporary challenges, risks, and threats
- Creation of a national security strategy in individual nations, which should define all the relevant issues in connection with humanitarian activities, as well as the position of the state with regard to humanitarian activities
- Special legal regulations in the area of civil defense clearly laying out civil defense agencies' relations and obligations toward humanitarian organizations and missions
- Creation of laws and regulations defining the modalities of cooperation and coordination between humanitarian and other NGOs and the government in carrying out humanitarian missions
- Creation of national strategies for the resolution of the final status of refugees and displaced persons, with clearly defined responsibilities, roles, and assignments (for example, housing loans and other similar assistance)
- The potential creation of a national fund that would strictly be dedicated to humanitarian work

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[7] Such situations range from terrorist attacks (including those which may involve biological or radiological weapons) to natural disasters such as the tsunami in South and Southeast Asia in late 2004.

In the context of modernizing and upgrading standards and legal procedures, in addition to the previously mentioned recommendations, and with the support of the government and of humanitarian and other NGOs, it is necessary to take the following steps:

- To standardize the definition of civil emergency, which would contain a humanitarian component as a common foundation and framework for all sectors in the humanitarian field

- To construct a national database of resources that can be drawn on in cases of natural disaster, and that can help inform efforts to systematize the actions of all participants in the process of resolving civil emergencies

- To standardize a methodology for collecting data at the national level on the basis of total economic and ecological loss calculations

- To provide support and cooperation among the authorities that establish the database in order to decrease redundancy, support data exchange, and improve public access to that database.

With respect to standards and legal procedures, particularly those related to actions carried out in protection of civilians, our research showed that some international humanitarian law regulations and parts of the Charter of the United Nations are unclear, and sometimes either outmoded or directly contradictory. Given that international humanitarian law is applied only in efforts directed at protecting and providing for endangered civilians in civil emergencies caused by armed conflicts, it is desirable to bring it up to date in order to cover all emergency situations, including those caused by natural disasters. Therefore, the application of the Geneva Convention and all additional protocols should be mandatory in protecting and providing for endangered civilians in civil emergencies originating for reasons other than armed conflicts.

Likewise, it would be very helpful to oblige all states to protect and provide for endangered civilians in all types of emergencies, in peacetime and in wartime, regardless of whether they are signatories to international humanitarian treaties or not. That would also be useful from the humanitarian point of view for civilian protection in emergencies caused by natural disasters, which have been numerous in the past few years. Existing procedures for establishing a "humanitarian bridge" between the international humanitarian community and the victims (and between the humanitarian community and the affected territory) are not sufficiently standardized, and need improvement. The vast experience and lessons learned by national Red Cross societies and humanitarian organizations should be taken into consideration in any future attempt to enhance these procedures.

Proliferation Security Initiative: A New Formula for WMD Counter-Proliferation Efforts?

Szymon Bocheński [*]

Introduction

For many years, the worldwide non-proliferation regime—with its core element, the Non-Proliferation Treaty (NPT)—has prevented nuclear proliferation on a global scale. The number of states known to possess nuclear weapons has risen from five in 1968 to eight in 2004.[1] The estimates in the early 1960s held that there could emerge as many as thirty or forty nuclear powers in twenty years' time.[2] Although the NPT constitutes a major pillar of the multilateral system of collective security, it must be acknowledged that it is fragile and has been seriously weakened by developments of the recent past.[3] The list of challenges to the NPT includes the lack of universality, a crisis of non-compliance, and insufficient safeguard mechanisms. These weaknesses have been highlighted by the emer-

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[1] This number could be questionable because Israel has never officially confirmed that it has nuclear weapons. There are also some doubts about the DPRK nuclear test in 2006, which suggest that this was a failed attempt.

[2] Tom Sauer, "The Nuclear Non-proliferation Regime in Crisis," *Peace Review: A Journal of Social Justice* 18 (2005): 333; Waheguru Pal Singh Sidhu and Ramesh Thakur, "Managing the Nuclear Threat After Iraq: Is It Time to Replace the NPT Paradigm?" in *Arms Control After Iraq: Normative and Operational Challenges*, ed. Sidhu and Thakur (New York: United Nations University Press, 2006), 1.

[3] The incomplete list of alarming signals with regard to the condition of the non-proliferation regime could include the following events: in 1998, India and Pakistan tested nuclear bombs, *de facto* becoming nuclear states outside the non-proliferation regime; despite UNSC sanctions, Iran continues to develop its nuclear program under the cover of peaceful and civilian purposes; the Comprehensive Test Ban Treaty has never entered into force, and negotiations on the Fissile Material Cutoff Treaty are stalled; and a majority of countries feel that the five original nuclear-weapon states do not intend to fulfill their NPT obligations to eliminate nuclear weapons, which reduces their willingness to obey treaty obligations and agree to further strengthen the regime. While Libya's renunciation of its nuclear program, although it counts as a positive development, also revealed the existence of extensive proliferation networks, such as that spawned by the Pakistani weapons scientist A. Q. Khan.

gence of the terrorist threat and the issue of so-called "failed states."[4]

The fact is that "the international proliferation environment has changed, and that this has exposed gaps in the existing non-proliferation arrangements."[5] In order to close these gaps there is a need for designing new non-proliferation instruments and strengthening existing ones. This paper will not concentrate on the issues of the erosion of the non-proliferation regime and the problems that face it. Instead it will evaluate the prospects of the Proliferation Security Initiative (PSI) to become a tool capable of addressing new proliferation challenges. The PSI, announced by U.S. President George W. Bush in May 2003, is an endeavor to build an international partnership of like-minded countries which, using their own laws and resources, will try to thwart illegal transfers of dangerous technologies by proliferation networks as well as by states. The PSI redefines existing norms, introducing the word "counter-proliferation" to the non-proliferation vocabulary.

In its first part, this paper refers to the origins, history, and basic concepts of the PSI. It outlines the spirit of the PSI and explains the philosophy of this proactive, flexible, and coalition-based approach to non-proliferation. This section also argues that interdiction operations are not the sole manifestation of PSI activities. There are also workshops, exercises, and seminars that have significant added-value and should be taken into account when assessing the PSI's overall effectiveness.

The third section of the essay identifies the practical and operational limits of the Initiative (especially considering interdiction operations, intelligence sharing, and dual-use goods) and recognizes legal challenges to the Initiative, as well as those stemming from the geographical and material dimensions of the PSI (outreach strategy). It also assesses the extent to which the Initiative can influence developments in the Democratic People's Republic of Korea (DPRK) and Iran.

Four years into the PSI, it is a challenging task to estimate whether or not it is an efficient instrument to address current challenges. PSI achievements are confidential, and its balance is not clear. Moreover, research on this subject is hindered by the fact that available sources are modest and limited to PSI countries. Despite these difficulties, I tried to ensure objectivity in my research and take into account the anxieties of countries that are not PSI participants. This paper concludes with

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[4] The UN High-Level Panel of Threats, Challenges and Change in its conclusions states that: "the nuclear non-proliferation regime is now at risk because of lack of compliance with existing commitments, withdrawal or threats of withdrawal from the Treaty on the Non-Proliferation of Nuclear Weapons to escape those commitments, a changing international security environment and the diffusion of technology. … We are approaching a point at which the erosion of the non-proliferation regime could become irreversible and result in a cascade of proliferation."

[5] John Simpson, "The Nuclear Non-proliferation Regime: Back to the Future?" *Disarmament Forum* 1 (2004).

identifying a set of policy recommendations that could contribute to further strengthening the role of PSI in countering new proliferation challenges.

PSI: History and Origins

Although the PSI was announced by President George W. Bush on 31 May 2003 in Krakow, Poland, the origins of this instrument can be discovered within the Clinton Administration. "It was under President Clinton that a gradual policy shift towards counter-proliferation was initiated," but still within a broader non-proliferation framework.[6] For example, in 1993 then-Secretary of Defense Les Aspin announced the creation of the Defense Counter-Proliferation Initiative, designed to deal with the fear that after the dissolution of the Soviet Union some WMD could fall into the hands of irresponsible states or terrorist groups.[7] Also, in August 1993, the United States carried out an interdiction operation against the Chinese ship *Yinhe*, which was suspected of transporting dangerous chemical substances.[8] A similar situation occurred in 2002 when the U.S. and Spain discovered Scud missile parts onboard a North Korean vessel (*So San*) heading to Yemen. The incident brought to policymakers' attention the importance of preventive measures in the fight against WMD proliferation.[9]

By coincidence, the *So San* case coincided with a time when the "U.S. National Strategy to Combat WMD" was announced. The new strategy formally introduced counter-proliferation as a primary way of preventing possession of WMD by hostile states and terrorists. Moreover, it recognized interdiction as a main tool of counter-proliferation efforts. With regard to its implementation, the Strategy indicated the need for strengthening cooperation with like-minded states.[10] To sum

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[6] Peter Van Ham, "WMD Proliferation and Transatlantic Relations: Is a Joint Western Strategy Possible?" Netherlands Institute of International Relations (Clingendael Institute) (April 2004), 9.

[7] British American Security Council, "PSI: Combating Illicit WMD Trafficking, 2006," (2005), available at www.basicint.org/nuclear/counterproliferation/psi.htm.

[8] The attempt failed because U.S. authorities were forced to wait several weeks for a permission to search the vessel. During this time the chemicals vanished. Andrew C. Winner, "The Proliferation Security Initiative: The New Face of Interdiction," *The Washington Quarterly* 28:2 (Spring 2005): 130.

[9] Despite the fact that, after talks with Yemen, the shipment wasn't stopped (probably because the U.S. was interested in Yemeni support for antiterrorist activities). For more details on the interdiction of the *So San*, see Winner, "The Proliferation Security Initiative," and Rebecca Weiner, "Proliferation Security Initiative to Stem Flow of WMD Material," Center for Non-proliferation Studies at the Monterey Institute of International Studies (16 July 2003), available at: http://cns.miis.edu/pubs/week/030716.htm.

