



NATIONAL SECURITY
ACADEMY



NATIONAL SECURITY BRIEFING BOOK

2013

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INTRODUCTORY MATERIALS



NATIONAL SECURITY | MARCH 2012

National Security Focus Group Report

By Matt Bennett, Mieke Eoyang, and Michelle Diggles of Third Way and
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Rosner Research

November's presidential election will feature something not seen in American politics in more than forty years: a Democratic candidate who enjoys some of his strongest ratings on *national security*. Swing voters in a new set of focus groups¹ are generally impressed with the job President Obama is doing in keeping the country safe. Yet his success has not erased old doubts or stereotypes about his party on these issues.

Obama's strong image comes in large part from the success of the May 2011 raid on Osama bin Laden, along with a string of other security-related accomplishments. The Democratic Party, by contrast, continues to carry image liabilities on national security that stretch back a half century: indecisive, too hesitant to use force, and tending to heed public opinion over national interests. As a result, while our focus groups tilt toward Obama over his GOP rivals on security issues, they continue to trust Republicans somewhat more as a party.

But while there is a gap between Obama and his party on national security, there is a mirror gap for Republicans. The record of President George W. Bush has dented their strong brand on national security and leaves real doubts about what Republicans would do if they once again controlled the White House. These voters respond coolly to the national security messages of the 2012 Republican candidates.

Below are the main findings from the Third Way-Greenberg Quinlan Rosner research on these swing voters' view of Democrats and Republicans on national security, followed by recommendations for translating the president's success to the broader Democratic brand.

THE DEMOCRATS

Obama's Brand is Strong. The Party's Brand, Not So Much.

Obama's Solid National Security Record Makes an Impression

The headline finding—supported by public polling—is how strongly voters assess President Obama's performance on national security. The swing voters in these groups say that the president is doing “pretty well,” “decent,” and

generally better than they expected. An Ohio man describes Obama's national security performance as "a pleasant surprise: he has continued to protect the U.S.; he hasn't wavered and he's shown that he is not afraid to use military force, which, when he came into office, I didn't think he was going to do."

Obama's ratings on national security were already healthy before last May—three Third Way/GQR polls on national security in 2010 showed it to be a real strength for the president.² But now, the bin Laden raid provides the main lens through which voters see Obama on these issues. As a Florida woman reflects: "That defines [Obama's] future—that was the biggest hunt for a terrorist that there ever was—and they got him."

Bin Laden's death carries subtle layers of meaning for these swing votes: a reduced terror threat; confidence in U.S. Special Operations; evidence that Obama can work across party lines; and proof that he can ultimately "pull the trigger." We show participants seven photographs of Obama in national security settings, and the iconic shot in the Situation Room watching the bin Laden raid makes these swing voters feel most positive about Obama. As a Tampa man explains, "It shows [Obama] can make a tough decision."

Participants mostly agree that the U.S. is in a stronger position in the world today than four years ago, and most feel personally as safe or safer today. But the death of bin Laden does not define the end of an era for these voters, and they remain concerned about terrorism. They talk about the importance of continuing airport security measures. They believe the president has done a good job of consulting with his advisors and looking at the facts to make the right policy calls, from Afghanistan to Guantanamo Bay. The president also gets credit for striking the right balance between diplomacy and force.

"...[President Obama] hasn't wavered and he's shown that he is not afraid to use military force, which, when he came into office, I didn't think he was going to do."

There are a few cautionary notes for the president. Some participants give all the credit for the bin Laden raid to the Navy SEALs and broader U.S. military. Others say Obama is simply capitalizing on the security capabilities built up by George W. Bush and other Republicans before him. These are minority views, but there is a risk of going too far in taking credit and sounding boastful.

The Democratic Security Image Still Stuck in the Past

Obama's solid standing on national security, however, has not yet rubbed off much on the image of the Democratic Party. These swing voters see Democrats in much different terms than the president—and trust them less on national security than the Republicans.

What we hear in these groups is remarkably close to what we found in a 2008 set of focus groups on these issues: Democrats too often are weak, indecisive, afraid to use force; lack grounding in military matters; rely excessively on diplomatic solutions;

“[Democrats] are too willing to come to the bargaining table and ‘50/50’ it, and what’s the advantage to our country?”

respond too quickly to public pressure; and defer too readily to the party’s liberal base. As one man from Cincinnati says of Democrats: “They are too willing to come to the bargaining table and ‘50/50’ it, and what’s the advantage to our country?”

While the swing voters in this year’s focus groups trust Democrats more on issues like diplomacy and boosting America’s global image, they trust Republicans more on “hard security” topics like “the effective use of military force,” “preventing terrorist attacks here in the U.S.,” “capturing, interrogating, trying, and imprisoning terrorists,” “intelligence and spying,” and “dealing with dangerous nuclear regimes like North Korea, Iran, and Pakistan.”

