

## NHJ Security Memo 26 May 2011

.....summary & reflections at a glance on some of the key issues of recent weeks

### Turning Up The Heat

#### Global Top 3 Big Issues

**Middle East and Arab Revolutions:** bursts of enormous energy and dramatic high speed change and painfully slow progress. At this point, developments in Egypt and Tunisia look more encouraging than many expected, but elsewhere it is still far too early to spot the long-term trends. In Libya Gaddafi has to go, good news that NATO is grinding him down and that Obama and Cameron have made a joint statement and are back on the same page. But as we have learnt, the post-conflict stage could be the bigger test. Syria looks more set for significant change than some others, but a year from now the status quo may well have shifted or begun to shift elsewhere including, for example, Bahrain, and Morocco and Jordan - even Iran (President versus Supreme Leader issues) - may see profound change. Watch out as autocratic nations do their best to stave off the wave of democratization by buying off their citizens with oil revenues and banding together for protection (Morocco's application for GCC membership). With Saudi Arabia supporting more rogue regimes than China or Russia, something's got to give soon in the West's relationship with this ambivalent ally - growing rumblings in the US re its funding of extremist groups. A new phenomenon is at play globally as Middle Eastern youth are linking to their Spanish, Wisconsin, and Georgian counter-parts to push for political change. If ever there was a time for a leap forward on the central Israel-Palestine issue it is now, and credit to President Obama for trying. Netanyahu's in-your-face rejection of Obama's 1967 borders (with swaps) proposal and "no peace based on illusions" statement does not help. The Palestinian unity deal between Fatah and Hamas could be a significant development linked to the Arab Spring, and with Hamas looking to Cairo rather than to a distracted Damascus, now is just the time for Israel to be bold and to welcome a major US push for peace. For Europe, the scale of potential migration flows caused by the Arab revolutions and the economic assistance required to help North African economies are becoming top tier problems. The Schengen Union and its open borders treaty arrangements face extreme stress testing.

**Pakistan:** its accelerating descent continues apace. Few experts doubt that elements within its establishment were complicit, not just incompetent, with regard to Bin Laden's years of secure refuge in the garrison city of Abbottabad. Unsurprisingly US-Pakistan relations are close to breaking point, and it is difficult to see who in Pakistan can begin to reverse an ever-steeper downward spiral to disaster. This week's Economist leads on Pakistan-Indian rivalry "that threatens the world" and covers its development of a new very mobile tactical nuclear missile, and Henry Kissinger warns us that "an India-Pakistan war becomes more probable... if

we let matters drift this could become the Balkans of the next world war".

**European Economic Crisis:** `we aint seen nothing yet'! Further Canute-type bail outs against the incoming debt tsunami will merely delay the inevitable impact which will likely be as bad or worse than 2008 in Europe and will ripple around the globe. We can expect much more public activism and unrest against austerity measures.

### **UK Top 3**

**Cru:** `it's the economy stupid'! The PM is right, it is the number one strategic and security issue, and the economic indicators and ratings are not encouraging; UK hit a record borrowing level this month. Despite all the pain, UK's debt interest payments continue to grow - £43 billion last year up to £50 billion in 2012 - completely dwarfing our combined defence, foreign, and international aid annual budgets. When is Osborne going to wish he had a Plan B after all? The assumption that a growing budget from 2015 will pay for Force 2020 is looking flaky - unless of course, world events and a re-prioritisation away from, say, welfare and health, fund the difference. That said, education, innovation, and research funding are the keys to both our future security and prosperity - NHJ has long maintained that a % spending target relative to GDP in these 3 areas is as necessary as was the Cold War defence spending target that proved critical to the collapse of the Soviet Empire.

**UK-US Joint Security Council:** if this lives up to its billing as a core element of the new `essential relationship' it could prove to be pivotal. In our ever more complex and convergent world it makes huge sense to have a thorough across-the-board all sources net assessment of upcoming trends, risks, and threats and to consider likely options for much better joined-up responses - and no two nations are better placed to come together to do this. Networking this to other groups of nations and non-state organizations will be key.

**Ministry of Defence:** though we are out of Iraq, we're into Libya. An intervention with low direct national interest was not part of the assumptions in the National Security Strategy and SDSR. We do not deny the importance of Responsibility to Protect or UK's role as a global rule-maintainer, but if this is what the NSC, media, our citizens and the world expect us to do, we had better be resourced to do it. The government must be prepared to adjust some decisions made in yesterday's context. In particular, serious planning for re-generation and extremism expansion must be undertaken to cater for (much less unlikely) worst-case scenarios. Much more radical thinking as to how Anglo-French procurement, defence support, and training can deliver more for less money is also needed.

## **Musings**

**Cyber:** this Tier One NSS priority is fast becoming very scary. The theft of 77 million Sony PlayStation personal details and credit card information - probably the largest data theft to-date - is the latest indicator of what is coming. Wikileaks and HMRC losses showed us the massive damage that can be inflicted by just one individual. Watch out for more serious collective malevolent cyber raids.

**Bin Laden Final Act:** Obama got Osama and will reap the political and security benefits for pulling off a high-risk manned mission rather than leaving it to a drone or air attack. The resulting intelligence and propaganda hauls were big. So, key question, have we passed the high water mark of Radical Islam/AQ? Some experts think so. Support has been declining across core nations, violence has proved a turn-off to the majority of target Islamic populations, and it is clear that to-date radical Islam has not been a feature of any of the Arab revolutions. Nevertheless, it will be years before threat levels can be reduced, and global intelligence and intervention capabilities will need to be constantly honed for a very long time.

**Afghanistan:** NATO forces (currently around 140,000) will start reducing well before the end of 2014 deadline for handing over to Afghanistan Security Forces. After another 500 Taliban broke out from the same Kandahar jail where 1000 escaped 3 years ago, a massive training and improvement effort across the burgeoning Afghan National Security Forces is fast becoming the centre of gravity of the international coalition forces exit strategy. Apparently the number of Taliban giving up and entering 'reintegration' programmes is up and exceeds capacity to handle them. Best news of all, though, is that the CIA has recently started serious face-to-face talks with the Taliban. Look out for Sherard Cowper-Coles' new book 'Cables from Kabul'.

**US National Debt:** is now the country's single biggest security threat - Admiral Mike Mullen, Chairman Joint Chiefs.

**Metropolitan Police Commissioner:** Health and safety laws hampered 7/7 rescue attempts; "if anything was going to worry me and keep me awake at night, I guess the Olympics would".