[10] U.S. National Strategy to Combat Weapons of Mass Destruction (2002), available at www.whitehouse.gov/news/releases/2002/12/WMDStrategy.pdf.

up, the practice, as well as U.S. documents, heralded the creation of PSI as a pro-active approach to non-proliferation.[11]

According to U.S. officials and available documents, PSI is aimed at states and non-state actors of proliferation concern to enable interdiction of illegally trans-ferred WMD, their delivery systems, and related materials.[12] Participants, through cooperation, introduce effective measures to impede and stop the flow of WMD and to interdict any potential shipment transported by sea, air, or land.

The founding group of the PSI consisted of eleven countries.[13] During the four years of its existence, the PSI has gained global response. Today, support for the goals of the PSI is expressed by around eighty states[14] and international institutions like the UN and NATO.[15] As of the end of 2006, the group of partici-pants continuously engaged in PSI activities consists of twenty states.[16]

Legal Basis

The Proliferation Security Initiative is not an international organization nor a treaty, nor even a formal alliance. That is why it does not have a statute. The only official document that sets forth an outline for PSI activities is the Statement of Interdiction Principles, which was agreed on 4 September 2003 in Paris. By sign-ing this agreement, a state commits itself to "establish a more coordinated and ef-

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[11] The concept of the PSI illustrates the evolving mind-set of the Bush Administration, which lacks trust in the efficacy of multilateral institutions and is trying to pursue U.S. foreign policy goals with support of like-minded states creating ad hoc coalitions. Since 9/11, in addition to PSI, the following initiatives based on such an approach were an-nounced: Container Security Initiative, the Customs-Trade Partnerships against Terror-ism, the Regional Maritime Security Initiative, the Global Threat Reduction Initiative, and the Global Initiative to Combat Nuclear Terrorism.

[12] Statement of Interdiction Principles (4 September 2003), available at www.state.gov/t/isn/rls/fs/23764.htm; John R. Bolton, "An All-out War on Proliferation," *The Financial Times* (7 September 2004), available at www.state.gov/t/us/rm/36035.htm.

[13] These were: Australia, France, Germany, Italy, Japan, the Netherlands, Poland, Portugal, Spain, the United Kingdom, and the United States.

[14] Their level of engagement in PSI activities varies, from the states that have never participated in any of them to those that actively take part in exercises.

[15] "The Alliance underscores its strong support for the aims of the Proliferation Security Initiative (PSI) and its Statement of Interdiction Principles to establish a more co-ordi-nated and effective basis through which to impede and stop shipments of WMD, deliv-ery systems, and related materials flowing to and from states and non-state actors of proliferation concern." NATO Istanbul Summit Communiqué (28 June 2004), available at www.nato.int/ docu/pr/2004/p04-096e.htm.

[16] Argentina, Australia, Canada, Denmark, France, Germany, Greece, Italy, Japan, the Netherlands, New Zealand, Norway, Poland, Portugal, Russia, Singapore, Spain, Tur-key, United Kingdom, and the U.S.

fective basis through which to impede and stop shipments of WMD, delivery systems and related materials flowing to and from a states or non-state actors of proliferation concern." The statement does not explicitly name the category of "states or non-state actors of non-proliferation concern." However, it mentions that it refers to those actors that "are engaged in proliferation through: (1) efforts to acquire chemical, biological, or nuclear weapons and associated delivery systems; or (2) transfers of WMD, their delivery systems, or related materials." This deliberate lack of clarity in defining the possible subjects of interdiction efforts could create double standards in the treatment of various countries. On the other hand, it ensures the flexibility of the PSI.[17] The statement further obliges participants to work to strengthen their internal institutions and laws in order to back up PSI aims and enumerates specific actions that could be taken in support of interdiction efforts.

There is one specific category of official documents that is signed under the auspices of PSI: ship-boarding agreements. These are bilateral agreements signed between the U.S. and so-called "flag-of-convenience" states.[18] According to these agreements, if a specific ship holds the nationality of the U.S. or the partner country, and is suspected of carrying illicit cargo, one of the parties can ask for permission to board and search such a vessel.[19]

As was mentioned above, the PSI was able to secure significant, although implicit, support from international institutions. The most noteworthy comes from the UN. Invocations of the Proliferation Security Initiative, which is seen as a useful tool for reinforcing standard instruments in the fight against newly emerging "nexus threats" to non-proliferation, are present in the Secretary-General's report "In Larger Freedom" and in the work of the UN High-Level Panel on Threats,

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[17] This issue is discussed at greater length below.

[18] As of January 2006, the U.S. had signed ship-boarding agreements with the following states: Belize, Croatia, Cyprus, Liberia, Marshall Islands, and Panama. For a list of ship-boarding agreements, see the U.S. Department of State website, at www.state.gov/t/isn/c12386.htm.

[19] These agreements are a profound step in fostering the operational capabilities of the PSI, especially when relations between PSI interdiction activities and their conformity with the UN Convention on the Law of the Sea are creating doubts. Concerns about the PSI's consistency with the International Law of the Sea are discussed below.

Challenges and Change.[20] Implicit support for the PSI could be found also in UN Security Council Resolution 1540, which recognizes the threat to international peace and security posed by the proliferation of WMD by non-state actors and encourages countries to introduce specific measures to minimize them.[21]

PSI Concepts

If the PSI is not an international organization, then what is it? U.S. officials say it is an activity that puts emphasis on developing certain principles and procedures in order to facilitate the fight against the illicit trafficking of WMD-related materials.[22] The PSI has neither a statute, a secretariat, a headquarters, a budget, nor any governing bodies. It is in theory also not an exclusive club with a limited membership. All countries that indicate official support for the Initiative's aims are welcomed to join the coalition. Lack of permanent authority and structures guarantees the flexibility of this instrument and enables it to quickly adapt to the constantly changing international environment. That explains some of the Initiative's success in attracting new countries to submit their support for the PSI.

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[20] "While the NPT remains the foundation of the non-proliferation regime, we should welcome recent efforts to supplement it. These include UN Security Council Resolution 1540 designed to prevent non-state actors from gaining access to nuclear, chemical, and biological weapons, technology and materials, and their means of delivery; and the voluntary Proliferation Security Initiative, under which more and more States are cooperating to prevent illicit trafficking in nuclear, biological and chemical weapons." UN Secretary-General Kofi Annan, "In Larger Freedom: Towards Development, Security and Human Rights for All," (2005), available at: http://daccessdds.un.org/doc/UNDOC/GEN/N05/270/78/PDF/N0527078.pdf; "Experience of the activities of the A.Q. Khan Network has demonstrated the need for and the value of measures taken to interdict the illicit and clandestine trade in components for nuclear programmes. This problem is currently being addressed on a voluntary basis by the Proliferation Security Initiative. We believe that all States should join this voluntary initiative." The UN High-Level Panel on Threats, Challenges and Change (2005), available at: www.un.org/secureworld/report.pdf.

[21] These include establishing effective export controls, introducing efficient laws to punish proliferation, undertaking "cooperative action to prevent non-state actors from acquiring WMD and to end illicit trafficking in such weapons, their means of delivery and related materials" (UNSC Resolution 1540). On 14 October 2006, the UN Security Council passed Resolution 1718 in response to North Korean nuclear tests, a resolution that implicitly draws on the existing work of the PSI. It obliges member states to prevent illicit trafficking in WMD to and from North Korea, allowing them to inspect cargo shipments going to or coming from the DPRK. See U.S. Department of State, "PSI Frequently Asked Questions" (26 May 2005), available at www.state.gov/t/isn/rls/fs/46839.htm.

[22] John R. Bolton, "An All-out War on Proliferation," The Financial Times (7 September 2004), at www.state.gov/t/us/rm/36035.htm.

The PSI differs from existing frameworks of the non-proliferation regime by recognizing that today's threats of weapon proliferation derive from a different security environment than in the past. "By targeting key supplier states like North Korea, and now non-state black market networks similar to A. Q. Kahn's, PSI participants are attempting to tackle proliferation at its source."[23] But there should be no mistake: the PSI does not aspire to be a separate regime inconsistent with current non-proliferation mechanisms. It was designed to reinforce them.[24]

Although the PSI does not have permanent structures, it coordinates its activities through meetings of operational experts (seventeen meetings of the so-called Operational Experts Groups had taken place by January 2007).[25] These meetings gather together experts from countries that are actively engaged in PSI activities and are organized on a regular basis in order to focus on the prospects and areas of future cooperation.[26] So far, there have been two more structured meetings that assembled a larger number of participants. Both of them took place in Poland. The first one, held in June 2004 in Kraków (to coincide with the first anniversary of the PSI), was attended by delegates representing more than sixty countries. The second one, held on 23 June 2006 in Warsaw and known as the High-Level Political Meeting of the Proliferation Security Initiative, gathered around seventy states. The latter meeting was devoted to reviewing the PSI's successes and failures. It also took up a discussion of the financial aspects of WMD proliferation and ways to improve national measures "to identify, track and freeze the assets and transactions of WMD proliferators and their supporters."[27] These two plenary meetings

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[23] Richard Bond, "The Proliferation Security Initiative: Three Years On," Basic Notes, British American Security Information Council (2 August 2006), 7; available at: www.basicint.org/ nuclear/counterproliferation/psi.htm.

[24] "While the non-proliferation regime may serve to deter most actors, it has been proven that it does not and probably will not deter some states and potential terrorist organizations from proliferating. Therefore, it is imperative that the United States adopt a policy of counter-proliferation in addition to its non-proliferation objectives. The use of the PSI in potentially compelling Gadahfi to allow weapons inspections may serve as an example of how these two strategies can complement, and possibly enhance one another." Erin Harbaugh, "The Proliferation Security Initiative – Counterproliferation at Crossroads," Strategic Insights 3:7 (July 2004): 7.