Their comments show that the roots of this image problem are decades old. “There have been a couple of Democratic administrations that screwed up military-wise,” reflects an Ohio man. “Jimmy Carter tried to rescue some people and then the other guy, Clinton, he threw some bombs down somewhere and that didn’t go too well either.”

Early Signs of a Potential Shift in Perception about Democrats

While the long-standing images of the two parties appear mostly steady, relative to our earlier research, these focus groups provide an early window on potential signs that Obama’s presidency may be slowly starting to change some of the stubborn negative perceptions about Democrats. As one Tampa woman says of the bin Laden raid: “I’d never heard of any Democrats doing something that dramatic, forceful.” And as the word cloud below shows, although these swing voters continue to harbor doubts about Democrats, the dominant association with the party on national security is now “Osama.”

Key Words Associated with the Democratic Party on National Security³



Obama's strong record also may explain the absence in these groups of some negatives we heard in the past about Democrats. There is virtually no complaint, as in 2008, that Democrats insufficiently support the military, which may reflect Obama's successful stewardship of the military, as well as the efforts he and the First Lady have made to support military families and veterans. It is also notable that, at a time when Obama has ended the U.S. troop presence in Iraq and begun planning for a drawdown in Afghanistan, not a single participant this year voices the old complaint about Democrats "cutting and running." Republican attacks on this score appear to have little resonance with swing voters.

THE REPUBLICANS

A Strong Party Brand, But Real Gaps Emerging

GOP Still the "Tough" Party of Reagan...

As the word cloud below suggests, these swing voters tend to see Republicans in stronger terms on national security—again, drawing on a long stream of historical memories. One Ohio man says: "Historically, [Republicans] have always reacted more appropriately and more quickly."

Key Words Associated with the Republican Party on National Security



...But Possibly Becoming the “Reckless” Party of Bush

But while Republicans’ national security brand mostly remains strong, they may be starting to face some gaps of their own. First, there is a gap between the image of Republicans on national security and impressions of the most recent GOP president—particularly his performance in the Iraq War. Largely as a result of George W. Bush’s tenure, Republicans strike many of these swing voters as too extreme; too aggressive; too quick to take dangerous actions without all the facts; and “too quick on the trigger.” As one woman in Cincinnati says, “They want to go fight and then maybe ask the questions.”

To be sure, just as Obama has not yet erased long-term negative impressions about the Democrats, neither did Bush wipe out the GOP’s long-term perceptions of strength on national security. But these groups suggest the performance of both presidents may be helping to make the scales on these issues more balanced.

Republicans also appear to face the prospect of a gap when it comes to their potential standard-bearers in the 2012 presidential race. Despite the party’s reputation for strength, decisiveness, and a strong military, a number of swing voters are unsure about Mitt Romney’s credentials as commander in chief. “He would let everybody else make his decisions for him,” says one man in Cincinnati. “I just think he would run and hide,” says another. Newt Gingrich also raises concerns on security, with some of these swing voters worrying he would be “arrogant” and “uncompromising.” (We did not explore perceptions of Rick Santorum, since at the time of these groups he was not a real factor in the GOP field.)

Most worrisome for Republicans, their main messages on national security are not resonating with these swing voters. Among a set of messages from the Republican candidates we test, the only one that strongly registers is Ron Paul’s call to reduce America’s presence and spending abroad. Several participants say that although they consider Paul “kooky,” they respond positively to his argument that the U.S. is overextended.

By contrast, national security messages pulled straight from Romney's speeches mostly fall flat. A Romney promise to retain "military superiority" and criticizing Obama for debilitating defense cuts gets positive responses from only about a third of the participants. A call for restoring American strength and leadership, including an attack on Obama for apologizing for America abroad, generates positive reactions from fewer than a quarter of these voters. An attack on Obama's "reset" policy with Russia generates positive responses from fewer than one in twelve of the participants, who have difficulty thinking of Russia as a threat.

Obama's Narrative and Record Trump the Republican Alternative

At the start of these focus groups, participants say they trust Republicans over Democrats on matters of national security by a slim 14-11 margin (5 others say neither or both or are undecided). But after hearing a balanced set of national security messages from both Obama and the Republican presidential candidates, a strong 21-7 majority (2 others say neither or both or are undecided) concludes that Obama and the Democrats have the better argument on national security. (This is too few voters for the results to have statistical validity, but it is still a big and notable shift.)

One reason for the shift is that these voters react much more positively to all of President Obama's national security messages. The strongest Obama message highlights his terrorism record:

Obama says: *In the last 3 years we have taken the fight to al Qaeda and the terrorist groups like never before. The Navy SEALs killed Osama bin Laden. A U.S. drone killed Anwar al-Awlaki, the cleric hiding in Yemen who helped encourage the slaughter of U.S. troops at Fort Hood. These terror groups will remain a danger, but scores of their leaders are now dead, and most of the rest are on the run.*

Over three-quarters of the participants give this message a positive rating,⁴ with most of them giving it a strongly positive score. Participants find the message credible and compelling—"I know what we've done and I know what happened," says a man from Cincinnati. A man in Tampa says, "He can put on his resume what the other up-and-comers can't." This message also is the strongest among the 10 participants who shift during the groups toward favoring Obama and the Democrats on national security.