[25] Mayuka Yamazaki, "Origin, Developments and Prospects for the Proliferation Security Initiative," Institute for the Study of Diplomacy, Edmund A. Walsh School of Foreign Service, Georgetown University (2006), 9; available at: http://isd.georgetown.edu/JFD_2006_PSA_ Yamazaki.pdf. See also U.S. Department of State, "List of Proliferation Security Initiative Operational Experts Meetings" (2006), at: www.state.gov/t/isn/c12684.htm.

[26] Winner, "The Proliferation Security Initiative," 135.

[27] PSI HLPM Chairman's Statement, Warsaw, 23 June, 2006, at www.psi.msz.gov.pl. See also Bond, "The Proliferation Security Initiative: Three Years On," 2–3.

were also used to build up stronger political support for the Initiative, which could result in facilitating further outreach activities.

How It Works

Although the main aim of the PSI is to interdict illicit transfers of WMD-related materials, it is not only about these kinds of actions.[28] The PSI also represents the set of activities through which participants are working together to strengthen their abilities to stop proliferation, including workshops, seminars, and exercises. According to U.S. Department of State data, as of the end of 2006, twenty-five PSI exercises had been conducted. These include maritime, ground, and air interdiction exercises, command post exercises, and gaming exercises. In October 2006, a maritime/ground interdiction exercise called "Leading Edge" took place in Bahrain (with the participation of observers from Qatar and the United Arab Emirates), very close to Iranian territorial waters.[29] Government/industry workshops and seminars enable a state's authorities to meet with representatives of private companies to discuss ways of strengthening the degree of public–private partnership in countering illicit WMD trafficking. Such workshops have been held in London (September 2006), dedicated to strengthening cooperation with the maritime; in Copenhagen in August 2004 (again devoted to maritime issues); and in Los Angeles in September 2005, dealing with air cargo transport.[30]

Participation in PSI exercises is beneficial in both national and international dimensions. Engaged countries are able to identify the key problems and areas (for example, communication procedures or intelligence sharing) that need to be improved in order to cooperate efficiently with other PSI partners. They also provide the opportunity to check the efficiency of interagency cooperation on a national level. Exercises are usually open to the media, which helps to build public awareness of WMD non-proliferation efforts and, more importantly, sends the warning message to potential proliferators that a significant number of countries are committed to working jointly to halt illicit trafficking of WMD.

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[28] The issue of interdiction operations is raised in the next section.

[29] Hassan M. Fattah, "U.S.-Led Exercise in Persian Gulf Sets Sights on Deadliest Weapons," *The New York Times* (31 October 2006), available at: www.nytimes.com/2006/10/31/world/ middleeast/31gulf.html.

[30] U.S. Department of State, "Governments Discuss Stopping Sea-Borne Weapons Trafficking" (27 September 2006); available at: http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2006&m=September&x=20060927171830adynned0.1001245.

Challenges to PSI AND Its Effectiveness: Operational, Legal, Outreach Strategy

Interdiction

Interdiction operations have been seen as a main PSI activity since its creation, and interdiction itself has been regarded as an essential tool in countering the illegal spread of WMD-related materials. Many consider the number of successfully accomplished interdiction operations as a basic indicator of the PSI's operational effectiveness.[31] The main problem is that information relating to this kind of PSI actions is classified. In May 2005, on the PSI's second anniversary, U.S. Secretary of State Condoleezza Rice mentioned that, "in the last nine months alone, the United States and ten PSI partners have quietly cooperated on eleven successful efforts."[32] The most famous example is the interdiction of the ship *BBC China* in October 2003. This German-owned vessel carried centrifuge components bound for Libya. U.S. and British ships followed the vessel and Italian authorities interdicted it, with the approval of the German government. This case is often cited as having influenced or at least accelerated Libya's decision to give up its nuclear program.[33] However, again because of the classified nature of many of the records, it is impossible to confirm this information.

The latest signals on a number of PSI operations have come from U.S. Under Secretary of State Robert Joseph, who in his speech during the Warsaw PSI High-Level Political Meeting stated that "between April 2005 and April 2006, the United States together with PSI participants from Europe, the Middle East and

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[31] Although there are views within the current U.S. administration claiming that "successful interdictions are not ultimately the best measure of the success of the PSI. The best measure of success of the PSI will be the interdictions that never happen because the weapons of mass destruction or the components of weapons of mass destruction were never shipped in the first place because the PSI successfully deterred or dissuaded would-be proliferators from engaging in this kind of activity in the first place." Stephen G. Rademaker, Assistant Secretary, Bureau of Arms Control, U.S. Department of State, "PSI Early Assessment," Hearing before the Subcommittee on International Terrorism and Non-proliferation of the Committee on International Relations, U.S. House of Representatives (9 June 2005), 5.

[32] Jacquelyn S. Porth, "Rice Says Proliferation Security Initiative Is Yielding Results," U.S. Department of State International Information Programs (30 May 2005), available at: http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2005&m=May&x= 20050531 165844SJhtrop0.9604761&t=xarchives/xarchitem.html.

[33] Wyn Q. Bowen, *Libya and Nuclear Proliferation – Stepping Back from the Brink*, IISS Adelphi Paper 380 (London: Routledge, 2006), 66.

Asia carried out roughly two-dozen interdictions." These included, among others, seizing components and dual-use materials related to Iran's nuclear program.[34]

The fact that secrecy is the major obstacle to assessing whether or not the PSI is successful poses a challenge for participating states to make their achievements more visible, in order to help shape public opinion. If the PSI is really efficient, why build a wall of secrecy around it? Of course, operational details or information channels must remain classified, but at least a list of successful interdictions should be revealed.[35] One reason for doing so has been already mentioned: building public support for counter-proliferation efforts. The second is also pragmatic—more noticeable and widely known PSI activities would send a stronger message to proliferators.

Dual-use Goods

The ambiguous character of materials that could be subject to possible interception poses a major challenge to PSI interdiction operations. The status and nature of suspected cargo is not always clear in all situations. The Statement of Interdiction Principles calls on participants to "undertake effective measures … for interdicting the transfer or transport of WMD, their delivery systems, and related materials…." Under existing international law it is very difficult to clearly determine which goods could be included in the category of "related materials." Many products have a dual-use nature, which means they could be used either for developing WMD or for purely civilian and peaceful purposes. This raises the question about the possible threshold (type of material, quantity, etc.) beyond which a suspected shipment would trigger an interdiction operation.[36] With regard to this problem, states can disagree on whether or not WMD-related materials could pose a danger in the hands of a certain country. This could seriously affect the cohesion of PSI partners or lead to a double-standard approach to non-proliferation. Another possible question would touch on the issue of the intentions of the recipient of suspected cargo within the borders of a certain country. According to the U.S. Department of State, "The United States only pursues interdiction efforts where there is a solid case for doing so."[37] Is this an obstacle to the PSI's effective operation?

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[34] Robert G. Joseph, U.S. Under Secretary for Arms Control and International Security, "Broadening and Deepening Our Proliferation Security Initiative Cooperation," Warsaw, Poland, 23 June 2006; available at: www.state.gov/t/us/rm/68269/htm.

[35] "… it is inevitable that much work is done quietly and with cooperation in sensitive channels outside public spotlight. Discreet actions often help us stay one step ahead of the proliferators and give them less insight into steps that can take to evade detection." Robert G. Joseph, "Broadening and Deepening Our Proliferation Security Initiative Cooperation."

[36] Winner, "The Proliferation Security Initiative," 138.

[37] U.S. Department of State, "Proliferation Security Initiative Frequently Asked Questions."

International proliferation networks employ complicated supply routes using third-party states to legitimize shipments of cargo, which usually has a dual-use nature. In such a situation, PSI states possess ambiguous information on suspected cargo. If the rule is that a shipment can be interdicted only when there is absolutely no doubt about the shipment's purpose, some trafficking attempts will never be stopped.

The nature of dual-use goods poses a real challenge to the PSI, as well as to the non-proliferation regime as a whole. One solution is to further strengthen national and international legislation on export controls of such materials. The second solution requires broader intelligence sharing.

Intelligence Sharing

The challenges posed by the dual-use character of some WMD-related materials underscore the importance of the exchange of information. This is one of the key aspects of successful interdiction operations. Quick, reliable, and comprehensive information exchange allows PSI partners to undertake necessary steps in order to stop illicit shipments.[38] There is little information on how, or if, intelligence sharing is going to be implemented among PSI partners. According to the U.S. Department of State, "each state that seeks to participate in the PSI is asked to identify an appropriate point of contact for sharing information…. However, sensitive information on specific interdiction cases will be shared only with those states involved in the actual interdiction effort. There is no intent to make such information available to other PSI states."[39] In the same document we find that the U.S. does not envision multilateral intelligence sharing to facilitate PSI efforts. Clearly, the U.S. is keen to make specific information available only to certain states. This raises some questions about the PSI's coherence, especially with regard to the long list of the Initiative's supporters. Will some participant states be able to share intelligence with those that do not have appropriate clearances—for example, Yemen or Uzbekistan, both of which are on the list of PSI supporters? Certainly effective intelligence sharing mechanisms pose a major challenge for the PSI, especially given that they are essential to carrying out efficient interdiction operations.

Legal Challenges

Quite apart from the practical and operational aspects of the PSI, another major set of challenges to the Initiative's effectiveness is created by its compliance with international law, and especially with the United Nations Convention on the Law of

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[38] Article 2 of the Statement of Interdiction Principles stipulates that countries should develop concrete procedures to enable rapid exchange of information on proliferation activities and be able to protect this kind of classified information.