Despite Obama's strong record and dominant narrative on national security, these swing voters retain some anxieties about Obama and the Democrats. When faced with the hypothetical of whom they want in the White House if there were a new terrorist attack or if Iran were to acquire nuclear weapons in 2013, these swing voters are conflicted. Many quickly pick the Republicans because of the ingrained associations noted above. Others express faith in Obama because he has the proven record and experience from the last four years. As one Tampa man put it, "I'm not saying that [Obama's] better than Mitt Romney for all the other things, but I know that somebody has

America's interest in there, and can get the job done and make tough decisions. I would go with somebody that can do that on national security." There is an undecided segment of participants who mostly conclude it is best to stick with "the devil we know," but they have to talk themselves into it, rather than responding with a gut instinct.

Some Skepticism of Republicans on Iran

Iran is the top country these focus group participants pick as a threat to the U.S. But some are concerned with how a Republican president might handle the threat Iran poses. A few say that the situation echoes the run-up to the Iraq War, and they are skeptical of the case for war because of the previous flawed intelligence. A woman in Cincinnati says: "I think that if we have a Republican president, I think there would be a war on Iran."

"I think that if we have a Republican president, I think there would be a war on Iran."

When asked how they would respond if a presidential candidate were to propose U.S. military strikes on Iran, even the men most supportive of military action express some concerns about the burden on the U.S. The focus groups suggest a great deal of worry over the threat Iran poses, but also caution about the U.S. taking direct military action to confront that threat.

Gender Differences May Play a Role

The same gender gap that public polling has shown on these issues surfaces in these focus groups, with respect to the images of the two parties. While the men continue overwhelmingly to trust Republicans more on security, the two groups of women are more approving of the Democrats, and they support the perceived Democratic preference for diplomacy over military action. When we ask which party they trust more on the effective use of U.S. military force, the war in Afghanistan, and preventing terrorist attacks at home, these women overwhelmingly choose Democrats, while nearly all the men say Republicans.⁵

Although there are too few participants to draw empirical conclusions, this split suggests women may lead any long-term shift in the relative perceptions of the two parties on national security. Some women in these groups say Republicans take action "without the information" or all of the facts. The perceived confidence that Republicans bring to security can come across to them as "dominating" and "strong-arming."

Divergent perceptions of the two parties on national security were decades in the making and won't flip with a single presidential term or election cycle. But with the wind at their backs on security, there are real opportunities for Democrats to make gains during this election year. As a starting point, Democrats should regularly stress these issues and welcome a debate over national security. Simply making national security a bigger part of the Democratic narrative will show confidence on these issues and associate the party with Obama's record. In addition, these focus groups suggest a number of specific points to emphasize:

Highlight strengths by focusing on results and facts

Voters are notably non-ideological on national security; above all, they want results. And they believe that this president has amassed a record of genuine national security successes. As the word cloud below shows, the most common reason participants say Obama and the Democrats have the better argument on national security is because of the president's proven accomplishments.

Key Words on Why Obama/Democrats Have the Better Argument on National Security



The core of a Democratic narrative on national security at this point therefore should be the string of Obama accomplishments that speak for themselves—the bin Laden raid; repeated strikes taking out al Qaeda’s top leaders; U.S. troops withdrawn from Iraq; Gaddafi’s dictatorship ended; the war in Afghanistan winding down.

One reason many of these swing voters think Obama produced such clear results, especially in the bin Laden raid, is that he took the time to get his facts right. As one woman in Tampa says, “[Obama] doesn’t just go off just to score points, you know, to be the big man or anything. He’s going to get all his facts and his ducks in a row.” The Democratic narrative should therefore paint the contrast with the Bush era: the war in Iraq based on faulty intelligence versus the bin Laden raid and a string of other successes because of a president who got the facts straight from the start.

MAKING THE CASE

President Obama has produced real results to make America more secure: Osama bin Laden is dead; most of al Qaeda's top leaders are gone; the U.S. war in Iraq is over; Gaddafi's dictatorship in Libya is no more; we are winding down the war in Afghanistan.

Obama's record reflects a determination to get the facts right. America can't afford to launch a war, as we did in Iraq, based on weapons of mass destruction that weren't there. President Obama has based his actions on solid facts, leading to solid results.

Emphasize the link between economic power and national power

These swing voters strongly link economic power to national power. They see America's security in part through the lens of our national economic strength and their own financial security. When they reflect on whether they feel more or less safe than four years ago, many of these voters immediately talk about their personal finances. Even when asked to assess the range of threats from abroad, the conversation quickly turns to issues like China's growing economic strength and the U.S. debts it holds; U.S. reliance on foreign oil; and the success of other countries in improving their skill base faster than the U.S.