[39] U.S. Department of State, "Proliferation Security Initiative Frequently Asked Questions."

the Sea (UNCLOS). The main accusations include fears that PSI interdiction operations could affect a state's right of "innocent passage" through the territorial waters of another country (which is guaranteed by Article 19 of the UNCLOS) and the "freedom of navigation" beyond territorial waters (guaranteed in Articles 58 and 87). Article 19 of the UNLCOS stipulates that passage is innocent when it is "not prejudicial to the peace, good order, or security of the coastal state" and further enumerates the list of cases that could justify withdrawal of the right of innocent passage for certain ships. The list is long and comprehensive, and it would not be difficult to find justification for a state to board a ship suspected of carrying WMD-related materials within its territorial waters.[40]

The situation is more controversial with regard to the freedom of navigation. According to Article 92 of the UNCLOS, vessels on the high seas are subject to no authority except that of the state whose flag they fly. Moreover, Article 110 of the Convention prohibits a warship from boarding a foreign ship on the high seas. There are several exceptions to this rule: a ship can be boarded if it is engaged in piracy, the slave trade, or unauthorized broadcasting; if it is without nationality; or if it is of the same nationality as the warship. That implies that unless a ship carrying WMD-related cargo falls within one of these exceptions, or the state whose flag the ship flies gives its consent, it cannot be intercepted by a foreign warship.[41] That significantly narrows the number of possible scenarios under which PSI countries could carry out interdiction operations on the high seas.

PSI partners undertook several efforts to overcome these difficulties. One is the ship-boarding agreements (discussed above) signed by the U.S. with flag-of-convenience states. Another effort took place in October 2005 at the International Maritime Organization (IMO) diplomatic conference, when countries agreed to amend the Convention of the Suppression of Unlawful Acts Against the Safety of Maritime Navigation (SUA). Signatory countries agreed to add a protocol that on the one hand criminalizes terrorism and WMD proliferation but on the other hand still does not provide states with a legal basis to interdict a suspected ship.[42] Despite this, it is considered a step in right direction, and one that could help to legitimize future interdiction operations.

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[40] Mark R. Schulman, *The PSI as a New Paradigm for Peace and Security* (Carlisle, PA: Strategic Studies Institute of the U.S. Army War College, April 2006), 24; available at www.strategicstudiesinstitute.army.mil/pdffiles/pub652.pdf.

[41] Some parties of UNCLOS claim that such consent could be given in advance, but others would like such consent to be explicit (for example in written form) and granted on a case-by-case basis.

[42] Yamazaki, "Origin, Developments and Prospects for the Proliferation Security Initiative," 12.

Outreach Strategy

Certainly one of the important factors that will influence the PSI's success in the future is the strategy of expanding its scope. In this regard it is important to distinguish between two various dimensions of possible outreach activities: vertical and horizontal outreach. The former relates to enlarging the group of cooperating countries, while the latter dimension implies expanding the PSI's area of interest to new issues concerning counter-proliferation efforts.

Expanding the Geographical Scope. Originally consisting of eleven founding states, the PSI expanded to include around eighty countries, which reaffirmed their support for the norms set forth in the Statement of Interdiction Principles. With regard to the above-mentioned numbers, the results of vertical outreach efforts should be seen as a great success for the PSI. Nevertheless, when one takes a look at the list of the Initiative's supporters, some key countries are conspicuous by their absence. First of all, the People's Republic of China is not a member. Chinese officials explain that they have serious concerns about the PSI's legality and compliance with international law.[43] China's position on the PSI was laid out in a 2004 statement, which declared that Beijing shares "the concern of PSI participants over the proliferation of Weapons of Mass Destruction and their means of delivery and favors PSI's purpose of nonproliferation," but on the other hand China "feels concerned about the legitimacy of the interdiction measures taken by PSI participants beyond the international law and their possible consequences. China always believes that, now that the purpose of nonproliferation is to enhance international and regional peace, security and stability, any nonproliferation measures should not contradict such purpose."[44] Another justification that explains China's current position is that joining PSI could decrease its influence on the Six Party talks with North Korea.[45] This would probably result in a growing sense of isolation in North Korea, and thus lead to upsetting the balance between the Six Party Talks partners, where China, together with Russia, try to present a common position in order to balance the weight of the U.S., Japan, and South Korea.[46] An additional factor driving China away from support for the PSI is that it is a U.S.-

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[43] So far, China has joined the Container Security Initiative, allowing pre-screening of containers destined for the U.S. from the ports of Shenzhen and Shanghai. See British American Security Council, "PSI: Combating Illicit WMD Trafficking, 2006"; Mark J. Valencia, *The Proliferation Security Initiative: Making Waves in Asia*, IISS Adelphi Paper 376 (London: Routledge, March 2006), 64.

[44] Ministry of Foreign Affairs of the People's Republic of China, "The Proliferation Security Initiative," 29 June 2004; available at: www.fmprc.gov.cn/eng/wjb/zzjg/jks/kjlc/fkswt/fksaq/ t141208.htm.

[45] When this essay was written, the final outcome of Six Party Talks was still unclear.

[46] Yamazaki, "Origin, Developments and Prospects for the Proliferation Security Initiative," 13.

led initiative: it was conceptualized by the government of the United States, and was introduced to the world by President George W. Bush.[47] Although U.S. officials underline the PSI's flexibility and the fact that the Chinese are free to "make their own decisions about what kind of relationship they want" to have with the PSI, this message clearly does not convince Beijing.[48]

Some of the reasons mentioned above substantiate South Korea's stand towards the PSI. Park In-kook, the South Korean deputy foreign minister, described his country's attitude as follows: "The government has declared that it has a special status of officially supporting the goals and principles of the PSI, while not formally joining it in consideration of special circumstances on the Korean Peninsula."[49] South Korea feels that joining the Initiative and undertaking efforts to inspect ships from North Korea could potentially lead to military confrontation and, at the very least, would not facilitate further progress during the Six Party Talks.

India is another country in Asia whose participation in the PSI would be strongly desirable. Its location and its growing strategic and economic importance make this country a potentially significant ally in the fight against WMD proliferation. But there is also a flip side of the coin. India is not a part of the Non-Proliferation Treaty, and the PSI is meant to strengthen the existing non-proliferation regime.[50] Mark Valencia also stresses that India's participation could worsen its relations with China, Indonesia, and Malaysia—countries that have opposing views on the PSI. The U.S. is constantly pushing India to join the Initiative, and it seems that the agreement on civilian nuclear cooperation (a part of broader strate-

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[47] Commander B. W. Coceano, "Proliferation Security Initiative: Challenges and Perceptions," Atlantic Council of the United States Occasional Paper (May 2004), 4; available at: www.acus.org/docs/0405-Proliferation_Security_Initiative_Challenges_Perceptions.pdf.

[48] Jacquelyn S. Porth, "International Counterproliferation Cooperation Remains Vital," U.S. Department of State International Information Programs (27 October 2006); available at: http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2006&m=October&x= 20061027111802sjhtrop0.6953852.

[49] Norimitsu Onishi, "South Korea Won't Intercept Cargo Ships From the North," *The New York Times* (14 November 2006); available at www.nytimes.com/2006/11/14/world/asia/14korea.html?fta=y.

[50] Valencia, *The Proliferation Security Initiative: Making Waves in Asia*, 65.

gic partnership between two countries) could be an attempt to bring New Delhi closer to joining the PSI, even through a back door.[51]

Finally, the fourth crucial actor that remains outside the PSI is Indonesia. Perhaps this is the country that is most likely to join in the near future. There are reports that the Indonesian government is preparing to endorse the Statement of Interdiction Principles and adhere to the PSI, but that it wants to be involved only in some of its aspects.[52] Nevertheless, this would be a great leap ahead for the PSI, broadening its presence in Southeast Asia and enabling it to monitor one of the world's critical "chokepoints"—the Straits of Malacca, through which a quarter of global trade passes each year.

Although major players in the Asian region express concerns about the PSI's legality, they assure that they fully support its aims. Bearing in mind the strategic importance of Asia and the doubts of some key actors, it seems that this deadlock could be broken only if India or China decide to join. It looks that this could encourage and provide a pathway for other smaller states in Asia to adhere to the PSI.

An additional challenge is posed to the PSI in Central and Latin America. Only two countries, Panama and Argentina, currently participate in the Initiative. Although this region is not so crucial for possible illegal WMD transfers, it would give the PSI some additional credibility if it were able to attract such large regional actors as Brazil or Chile. Likewise in the Middle East, some countries that could be crucial for PSI efforts in the Persian Gulf remain outside the Initiative. It could prove to be beneficial if Saudi Arabia, a regional power, joined the PSI. This underlines the importance of enhancing the PSI's legal basis in order to assuage the concerns of some significant, but still undecided, countries. As a practical example of outreach activities in the region, we should mention the Polish initiative of organizing a seminar in Abu Dhabi (United Arab Emirates) devoted to

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[51] "As befits a major, responsible nation, and in keeping with its commitment to play a leading role in international efforts to prevent WMD proliferation, we hope that India will also take additional nonproliferation-related actions beyond those specifically outlined in the Joint Statement. We view this as a key component of the developing U.S.-India strategic partnership and look forward to working with the Indian Government, as well as the international community more broadly, to further strengthen nonproliferation efforts globally. Through our ongoing bilateral dialogue we have already discussed with India such steps as endorsing the Proliferation Security Initiative Statement of Principles…." Robert G. Joseph, U.S. Under Secretary for Arms Control and International Security, Remarks before the Senate Foreign Relations Committee, Hearing on U.S.-India Civil Nuclear Cooperation Initiative (2 November 2005); available at: www.state.gov/t/us/rm/55968.htm.

[52] Tiarma Siboro, "RI to Join U.S.-led Security Arrangement," *The Jakarta Post* (9 June 2006).

the goals and principles of the PSI. The seminar, held in May 2007, was conducted in cooperation with the Emirates Center for Strategic Studies and Research (ECSSR).[53] The event was attended by member countries of the Gulf Cooperation Council (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, UAE) and Yemen. All these states (besides Saudi Arabia) are listed as supporters of the PSI.