Such voters need to hear that, for America, being strong in the world means being strong at home. This does not mean Democrats should simply bash China or downplay traditional military and diplomatic issues. It does mean, however, that they should address voters' economic concerns *as part of* their national security narratives and look for ways to stress the economic benefits of their national security policies. The Democratic case on national security should stress steps we are taking to open new markets for American exports, such as with the new trade agreements with Panama, Colombia, and South Korea; efforts to make China play by the rules of global trade; and steps at home to revive growth and employment.

MAKING THE CASE

America's security in the world depends on having a strong economy at home. President Obama has pursued national security policies that strengthen our economy and help average workers and families. He is working to increase U.S. exports, through new trade-opening agreements with Panama, Colombia, and South Korea; his policies have helped take U.S. reliance on foreign oil to a 16-year low; and he ended the war in Iraq and the billions it was costing American taxpayers.

Stress determination to fight terrorism in new ways

These swing voters clearly believe that despite bin Laden's death, there remains a persistent threat from terrorists. Many suggest "there will be a replacement for him." They don't feel the age of terrorism is over.

These participants volunteer that continued use of airport security screening measures and improved coordination among intelligence agencies make them feel safer. They want the next president to keep up the pace of such measures, as well as an aggressive effort to hunt down terrorist leaders from al Qaeda and other groups.

"They can do more with less now... Our weapons are more sophisticated; we can cut back a lot of manpower and still retain our military might."

Even though they want robust efforts against terrorism and other threats, these swing voters do not show high concern over the prospect of modest reductions in the defense budget. As noted, a Romney message criticizing Obama for his proposed defense cuts gains little traction.

One reason is that many of these participants see the Obama record as proof that America can have strong defenses at lower cost. Many of them spontaneously mention the use of drones, improvements in military technology, and use of the Navy SEALs and other special operations forces as factors that permit America to stay safe at a lower cost.

Obviously, many of these capabilities—especially drones—raise strategic, legal, and moral considerations that these voters do not address. But their focus on these capabilities is an important reason why they are mostly resistant to seeing Obama's military spending reductions as unreasonable or unsustainable. "[Drones] save American lives," says a man in Tampa. A man in Cincinnati says, "They can do more with less now because we have specialized forces. Our weapons are more sophisticated; we can cut back a lot of manpower and still retain our military might... Our technology will allow cuts in the defense budget."

MAKING THE CASE

President Obama has taken the fight to the terrorists. Bin Laden is dead and much of al Qaeda's top leadership is gone. The President's defense plans will keep up the pressure to disrupt, dismantle and defeat the terrorist networks, relying on solid intelligence, drones, our special operations forces, like the Navy SEALs, and ensuring our military strength remains unrivaled.

■ CONCLUSION

After decades of Democrats being seen as the weaker party on national security, we have entered a new period, with a Democratic president who enjoys strong confidence on his national security record. It may well take more years for accomplishments on the ground to translate into fully-revived trust in the Democratic Party on these issues, but there are signs the change has begun. By emphasizing proven successes, a commitment to getting the facts right, attention to the economic pillars of national security, and supporting a fiscally responsible modernization of the military, Democrats can recapture the advantage and eliminate the security gap.

* * *

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ABOUT THIRD WAY

Third Way represents Americans in the “vital center”—those who believe in pragmatic solutions and principled compromise, but who too often are ignored in Washington. Our mission is to advance moderate policy and political ideas. Unlike traditional think tanks, we do not house scholars who work in silos on academic research. Instead, we are built around policy teams that create high-impact written products and innovative trainings to influence today's debates.

For more information about Third Way please visit www.thirdway.org.

■ ENDNOTES

1 Greenberg Quinlan Rosner Research, in conjunction with Third Way, conducted four focus groups, 2 in Cincinnati, OH on January 26; and 2 in Tampa, FL on February 2. The groups were composed of moderate/conservative Democrats, Independents, and moderate Republicans. This research is inherently qualitative in nature, and so these results are suggestive rather than definitive; yet general consistency in responses across the four groups gives us confidence in the findings presented here.

2 See Stanley B. Greenberg, James Carville, Jeremy Rosner, Jon Cowan, Matt Bennett, and Andy Johnson, "The Politics of National Security: A Wake-up Call," Report, Third Way, March 8, 2010. Accessed March 15, 2012. Available at: [http://content.thirdway.org/publications/269/DCorps-Third_Way - The Politics of National Security-A Wake Up Call.pdf](http://content.thirdway.org/publications/269/DCorps-Third_Way_-_The_Politics_of_National_Security-A_Wake_Up_Call.pdf); See also Stanley B. Greenberg, James Carville, Jeremy Rosner, Jon Cowan, Matt Bennett, and Andy Johnson, "Toward Renewal and Leadership," Report, Third Way, June 3, 2010. Accessed March 15, 2012. Available at: [http://content.thirdway.org/publications/294/DCorps-Third_Way Memo - Toward Renewal and Leadership.pdf](http://content.thirdway.org/publications/294/DCorps-Third_Way_Memo_-_Toward_Renewal_and_Leadership.pdf); See also Stanley B. Greenberg, James Carville, Jeremy Rosner, Jon Cowan, Matt Bennett, and Andy Johnson, "Making the Case on National Security as Elections Approach," Report, Third Way, September 27, 2010. Accessed March 15, 2012. Available at: [http://content.thirdway.org/publications/332/Third_Way-Democracy Corps-GQRR - Making the Case on National Security as Elections Approach.pdf](http://content.thirdway.org/publications/332/Third_Way-Democracy_Corps-GQRR_-_Making_the_Case_on_National_Security_as_Elections_Approach.pdf).