Expanding PSI Horizontally. Horizontal outreach refers to broadening the PSI's scope of concern. Some symptoms of this kind of approach are already visible in efforts to organize PSI workshops and seminars. The need for enhancing the PSI's mandate was mentioned in a speech delivered by U.S. President George W. Bush at the National Defense University in Washington in February 2004, when he proposed that the PSI should not only focus on WMD transfers, but should put more emphasis on combating the proliferation networks run by non-state actors.[54] Introducing this new agenda of activities would require new tools that would enable states to deal with criminals and their material and financial assets. Since the list of PSI supporters consists of more than eighty states, it is difficult to pursue new initiatives, especially when they could be regarded as revolutionary by some participants. In the context of the growing PSI community, these steps must be taken gradually. What has endured from Bush's proposal is the effort to combat the financial aspects of proliferation. This idea was reflected in the Chairman's Statement at the June 2006 PSI High Level Political Meeting in Warsaw. The participating countries discussed the possible efforts to disrupt the financial mechanisms that support proliferators in accordance with regulations set forth in UNSC Resolutions 1540 and 1673. The Chairman's Statement urges that "each participant should consider how their own national laws and authorities might be utilized or strengthened to identify, track, or freeze the assets and transactions of WMD proliferators and their supporters."

North Korea and Iran

None can deny that the nuclear programs adopted by North Korea and Iran represent serious challenges to the non-proliferation regime as well as to the PSI. It is open to question to what extent the PSI will prove effective in supplementing efforts to suspend these programs. Because of the classified nature of many PSI activities, and the complexity of non-proliferation and counter-proliferation instruments, we may not know whether or not the PSI will turn out to be useful. The ex-

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[53] "WMDs Should Not Fall in Wrong Hands," *Khaleej Times Online* (18 May 2007); available at: www.khaleejtimes.com/DisplayArticleNew.asp?section=theuae&xfile=data/theuae/2007/ may/theuae_may524.xml.

[54] The White House, Office of the Press Secretary, "President Announces New Measures to Counter the Threat of WMD," Washington, D.C. (11 February 11 2004); available at: www.whitehouse.gov/news/releases/2004/02/20040211-4.html.

ample of Libya strongly supports this view. The most likely scenario would envisage the PSI not being capable of stopping North Korean and Iranian efforts to further pursue their nuclear plans, but perhaps being able to slow them down.

Considering North Korea, it is too early to judge the outcomes of the initial consensus reached during the Six Party Talks in February 2007. The agreement has been described as "imperfect," and is compared to a similar agreement signed in 1994.[55] Many doubt that the DPRK will fulfill its obligations under the agreement, and do not believe that it will give up its nuclear program because, for Kim Jong Il, it is North Korea's main bargaining chip with the West and a sort of insurance for his regime's survival.[56] Some experts even see the agreement as a failure because Pyongyang has not explicitly agreed to verifiably eliminate their stockpile of nuclear weapons and materials. In this regard, these experts feel that the agreement, instead of encouraging a less rigorous stance toward Kim Jong Il's regime, actually underscores the importance of maintaining a deterrence policy toward North Korea, including the use of the PSI.[57] Despite this fact, it must be said that the latest developments prove that the use of diplomatic means in order to resolve the crisis in DPRK have brought satisfactory results. Pyongyang not only resumed its dialogue with International Atomic Energy Agency (IAEA) but also, on 14 of July 2007, allowed international inspectors to confirm the shut-down of the nuclear facilities in Yongbyon. This is a step in the right direction, but many issues still await resolution (such as North Korea's full renunciation of all elements of its nuclear program— not only those based on plutonium, but also experiments conducted with uranium). They will be surely on the agenda of the next round of the Six Party Talks.[58] To sum up, developments on the Korean Peninsula leave little space for the PSI to function, and limit its role to a deterrent factor. After the DPRK resumed the dialogue about its nuclear program, the PSI's role could be seen mainly as a deterrent factor.

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[55] George Perkovich, "Imperfect Progress," *The Wall Street Journal* (14 February 2007); available at: www.carnegieendowment.org/publications/index.cfm?fa=view&id=19025.

[56] J. Yardley and D. E. Sanger, "In Shift, Accord on North Korea Seems to Be Set," *The New York Times* (13 February 2007); available at: www.nytimes.com/2007/02/13/world/asia/13korea.html?ex=1329022800&en=08410501b113903c&ei=5088&partner=rssnyt&emc=rss.

[57] Bennett Ramberg, "How to Live With Nuclear North Korea," *International Herald Tribune* (15 February 2007); available at www.iht.com/articles/2007/02/15/opinion/edramberg.php.

[58] U.S. Department of State Special Briefing, "Assistant Secretary of State for East Asian and Pacific Affairs and Head of the U.S. Delegation to the Six-Party Talks Christopher R. Hill on Six-Party Talks Held in Beijing," (23 July 2007); available at: www.state.gov/r/pa/prs/ps/2007/88897.htm.

The situation with regard to Iran is more complicated. This is because so far Iran has not displayed any readiness to obey UNSC resolutions (it has not suspended enrichment activities). The PSI exercise held in the Persian Gulf near Bahrain, just about twenty miles outside Iranian territorial waters, sent a strong signal that PSI countries (including Bahrain, Qatar, and United Arab Emirates) will work jointly to deny Iran access to WMD-related materials.[59] "Leading Edge" was the first PSI exercise held in the Persian Gulf, and the Iranian response was hardly passive. Soon after the exercise was completed, Teheran conducted military maneuvers, during which a Shahab-3 missile was fired.[60] Also, in February 2007, Iran's elite Revolutionary Guards tested its new Russian missile defense system near the strategically important Strait of Hormuz.[61] The detention of fifteen British seamen in March 2007 could be regarded as another warning signal from Iran.[62] In July and August 2007, Iran undertook efforts to move the issue of its nuclear program away from the purview of the UN Security Council. It has signed an agreement with the International Atomic Energy Agency (IAEA) on the "Modalities of Resolution of the Outstanding Issues" (21 August 2007), and has allowed international inspectors onto Iranian soil. However Teheran is still developing its uranium enrichment capabilities, which is why some Western countries have called for tougher sanctions.[63]

Policy Recommendations: Towards Greater Effectiveness

The achievements to date of the Proliferation Security Initiative are ambiguous. Most of its activities are being kept out of public view, including interdiction operations and exchanges of information. Only certain events, like exercises or workshops, are visible. Despite the fact that the PSI was invented to carry out successful interception actions, and thus counter the proliferation of WMD-related materials—and, according to official statements, it has a more or less successful record in this regard—it turns out that the real brilliance of the PSI lies not in ac-

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[59] Hassan M. Fattah, "U.S.-Led Exercise in Persian Gulf Sets Sights on Deadliest Weapons," *The New York Times* (31 October 2006); available at: www.nytimes.com/2006/10/31/ world/middleeast/31gulf.html.

[60] "Iran to Start Military Maneuvers Days After Western-led Drills in Gulf," *USA Today* (1 November 2006); available at: http://www.usatoday.com/news/world/2006-11-01-Iran-military_x.htm.

[61] "Iran Test Fires Russian Missiles near Strait of Hormuz," *International Herald Tribune* (7 February 2007); available at: www.iht.com/articles/ap/2007/02/07/africa/ME-GEN-Iran-War-Games-Russia.php.

[62] "Iran Seizes 15 British Seamen," *Washington Post* (24 March 2007); available at: www.washingtonpost.com/wp-dyn/content/article/2007/03/23/AR2007032300574.html.

[63] "France Moots EU-wide Iran Sanctions," *Financial Times* (17 September 2007); available at: www.ft.com/cms/s/0/8572c1c0-654c-11dc-bf89-0000779fd2ac.html.

tual interdiction operations. Rather, its strength derives from its ability to attract, during its short four years of life, around eighty states, from all continents, who have expressed their support for the PSI's principles and accept the need for a proactive approach to non-proliferation. This sends a strong signal to potential proliferators. The deterrent force of the PSI should not be underestimated, as well as its potential to strengthen cooperation among participating states and their national authorities. In this respect, the PSI has been extremely effective. During exercises, countries practice information sharing, establishing points of contact that significantly improve communication. These are key factors to successful counter-proliferation activities. However, despite all these positive aspects, the PSI is not ideal. Below are some recommendations that could increase the effectiveness of this new tool:

1. It is necessary to further broaden the geographical scope of the PSI and attract several key countries which as yet remain outside the PSI community. This would further legitimize the Initiative's activities and improve its effectiveness. Crucial countries include China, Indonesia, India, Brazil, and Saudi Arabia.

2. Expanding the PSI could be facilitated by strengthening its legal basis and making it more consistent with existing international norms. This will also ensure that the Initiative will not be viewed simply as an extension of U.S. foreign policy. Entering into bilateral ship-boarding agreements is one solution to overcome restrictions on inspecting ships on the high seas, but these agreements should be signed not only by the United States, but also by other PSI countries. It is also crucial to strengthen the PSI's legitimacy within the UN framework. UNSC Resolution 1540 was a step in the right direction, although it fails to mention the Initiative explicitly. If China would join the PSI, all UNSC P-5 members would be represented in this Initiative. This could unlock the door for elaborating more comprehensive resolutions on counter-proliferation.

3. There is a need to find the risk balance between fostering the PSI's geographical outreach and broadening its horizontal scope. These two dimensions must be pursued simultaneously, and in a balanced manner. A desire to attract the attention of new states should not influence the unanimity of PSI participants and the quality of their cooperation. It also should not slow down the process of enhancing the level of cooperation within the PSI community and expanding it toward new issues. The remedy for these problems could be more equal involvement of all (new and old) participants in PSI activities. The Initiative has more than eighty supporters, but hardly half of them participate regularly in exercises. Of course, each country is free to decide the extent to which it wants to be involved, but gently encouraging passive countries to be more active should

do no harm, but rather should contribute to improving the PSI's effectiveness and quality in the long term.

4. PSI participants should make their successes (whenever and to the extent this is possible) more visible to the public. This would help build up support and awareness concerning counter-proliferation activities in general within the community of states and among their respective populations. Such "advertising" could give some food for thought to potential proliferators.