3 These word clouds are created by compiling all participants' responses to specific written exercises—in this case all the words participants associate with the Democratic Party on national security. The more frequently a word or phrase is used the larger it appears. All like words are combined; for example, "diplomacy" and "diplomatic approach" are tallied together under "diplomatic," to give a more accurate reflection of each idea's frequency.

4 Messages from both Obama and the Republican candidate were scored on the same scale from +3 to -3, where +3 means the message makes them much more likely to support Obama/the Republican candidate and -3 means it makes them much less likely to support Obama/the Republican candidate, with 0 as a neutral point. "Strongly" positive ratings mean a rating of +3 or +2.

5 This is based on only four focus groups—too few for certainty—but recent public polling points to the same pattern.



DEBATE PREP | FEBRUARY 2013

World Leaders: A Pronunciation Guide

By Mieke Eoyang and Julie Zelnick

This guide lists the names, titles, and pronunciations of a wide range of foreign political leaders in the following regions.¹

- Africa
- Asia
- Australia/Oceania
- Europe
- Middle East
- North America/Central America
- South America
- Multinational Organizations

AFRICA



Egypt

President:

Mohammed Morsi

(mow-HAH-mehd MOOR-see)

Since: June 30, 2012



Morocco

Head of State:

King Mohammed VI

(moh-HAH-mehd)

Since: July 23, 1999



Kenya

President:

Mwai Kibaki

(m-W-EYE kee-BAH-kee)

Since: December 20, 2002



Nigeria

President:

Goodluck Jonathan

Since: March 9, 2010



Rwanda

President:

Paul Kagame

(Pahl kah-GAH-meh)

Since: March 24, 2000



Libya

President:

Mohammed Magariaf

(mow-HAH-mehd mee-GAHR-yeef)

Since: August 10, 2012



South Africa

President:

Jacob Zuma

(JAY-khub ZOO-mah)

Since: May 9, 2009



South Sudan

President:

Salva Kiir

(SAHL-vah KEER)

Since: July 9, 2011



Sudan

President:

Omar al-Bashir

(OH-mahr ehl bah-SHEER)

Since: June 30, 1989



Zimbabwe

President:

Robert Mugabe

(RAH-behrt moo-GAH-beh)

Since: December 31, 1987

Prime Minister:

Morgan Tsvangirai

(MOHR-ghehn CHAHN-gihr-EYE)

Since: February 11, 2009



Afghanistan

President:

Hamid Karzai

(haw-MIHD Kahrz-EYE)

Since: December 7, 2004

ASIA



Burma

President:

Thein Sein

(THAYN-SAYN)

Since: March 30, 2011

**Member, Burmese House of Reps.
and Human Rights Activist:**

Aung San Suu Kyi

(AWNG SAN SOO CHEE)

Since: May 2, 2012



China

President:

Xi Jinping

(SHEE JEEN-PEENG)

Since: March 2013 (expected)

Premier:

Le Keqiang

(LEE KUH-CHAHNG)

Since: March 2013 (expected)



India

Prime Minister:

Manmohan Singh

(mahn-MOH-hahn SIHNG)

Since: May 19, 2004



Indonesia

President:

Susilo Bambang Yudhoyono

(soo-SEE-loh BAHM-BAHNG YOO-doh-YOH-noh)

Since: August 20, 2004



Japan

Prime Minister:

Shinzo Abe

(SHEEN-ZOE ah-bay)

Since: December 26, 2012

Emperor:

Akihito

(ah-kee-HEE-toh)

Since: January 7, 1989



North Korea

**Supreme Commander of the Korean
People's Army:**

Kim Jong Un

(KIHM JAWNG-UHN)

Since: April 11, 2012



Pakistan

Prime Minister:

Raja Pervaiz Ashraf

(RAH-JAH pehr-VAYZ ahsh-RAHF)

Since: June 22, 2012

President:

Asif Ali Zardari

(AH-sihf AH-lee zahr-DAH-ree)

Since: September 9, 2008

Chief of Army Staff:

Gen. Ashfaq Kayani

(AHSH-fahk kah-AH-nee)

Since: November 29, 2007



South Korea

President:

Park Geun-hye

(PAHK GOON-heh)

Since: February 25, 2013



Taiwan

President:

Ma Ying-jeou

(MAH YEENG JOH)

Since: May 20, 2008

AUSTRALIA/OCEANIA



Australia

Prime Minister:

Julia Gillard

(JOOL-yah GIH-lahrd)

Since: June 24, 2010



New Zealand

Prime Minister:

John Key

Since: November 19, 2008

EUROPE



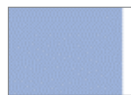
France

President:

Francois Hollande

(frahn-SWAH oh-LAHN-deh)

Since: May 15, 2012



Greece

Prime Minister:

Antonis Samaras

(ahn-TOH-nees sah-mah-RAHS)

Since: June 20, 2012



Germany

Chancellor:

Angela Merkel

(ahn-GAY-lah M-AIR-kl)

Since: November 22, 2005



Ireland

Prime Minister:

Enda Kenny

(EHN-dah KEH-nee)

Since: March 9, 2011



Italy

Prime Minister:

Mario Monti

(MAHR-yoh MAWN-tee)

Since: November 16, 2011



Russia

President:

Vladimir Putin

(vlah-DEE-meer POO-tihn)

Since: May 7, 2012



Spain

Prime Minister:

Mariano Rajoy

(mah-ree-AH-noh rah-HOY)

Since: December 21, 2011

Head of State:

King Juan Carlos I

(HWAHN KAHR-lohss)

Since: November 22, 1975



United Kingdom

Prime Minister:

David Cameron

(DAY-vihd KAM-uh-ruhn)

Since: May 11, 2010

Head of State:

Queen Elizabeth II²

Since: June 2, 1953

MIDDLE EAST



Bahrain

King:

Hamad

(HAH-mahd)

Since: March 6, 1999



Iran

Supreme Leader:

Ayatollah Ali Khamenei

(eye-ah-toh-LAH ah-LEE hah-mehn-a-EE)

Since: June 4, 1989

President:

Mahmoud Ahmadinejad

(mah-MOOD ahh-mah-dee-nee-ZHAHD)

Since: August 3, 2005



Iraq

President:

Jalal Talabani

(jah-L AHL tah-lah-BAH-nee)

Since: April 7, 2005

Prime Minister:

Nuri Kamil al-Maliki

(NOOR-ee KAM-ihl al MAL-ih-kee)

Since: May 20, 2006



Israel

President:

Shimon Peres

(shee-MOHN PEH-rehs)

Since: July 15, 2007

Prime Minister:

Binyamin Netanyahu

(behn-yah-MEEN neht-an-YAH-hoo)

Since: March 31, 2009

Defense Minister:

Ehud Barak

(eh-HOO- D bah-RAHK)

Since: March 28, 2007



Jordan

Head of State:

King Abdullah II

(ahb-DUHL-lah)

Since: February 7, 1999



Lebanon

President:

Michel Suleiman

(mee-SHELL soo-lay-MAHN)

Since: May 25, 2008

Hezbollah leader:

Hassan Nasrallah

(HAH-sahn nahs-RAH-lah)

Since: February 16, 1992



Palestinian Authority

President of the PA:

Mahmud Abbas

(mah-MOOD ah-BAHSS)

Since: January 15, 2005



Saudi Arabia

Head of State:

King Abdullah

(ahb-DUHL-lah)

Since: August 1, 2005



Syria

President:

Bashar al-Assad

(bah-SHAHR ahl AH-sahd)

Since: July 17, 2000



Turkey

Prime Minister:

Recep Tayyip Erdogan

(reh- JEHP t-eye-YIHP ERR-doh-ahn)

Since: March 14, 2003



Yemen

President:

Abd Rabbuh Mansur Hadi

(AH-bd RAH-boh mahn-SOOR ahl-HAD-ee)

Since: November 23, 2011

NORTH/CENTRAL AMERICA



Canada

Prime Minister:

Stephen Harper

(STEE-fehn HAR-pur)

Since: February 6, 2006



Mexico

President:

Enrique Peña Nieto

(ehn-REE-kay PAYN-yah nee-EH-toh)

Since: July 2, 2012



Cuba

President:

Raúl Castro

(rah-OOL KASS-troh)

Since: April 19, 2011



Nicaragua

President:

Daniel Ortega

(dahn-YEHL ohr-TAY-gah)

Since: January 10, 2007

SOUTH AMERICA



Argentina

President:

Cristina Fernandez de Kirchner

(krihs-TEE-nah fehr-NAHN-dehs day
KEERCH-nehr)

Since: December 10, 2007



Colombia

President:

Juan Manuel Santos

(HWAHN mahn-WEHL SAHN-tohs)

Since: August 7, 2010



Bolivia

President:

Evo Morales

(E-voh moh-RAH-lays)

Since: January 22, 2006



Peru

President:

Ollanta Moises Humala

(oh-YAHN-tah oo-MAH-lah)

Since: July 28, 2011



Brazil

President:

Dilma Rousseff

(JEEL-mah ROO-sehf)

Since: January 1, 2011



Venezuela

President:

Hugo Chávez

(OO-goh CHAH-vehs)

Since: February 2, 1999



Chile

President:

Sebastian Pinera

(seh-bahst-YEHN peen-YEH-rah)

Since: March 11, 2010

MULTINATIONAL ORGANIZATIONS



European Union

President, European Council:

Herman Van Rompuy

(HER-mahn fuhn- ROOM-p-eye)

Since: December 1, 2009



United Nations

Secretary General:

Ban Ki-Moon

(BAHN GHEE MOON)

Since: January 1, 2007



International Monetary Fund

Managing Director:

Christine Lagarde

(krihss-TEEN lah-GAHRD)

Since: July 5, 2011



World Bank

President:

Jim Yong Kim

(JIHM YAWNG KIHM)

Since: July 1, 2012



NATO

Secretary-General:

Anders Fogh Rasmussen

(ANN-dehrs FOH RASS-muh-sehn)

Since: August 1, 2009

ENDNOTES

1 This is not a comprehensive list. The names and titles are from the CIA World Factbook and recent media sources. Pronunciations are from the Voice of America pronunciation guide.

2 Queen Elizabeth II is the head of state of 15 Commonwealth countries including: Australia, New Zealand, Canada, Jamaica, Antigua and Barbuda, The Bahamas, Barbados, Grenada, Belize, St. Christopher and Nevis, St. Lucia, the Solomon Islands, Tuvalu, St Vincent and the Grenadines, and Papua New Guinea.

MILITARY STRATEGY AND BUDGET



DIGEST | FEBRUARY 2013

Explaining the Pentagon's Defense Strategy

By Mieke Eoyang and Julie Zelnick

In January 2012, the White House released its defense strategy. This paper will translate the document's long and technical language and provide policymakers with guidance on how to explain it to a wider audience. The directive has four overarching goals:

Geopolitics

1. Maintaining a global U.S. military presence.
2. Concentrating on the Asia-Pacific and the Middle East.

Shape of the Force

3. Transforming and modernizing the force.
4. Cutting costs and embracing new technologies like drones.¹

- The new directive represents a shift from the Cold War military to a mobile, targeted, lethal fighting force. It sheds outdated systems and missions so the U.S. can better meet the demands of the future. We have to do all of this with an eye toward fiscal responsibility in a time of constrained budgets.
- Change is hard. Those who protect the old ways will accuse the Administration of gutting our security, but there is no question that under this strategy the U.S. will remain the world's largest, most experienced, and most effective fighting force.

GEOPOLITICS

The new strategy shifts where the U.S. will concentrate its geographic presence. These changes include:

Concentrating on Asia and the Middle East

The U.S. Pacific Command (PACOM) is responsible for American interests across half the world's surface and 50% of the globe's population. This includes North Korea, China, India, and Pakistan, where rising tensions and population growth demand U.S. attention.² Therefore, the new strategy will maintain, or increase in some areas, military personnel and assets to help ensure regional stability and freedom for ships in the Pacific and South

**PACOM & CENTCOM
Areas of Responsibility**



China Sea. This began with a small increase in troop presence in Australia late last year.

We are not starting from scratch. The U.S. currently has a major military presence in Asia, with 28,500 troops in Korea,³ 53,000 in Japan,⁴ and around 180 ships in the Pacific.⁵ U.S. troops are also based in the Philippines, Guam, and elsewhere on the Pacific Rim, and we routinely station a number of carrier groups in the area. But increased emphasis will not result in an immediate increase in military ships in the Pacific.⁶

Meanwhile, the Department of Defense (DOD) will continue to focus on the Middle East, especially with:

- **The War in Afghanistan.** Currently there are between 135,000 and 150,000 U.S. troops in the region designated as U.S. Central Command (CENTCOM) Area of Responsibility (AOR).⁷ Of those, there are around 68,000 troops in Afghanistan.⁸ Combat operations will last until at least mid-2013, and military personnel could remain after 2014.⁹
- **The Arab Spring.** With delicate transitions happening in Tunisia, Libya, and Egypt, and a civil war in Syria, the U.S. military will need a significant presence across the region.
- **Heightened tensions with Iran.** As we try to prevent Iran from obtaining nuclear weapons, we are facing serious threats to our interests and our allies, especially Israel.

Maintaining a Global U.S. Military Presence

The new directive envisions keeping a military presence in Europe, Latin America, and Africa, increasing military-to-military trainings, and establishing new partnerships. Overall, DOD will focus on providing more diplomacy, development, and security force training assistance to our allies, all of which are vital to maintaining and deepening those relationships.

In Europe, the U.S. now funds most of NATO. We will need to negotiate a more equal burden-sharing agreement.¹⁰

The DOD will maintain a small presence in Africa and South America. In South America, the U.S. performs security training and exercises but has no bases.¹¹ To insert troops on the ground to protect U.S. security interests, DOD may use the model it has developed successfully in the Horn of Africa, where small military operations are conducted.¹²

MAKING THE CASE

As we end wars in Iraq and Afghanistan, our focus is shifting to Asia to ensure stability and security in a fast-growing region.