5. Last, but not least, the non-institutionalized character of the PSI should remain its trademark. Despite what some experts try to advise, the PSI is not at present strongly influenced by shifts in the policies of participating countries (particularly the U.S.), and its institutionalization could introduce bureaucracy and procedural obstacles.[64] Flexibility enables the PSI to adapt quickly to new circumstances and to attract new participants. Preserving its nature as a loose alliance of the like-minded makes the PSI an interesting twenty-first-century tool to actively counter new proliferation challenges within the framework of the existing normative non-proliferation regime.

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[64] Yamazaki, "Origin, Developments and Prospects for the Proliferation Security Initiative"; Jofi Joseph, "The Proliferation Security Initiative: Can Interdiction Stop Proliferation?" *Arms Control Today* 34:5 (June 2004), available at: www.armscontrol.org/act/2004_06/Joseph.asp; Coceano, "Proliferation Security Initiative: Challenges and Perceptions," 10.

Self-Interest and Cooperation: The Emergence of Multilateral Interdependence in Post-Conflict Eras

Frederic Labarre [*]

Introduction

This paper covers theories of international cooperation and the treatment they have received from certain commentators and advocates. The first thing that one notices in such an effort however, is the lack of definitional and elementary structure in the field, particularly in James Dougherty and Robert Pfaltzgraff's *Contending Theories of International Relations*.[1] We see that concepts such as cooperation, integration, communication, and functionalism, to name a few, become stuffed together in a hodgepodge of proto-theories that at best have the distinction of *not being* realist. One of the aims of this paper is to stress under what conditions international cooperation and interdependence can emerge. The relevance of the argument owes to the fact that today's international relations are becoming more aggressive and authoritarian, due to the increased autonomy sought by states (notably in the competitive pursuit of energy resources). Therefore, the need to rekindle the spirit of cooperation that the world witnessed upon the end of the Cold War (which spawned the Partnership for Peace, in particular) is urgent.

Interdependence is a complex system of relations that has the merit of being observable in everyday international life. However, theoretical work seems limited to the descriptive and structural/systemic levels.[2] The apparent complexity of the system stems in part from incomprehension concerning causality and consequence. In other words, we find ourselves faced with a chicken-and-egg dilemma about what actually produces interdependence. The inability to test and predict a theory means that it makes for a poor theory. Yet we cannot dispute the *prima facie* evidence of modern international relations; interdependence, like cooperation, is a fact, even if these principles have been under attack in the era since 11 September 2001.

The various attempts at developing a theory of interdependence have on the one hand obscured several similarities and commonalities between theoretical variants (say, between regime theory and neofunctionalism), and on the other hand

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[1] James E. Dougherty and Robert L. Pfaltzgraff, Jr., *Contending Theories of International Relations: A Comprehensive Survey, 5ᵗʰ ed.* (New York, NY: Addison Wesley Longman, 2001).

[2] Robert O. Keohane and Joseph S. Nye, Jr., "Power and Interdependence Revisited," *International Organization* 41:4 (Autumn 1987): 743.

have established interdependence as the opposite of realism. This paper is an exercise that seeks to reframe the debate. It will also dispel the notion that there is a fundamental clash between interdependence and realism. In fact, each is a crucial element of the other.

This critical review begins with a brief description of the evolution of interdependence and cooperation as it is practiced in contemporary international relations. The intention here is to underscore the role of concepts such as cooperation, communication, functionalism, and regimes based on the discussion found in Dougherty and Pfaltzgraff.

The review continues with a critique of the work of Katherine Barbieri, and ends with a short debate on the definitional limitations of the key concepts identified in the introduction. Theories of international cooperation and integration are understood as manifestations of interdependence. The sheer complexity of interdependence theories is such, and the level of detail so great, that confusion is the automatic outcome. Indeed, if realism is as robust and trustworthy as a sundial, then interdependence is a Swiss watch. Therefore, it is necessary to simplify the arguments given in Barbieri and Dougherty and Pfaltzgraff.

Development of Interdependence and Cooperation

The starting point of interdependence theorists is that international life can sometimes be cooperative. The major problems of peace and war have to do with cooperation, "defined as a set of relations that are not based on coercion or compellence and that are legitimized by the mutual consent of [participants]" or lack thereof.[3]

What are the conditions that stimulate the emergence of cooperation to the point where a state's will to power will be replaced by accommodation? Realist theory holds that the pursuit of power is the only way to ensure security in an anarchic world where war can occur at any moment. Without going into the obvious implications of the security dilemma, we notice that the twentieth century saw at least two wars that led to a higher level of cooperation than ever previously existed in history. When World War I ended, some 13 million people, from all corners of six empires, lay dead. Most of the fighting had taken place on geographically static Eastern and Western European fronts, and most of the dead were combatants. In the wake of this cataclysm, four empires collapsed: Austria-Hungary, Prussia, Russia, and Ottoman Turkey. France and England's were fatally undermined. The system of alliances—a device to which realists subscribe—designed to balance each power's ambitions had led to the loss of a whole generation. The League of Nations was created to bring life to the concept of collective security, and in many ways was thought to be the antidote for war. Collective security

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[3] Dougherty and Pfaltzgraff, *Contending Theories of International Relations*, 505.

works when coalitions of "peace-loving" nations renounce their individual, nationalistic interests and intervene against threats to international security and aggression to defend victims impartially, without regard to political, ideological, or ethno-religious alignment.[4]

The League of Nations was created because the alliance systems could not guarantee the stability of the balance (thus, its function was to answer a need for security) and/or because the war itself had been such a universally traumatic experience as to modify behavior. This would imply a form of national "learning." The League of Nations collapsed because the collective security system could not prevent or punish defection from the norms, and, I would argue, because some members had an interest in "forgetting" the lessons learned.

When the Second World War ended, 55 million people—mostly civilians this time—had died. The war had touched all continents, and finished off France and England as imperial powers, triggering a decolonization process that created dozens of new states. The war also undermined several monarchies, replacing them with liberal or socialist democracies. This time, the collective security system that would be created would be more sophisticated, employing a large bureaucracy. Again, the intention was to ensure security in such a way as to avoid recourse to individual national military action, but not necessarily to install the United Nations as the arbiter of international disputes and enforcer of good behavior.

Good behavior is demonstrated by obedience to rules of procedure and respect for international law under this and other institutions. The collective security experience was renewed and modified again because nations had learned from the past, but also because the need was more pressing than ever; the incomparable carnage of the Second World War had introduced new words such as *genocide* and *holocaust* into our lexicon to signify unparalleled levels of horror and destruction. The orgy of violence left two superpowers, a handful of medium powers, and several scores of new and weak states, after it had consumed more than 1600 cities and villages, including two Japanese cities vaporized with what Bernard Brodie would call the "ultimate weapon," the atomic bomb.

After some sixty years and countless volumes that were written on this history, the summary above seems redundant, but it serves to highlight that the cooperative impulse responds to a need for security after major crises unprecedented in scale. This impulse corresponds to political change in international relations, learning, and the articulation of conflict management tools removed from unilateral action. Since 1945, states have altered their power-seeking behavior and learned to cooperate.[5] Analysts and scholars often overlook this fact because of their obsession

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[4] Benjamin Miller, "A 'New World Order': From Balancing to Hegemony, Concert or Collective Security?" *International Interactions* 18:3 (Fall 1992): 9.

[5] Keohane and Nye, "Power and Interdependence Revisited," 751.

with the state-centered approach. Today's UN-based form of collective security is different from that of the League of Nations.

For one, a large permanent international bureaucracy has emerged as a power unto itself. This is the application of David Mitrany's theory of functionalism, which sees countries evolving from the status of international citizens with rights to international citizens bestowing services on their populations and neighbors. This has brought a technical element into the notion of development, what we would today call "nation building."[6] The point is that the creation of a body like the UN proceeds on the one hand from lessons learned from the failure of the League of Nations and on the other from the need for collective security on the part of newly independent states. That argument also goes for the creation and continued existence of NATO.

There is a causal relationship between the type of international organization and the context that brought it to life. If the UN does not have the power of the purse or of the trigger, its civil servants nevertheless do have material interests. Their power resides in knowledge and control of information and procedure. The strength of procedure is not limited to the bureaucracy. UN procedures exist to discourage defection; for example, the USSR thought it could afford to walk out of a discussion over the troubles in Korea in 1950, but doing so was not the same as using a veto, and it was the Soviet absence from its seat that guaranteed the UN's first (and only) collective security success in checking North Korean aggression against South Korea. If the USSR thought that other countries would find it in their interest to scuttle the UN the way the League of Nations had been, they were gravely mistaken. This has helped to assure the international community of states that they could not do without international organizations.

Second, a large part of the UN's relative success lies in a more realistic organizational structure, one that preserves the privileges of Great Powers within the Security Council, yet also grants a voice to lesser powers within the Assembly, and occasionally, in UN agencies or in non-permanent seats on the Security Council. This means that international organizations (IOs) exist as great equalizers, giving power to small countries that would otherwise be unable to survive only through their own efforts. IOs often reconcile a variety of protocols and norms into formal rules and procedures that perpetuate the credibility of multilateralism. In fact, the greater the number of small powers, the greater the odds that there will be a vibrant multilateral institutional base to give them a voice.

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[6]   Jacques Huntzinger, *Introduction aux Relations Internationales* (Paris: Seuil, 1987), 210. See also David Mitrany, *A Working Peace System: An Argumentation for the Functionalist Development of International Organizations* (London: Oxford University Press, 1943).

This results in the UN (and other institutions) becoming not only a forum where grievances, fears, and hopes are openly exchanged between nation-states, but also a world stage, where their actions can be scrutinized (and judged). Think, for example, of Adlai Stevenson, on television, vociferously pressing the Soviet Ambassador for answers on the deployment of missiles in Cuba, or of Khrushchev pounding his shoe on his desk, or of Colin Powell producing a sample of "anthrax."

At the end of the Cold War—a war which killed thousands of paramilitaries and revolutionaries in the Third World and a few NATO and Warsaw Pact soldiers in isolated incidents, but yet had threatened over the span of forty-five years to eliminate all life on this planet—there was a renewed impetus toward eliminating anarchy from the arena of international relations. Free from the constraints of ideological and strategic self-help, states (which numbered nearly 200 by 1991) sought to "normalize" their relations—that is, to conform to norms of behavior in the expectation that their neighbors would do the same.

At the same time, the international bureaucracy of vast international organizations saw that the time was ripe to establish their presence internationally. If the First and Second World Wars toppled empires, the end of the Cold War did the same for certain institutions, namely the Western European Union (WEU) and the Organization for Security and Cooperation in Europe (OSCE). But it also dealt a severe blow to state sovereignty, as newly democratic civil societies world-wide focused their attention on decidedly "liberal" topics of security, such as human rights, the environment, and conflict resolution. At the same time, the sphere of the non-coercive activity of states seemed to limit itself to commercial and trade issues, and most efforts were concentrated on ensuring predictable and enforceable trade regimes between states (hence the creation of the World Trade Organization, which was only possible with the collapse of communism).

In sum, states act individually in pursuit of their own interests as long as it is not catastrophically self-defeating to do so. When a major trauma happens, such as after the Napoleonic Wars, after the revolutions of the mid-nineteenth century, after the First and Second World Wars, and after the threat of mutual assured nuclear destruction, there is a tendency to articulate international relations around more predictable principles. Hence each trauma listed above yielded its own regime of international interdependence: the Congress of Vienna, the Congress of Berlin, the League of Nations, the UN, and finally, the general blossoming of international multilateralism that is often mistaken for cooperation and interdependence. Each trauma also created a change of identity in actors. Thus each of the traumas listed above transformed absolutist monarchies into ordinary monarchies, ordinary monarchies into parliamentary monarchies, parliamentary monarchies into varying degrees of democracies and republics, and finally, into liberal democracies of generally socialist leaning. These changes were not only the products of

major wars, but also of increased international communication, of the homogenization of ruling elites, economic regimes, and technological development.

So the conditions for variations in interdependence and cooperation have to do with the occurrence of a major catastrophe or watershed event—one that is recognized as such by a majority of actors (or at least by the most powerful ones) and is concomitant with ideological/identity homogenization and propelled by technological development. Again, this does not tell us anything of the causal processes, short of the historical evidence of major events.

Dougherty and Pfaltzgraff: A Critique

Dougherty and Pfaltzgraff do not perceive the essential causal relationship between the creation of an international organization and its context. Functionalism does not help us understand integration, as they claim.[7] Rather, it is integration that helps us understand functionalism in general, and spill-over in particular. Mitrany was always clear about the need for an international organization to be conceived first and foremost around topics that can be handled by technical experts, and in such a fashion that the habits of cooperation developed in that area could be replicated for others. In fact, this is exactly what happened with the creation of the European Steel and Coal Community, the precursor to the EU.

Dougherty and Pfaltzgraff complicate matters when they use the Prisoners' Dilemma as a model of cooperation.[8] Reading Schelling, game theory can account for conditions of pure collaboration, which are related because they "contain problems of perception and communication that quite generally occur in nonzero-sum games."[9] Furthermore, Prisoners' Dilemma outcomes are influenced by repetition. In international relations, wisdom recommends prudence in the application of coercion precisely because one cannot simply behave as if one's neighbors—no matter how hostile—did not exist. As Keohane and Nye have noted, "Since regimes have little enforcement power, powerful states may never-

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[7] Dougherty and Pfaltzgraff, *Contending Theories of International Relations*, 511.
[8] Ibid., 506.
[9] Thomas Schelling, *The Strategy of Conflict* (New York: Galaxy, 1963), 84.

theless be able to take forbidden measures; but they may incur costs to their reputations, and therefore to their ability to make future agreements."[10]

The structure of relations must account for the fact that there will be a "tomorrow." Because of this, Prisoner's Dilemma is a poor model on which to base a theory of interdependence, but it is a good model to help us identify elements within a relationship that affect outcomes, such as communication, and the value of relative versus absolute gains. Spill-over—the phenomenon that takes place when the habits of integration in one field (say, in trade) become precedents for integration in another field (say, strategic resources trading)—occurs because of integration, but integration is poorly defined. Karl Deutsch has pushed Mitrany's thinking further by looking into social communities that have developed through integration. These elements are not separate, as Dougherty and Pfaltzgraff seem to imply. They help constitute one another, and are certainly not in opposition to realism. In fact, their discussion of Haas' neofunctionalism clearly states that integrative schemes do not proceed from altruistic motives, but from interests elicited by the elite.[11]

Similarly, Dougherty and Pfaltzgraff bring up the issue of hegemonic stability as one motivator of cooperation. Hegemony carries notions of compellence, which can be frankly coercive; witness how the American hegemon behaved towards its French, British, and Israeli confederates in the 1956 Suez Crisis, and compare that with Soviet behavior toward Czechoslovakia and Hungary the same year. Hegemonic stability may create interdependence through the provision of economic benefits and maybe even military protection, but in general, hegemons tend to say, "Scratch my back or I'll stab yours."

Thus cooperation in such systems is begotten under duress. Hegemonic stability, like the Pfaltzgraff and Dougherty discussion on alliances, belongs within the domain of realism. As we have seen, most work on alliances has been performed

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[10] Keohane and Nye, "Power and Interdependence Revisited," 743. Prisoner's Dilemma is a good model to use to study rationality as long as the game is played in limited iterations. Since this does not reflect actual international relations, it is a bad model to explain cooperation, since the rational choice is to defect. In fact, Dougherty and Pfaltzgraff misinterpret Keohane and Nye; they say that "allowing players of Prisoners' Dilemma to communicate with one another changes the nature of the game…" (Dougherty and Pfaltzgraff, *Contending Theories of International Relations*, 746). See also Ronald L. Jepperson, Alexander Wendt, Peter J. Katzenstein, "Norms, Identity and Culture in National Security," in *The Culture of National Security: Norms and Identity in World Politics*, ed. Peter J. Katzenstein (New York: Columbia University Press, 1996), 43.

[11] Dougherty and Pfaltzgraff, *Contending Theories of International Relations*, 513. See also Alexander Wendt, "Anarchy Is What States Make of It: The Social Construction of Power Politics," *International Organizations* 46:2 (Spring 1992): 403.

by realists, but there are eloquent advocates of interdependence theory that can think of alliances as something other than counterweights to hostile neighbors.[12] According to Keohane and Nye's critique of their own work, much of the utility of regime theory has been to invalidate hegemonic stability theory because how scholars conceive of hegemony varies too greatly.[13] Most agree that a hegemon will produce "order and stability in an interdependent world economy—when it uses its power to enforce order on others" in the strongest terms, while the benign understanding of the concept says that "hegemony is a necessary, but not always sufficient, condition for order."[14] Dougherty and Pfaltzgraff show that the work of Liska and Riker, in particular, draws important conclusions about the role of community and ideology (as a function of identity), but is essentially sympathetic to realist theory.[15] This portion of their analysis is better suited to discussions of balance of power.

Dougherty and Pfaltzgraff cast liberal theories outside the realist paradigm, whereas regime, interdependence (and complex interdependence), and neoliberal economic theories participate in the system of realism; they confuse constructivism and liberalism, but subscribe to the notion promoted by Stephen Walt that the three (including realism) are in fact three different paradigms.[16] Walt goes even further by claiming that constructivism has replaced radical theories (like Marxism) in the conceptual toolbox.[17] This is a claim that is not contested by constructivists, who tend to lump together a certain number of neorealist and neoliberal concepts, like balance of power, bureaucratic politics and the intrinsic nature of state identity, but then so does Walt.[18] Keohane and Nye, on the other hand, were "cognizant of the realities of power, but did not regard military force as the chief source of power, nor did [they] regard security and relative position as the overriding goals of states."[19] They never sought to "challenge realism," as Walt suggests.[20]

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[12] Thomas Risse-Kappen, "Collective Identity in a Democratic Community: The Case of NATO," in *The Culture of National Security: Norms and Identity in World Politics*, ed. Katzenstein, 357–400.

[13] Keohane and Nye, "Power and Interdependence Revisited," 741.

[14] Susan Strange, "The Persistent Myth of Lost Hegemony," *International Organizations* 41:4 (Fall 1987): 555.

[15] Dougherty and Pfaltzgraff, *Contending Theories of International Relations*, 533.

[16] Stephen M. Walt, "International Relations: One World, Many Theories," *Foreign Policy* (Spring 1998): 38.

[17] Ibid., 41.

[18] Jepperson, Wendt, and Katzenstein, "Norms, Identity and Culture in National Security," 33–37.

[19] Keohane and Nye, "Power and Interdependence Revisited," 733.

[20] Walt, "International Relations: One World, Many Theories," 32.

A Critique of Barbieri

Katherine Barbieri's 1996 article "Economic Interdependence: A Path to Peace or a Source of Interstate Conflict?" bears evidence of similar misconceptions. The model she proposes to base her measures of interdependence and conflict incidence is suspiciously similar to the Prisoners' Dilemma matrix.[21] Compared to Thomas Schelling's *Strategy of Conflict*, quadrants I and IV denote zero-sum outcomes, and quadrants II and III indicate mutual vulnerability and mutual invulnerability respectively.[22] Barbieri hypothesizes that mutual vulnerability (trade interdependence)—what liberals think is a win-win outcome—in fact brings conflict, whereas the lose-lose outcome would seem to bring peace. For Barbieri, the difference has to do with the degree of symmetry in trade relations.[23]

This is a misapplication of the Prisoners' Dilemma model. Trade is never a zero-sum game; there must be an exchange involved, otherwise the transaction is theft instead of trade. Barbieri's hypothesis that increased dyadic trade and interdependence do not bring peace is well supported because of her suspicious sample. The period 1870–1938 was vastly different from the post-WWII and post-Cold War eras. It is not surprising that she agrees with Waltz, who says that the "decrease in interdependence during the post-WWII period is one of a set of factors contributing to peace in that era."[24]

This is rather spurious; it is evident that the ideological differences as they pertain to the role of the economy in domestic and international society had a great influence on the degree of trade. Blocs traded within each other according to their ideological rules; the Western bloc trades in the belief that the laws of the market should be allowed to rule, and that increased trade means increased peace (and within that bloc, the institutionalization of this belief into the European Union, or NAFTA or the WTO, matches liberal and constructivist notions about interdependence). Meanwhile, in the socialist bloc, the Soviet hegemon entertains tributary relations with its satellites, whereby production is commandeered from the periphery to the center. The Third World was as yet unable to offer the educated labor force that is now employed by the global economy.

Globalization really obtains when the Communist bloc starts to depend on trade with (or aid from) the capitalist West and when homogeneous (i.e., free market) trade practices become universal. In the post-Cold War era, we are used to

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[21] Katherine Barbieri, "Economic Interdependence: A Path to Peace or a Source of Interstate Conflict?" *Journal of Peace Research* 33:1 (1996): 34.

[22] Thomas Schelling, *The Strategy of Conflict*, 209–10, fig. 19. Schelling's figure illustrates game theory in conditions of imminent defection.

[23] Barbieri, "Economic Interdependence," 32.

[24] Barbieri, "Economic Interdependence," 30.

seeing conflict develop in areas that are not economically integrated.[25] This situation is vastly different from that of the period from 1870 to 1938.

When Barbieri says that trade relations will always be to the benefit of the developed states, maintaining powerless states in dependence, she argues along the lines of Walt's discredited radicals. Ironically, when she says (further supporting this claim) that imperial colonialism "illustrates how military force may be used in conjunction with trading strategies to establish and maintain inequitable trading relationships," she is absolutely right; gunboat diplomacy *was* the favored method of opening closed trading relationships between 1870 and 1938.[26]

The structure of international trade is important, but so is the structure of the internal economy. In addition to exaggerating the level of democratic development during the period she analyzes, she neglects the fact that trade was pressed mostly by very large and resource-hungry enterprises. It is not unreasonable to believe that realism explains international relations better in certain periods, and that advances in social measurements and other improvements in social scientific enquiry make newer theories more appealing. The problem with Barbieri's claims is that she tries to disprove a theory that did not exist in the period that she examines. Because the theory did not exist, it could not have informed elite decision-making, and because it did not exist, they had to rely on realist explanations.[27]

One of her better insights concerns the incidence of peace as being more likely correlated with the balance of trade rather than with the extent (salience) of trade ties. Her article does not say whether the intensification of trade creates balance or imbalance.[28] By defining *salience* as the importance of trade ties, she neglects that trade itself might be a factor of state survival. In other words, importance should be understood as a priority of elite decision-making, and not as a variable unto itself. (Also, trade may be salient, but relative to what? How do we know that trade is sufficiently salient to cause imbalance?)

Barbieri repeats that "conflictual or pacific elements of interdependence are directly related to perceptions about trade's cost and benefits."[29] Trade is *not* a zero-sum activity, nor is it an activity that states enter into as a matter of central decision-making. This is an activity entered into by state constituents, and the best a government can do is to negotiate trade relations with other countries to manage private activity, unless one conceives of trade as a controlled economy, like the

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[25] James Goodby, "Collective Security in Europe after the Cold War," *Journal of International Affairs* 46:2 (1993): 299–303.

[26] Barbieri, "Economic Interdependence," 32.

[27] David W. Ziegler, *War, Peace and International Politics* (New York: Addison Wesley Longman, 2000), 14.

[28] Barbieri, "Economic Interdependence," 40.

[29] Ibid., 43.

Soviet Union. By not qualifying her findings in light of the relationship between captains of industry and the monarchical elites that populated the period under review, her conclusions are anachronistic. Her study "provides little empirical support for the liberal proposition that trade provides a path to promote peace,"[30] and because she extrapolates the findings of the modern era onto the post-modern one in which we live, she is unable to see that "psychology and mood have changed far more than military indices of power resources."[31] Keohane and Nye were referring to the difference between the 1970s and the 1980s. Imagine how much the "mood" has changed between 1938 and 2008! Failing to account for these admittedly immeasurable variables leads her to think that what is true for 1870–1938 will be true for the seventy years since then.

In addition to her analytical mistakes, she, like Dougherty and Pfaltzgraff, makes definitional errors as well. Interdependence denotes reciprocal effects taking place within a dyad. These dyads can be composed of adversaries as much as they can be of allies.[32] Complex interdependence does not represent reality. It was "deliberately constructed to contrast [not challenge] with a realist 'ideal' type that [Keohane and Nye] outlined on the basis of realist assumptions about the nature of international relations."[33] It refers to a situation among a number of states between which a multitude of contacts take place, contacts over which the state does not always have control.[34] This is a condition of post-modern international relations, not classical ones. Indeed, "the belief that economic forces are superseding traditional great power politics enjoys widespread acceptance among scholars…," but that does not mean that the state will totally disappear.[35] Neither liberals nor constructivists have made that claim.[36]

The basic problem of Barbieri's article is the level of analysis. By concentrating on structure rather than on system, and by not acknowledging that domestic factors are far more important in today's system than in yesterday's, she reifies the

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[30] Ibid., 42.

[31] Keohane and Nye, "Power and Interdependence Revisited," 726.

[32] Keohane and Nye, "Power and Interdependence Revisited," 730–31. See also Schelling, *The Strategy of Conflict*, Ch. 4., "Interdependent Decisions," where there is interdependence of *expectations*. This is not a material understanding of dependence.

[33] Keohane and Nye, "Power and Interdependence Revisited," 731.

[34] Ibid.

[35] Walt, "International Relations: One World, Many Theories," 40.

[36] Keohane and Nye, "Power and Interdependence Revisited," 733. Keohane and Nye admit to being "cognizant of the realities of power," but argue that they do "not regard military force as the chief source of power." Constructivists, although more strident, argue that the "security environments in which states are embedded are in important parts cultural and institutional, rather than just material." See Jepperson, Wendt, and Katzenstein, "Norms, Identity and Culture in National Security," 33.

status of trade relations. As Keohane and Nye note, "One needs information about [state] preferences as well as about structure to account for state action…. It is not enough to know the geopolitical structure that surrounded Germany in 1886, 1914 or 1936; one also needs to know whether German strategies were the conservative ones of Bismarck, the poorly conceived ones of the Kaiser, or the revolutionary ones of Hitler.[37]

Reframing the Debate About Interdependence in Relation to Realism

Liberal and constructivist theories account better for processes taking place below the structural and systemic levels of analysis. In a world where civil society and the media play a greater part in shaping public opinion, which in turn informs elite preferences, this is a significant advantage that realism does not enjoy. Bureaucratic processes, which support much of functionalist concepts, were shown by scholars such as Graham T. Allison and Richard Barnet to be extremely significant, even though they remained anecdotal.

The irony, of course, is that interdependence is helped by institutionalization and the multiplication of formalized and rule-based contacts between states, because this formalization strengthens expectations. These are the fruit of functionalism, and the spill-over effect is not only due to states' long-term preferences but also to the preferences of the bureaucracy. If the result is an expansion of bureaucracy, we have to reckon with the fact that state sovereignty is surrendered to the benefit of international organizations. Therefore, realism remains a powerful explanatory tool at lower levels as well.[38] Unfortunately, as long as realists continue to insist that the only actors worthy of the name are states, their theory will never escape the exogenous logic of power.

Jepperson, *et al.* remind scholars that the first misunderstanding is "assuming that materialist [realist] theories are about conflict and cultural ones are about cooperation."[39] Realism can explain cooperation, just as culture can apparently explain conflict. Liberal theory completes realist theory, for "the world has been poised between a territorial system composed of states that view power in terms of land mass and a trading system based on states which develop the sophisticated

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[37] Keohane and Nye, "Power and Interdependence Revisited," 745.

[38] Again, the intention of liberal institutionalists is not to deal a major blow to realists, as some contend. See Joseph M. Grieco, "Anarchy and the Limits of Cooperation: A Realist Critique of the Newest Liberal Institutionalism," *International Organization* 42:3 (Summer 1988): 487.

[39] Jepperson, Wendt, and Katzenstein, "Norms, Identity and Culture in National Security," 39.

economic and trading apparatus needed to derive benefit from commercial exchange with it."[40]

Realism needed to find a liberal complement because states, in order to ensure their security, do not compete for territory anymore, but for markets. When Schumman and Monnet created the European Coal and Steel Community, they were denying states a monopoly over the resources to wage war. The compromise on the sharing of raw resources was the genesis of an *economic* balance of power. The management of this balance of power has taken place through economic, commercial, and financial institutions, as well as through the structures of international law. It has kept the discourse at a purely political level (which is, by definition, the absence of violence).

Neither Dougherty & Pfaltzgraff nor Barbieri elaborate on the various definitions of *integration*, *interdependence*, *anarchy*, and *international actor*. This suggests that the incomprehension surrounding the position of liberal and constructivist theories relative to realism have only spurred efforts to refine particular areas pertaining to these theories, with no further effort at definitional rigor past that of *regimes*, which are norms, rules, procedures surrounding mutually shared expectations.

Communication enables the addition of new information in the shaping of actors' perceptions—in other words, *learning*.[41] Neoliberal and constructivist contributions to realist theory emphasize the power of states to change because they integrate lessons learned. Neither of the two texts discussed here do a particularly good job of elaborating on the processes of change and learning, yet they are central to the perceptions we have of the world of today, and to how we relate to the past as "progress."

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[40] Joseph S. Nye, Jr., "Neorealism and Neoliberalism," *World Politics* 41 (October 1988): 247.

[41] Paul Rogers, "Learning from the Cold War Nuclear Confrontation," in *Deconstructing and Reconstructing the Cold War*, ed. Alan P. Dobson (Aldershot, Hamps.: Ashgate Publishing, 1999), 202–25; see also Joseph S. Nye, Jr., "Nuclear Learning and U.S.-Soviet Security Regimes," *International Organization* 41:3 (Summer 1987): 372–402. Both these works are indicative of state learning and regime creation.