MAKING THE CASE

We will stay in the Middle East to ensure the security of our allies and protect our vital interests there.

SHAPE OF THE FORCE

Evolving American Ground Forces

The strategy will move DOD to a more lean, agile, and flexible force. The U.S. military will quickly counter threats or help in humanitarian efforts around the globe. Therefore, the current composition of troops worldwide will shift. For example:

- The military will increase the use of Special Operations units to perform smaller, more targeted missions, which have had great success over the past decade. These units will maintain or increase their funding levels and personnel.
- Active-duty end strength will decrease. There are currently over 560,000 active-duty Army soldiers and 202,000 Marines. Total ground force end strength will be reduced over the next decade to 490,000 and 180,000 respectively.¹³
- As the active-duty force shrinks, the Reserve and National Guard will help maintain combat capabilities. These components will be activated if the military needs to rapidly increase its troop levels to fight a major war.
- The new directive calls for moving two brigades from Europe to the U.S. by 2014. They will be replaced by smaller rotating units of battalion or company size.¹⁴ Secretary Panetta and Army Chief of Staff General Raymond Odierno argue that this will help diversify NATO capabilities.¹⁵ No reduction in troop end strength is expected from the Asia Pacific area.¹⁶

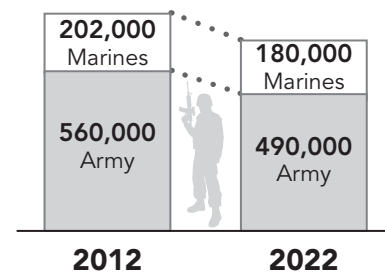
Embracing New Technologies

The new strategy shifts away from Cold War systems to more modern platforms and invests in technologies for the future. The plan calls for increased research and development (R&D) funding for satellites, intelligence gathering, energy independence, cybersecurity, and unmanned systems like drones. These technologies will allow our servicemembers to protect the nation from a distance, identifying threats before they emerge and eliminating them without extensive use of ground forces.

A shift to Asia requires maintaining or perhaps expanding our power projection capabilities. The Navy and Air Force will play major roles in maintaining the American presence in the region, as they are the services that can cover the distances in the Pacific most effectively.

MAKING THE CASE

We need to get our fiscal house in order to retain national power. There's no need to maintain wartime spending levels once the wars are over.



MAKING THE CASE

Investing in Special Operations, drones, and new technology will make our military leaner, more agile, and less costly.

MAKING THE CASE

Unlike the end of the Cold War, this is a transformation to a modern military, not simply downsizing.

DEFENSE SPENDING

After more than ten years of war and spiraling defense costs, the new strategy envisions a substantial change in the Pentagon's funding levels. Some of these changes are already in place. As prompted by the bipartisan *Budget Control Act* (BCA) of 2011, the new directive plans for a reduction of \$487 billion in DOD's budget over the next ten years.¹⁷ Savings are likely coming from cuts to administrative staff and troops, personnel benefit changes, retirement of outdated weapons, and another round of base closures.

Looking forward, policymakers will need to continuously assess the new military strategy and determine if the spending levels it proposes are sufficient over the coming years. The Secretary of Defense and top military leadership have warned that if sequestration occurs as a result of Congress failing to achieve another debt deal, the impact on the Pentagon budget would be disruptive,¹⁸ though additional Pentagon cuts are a possibility under a new round of budget negotiations.

DOD believes more efficient spending will cure a variety of bad habits, including a lack of auditability, cost overruns, schedule delays, and redundancies. But that is not enough.

- To save more tax dollars, policymakers must do a better job of monitoring the acquisitions process, where in many cases there is little or poor oversight.¹⁹
- Under the current system, DOD purchases weapons systems in bulk before it has completed operational testing.²²

In addition, DOD must truly embrace energy efficiency. Every time the price of jet fuel goes up by 25 cents, the Department pays another \$1 billion in energy costs.²¹ Without focusing on energy efficiency, rising fuel costs will eat the DOD budget from the inside out.

CONCLUSION

As policymakers examine the details of the Administration's new strategy, they must ensure that military spending reflects America's commitment to having the most modern, efficient, and lethal fighting force on the planet in order to protect the nation. ■

MAKING THE CASE

Those wedded to outdated systems and ways will always focus on the size of the budget, rather than how it is being spent.

The National Security Academy is an initiative of the Third Way National Security Program. The Academy will offer insights into complex security questions and deliver them through in-person or virtual briefings and written materials.

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DIGEST | DECEMBER 2012

Defense Spending: Lose the Mechanism, Take the Cuts

By Mieke Eoyang, Julie Zelnick, and Brett McCrae

As Congress negotiates a deal to avoid the fiscal cliff and reduce the deficit, it will consider defense spending as part of a balanced deficit reduction package. During this debate, Members of Congress will need to determine the appropriate level for defense spending necessary to carry out our defense strategy while simultaneously reducing the deficit. Because that level of spending is almost certain to involve lower defense spending than the last decade, Members must be prepared to make the case for a leaner—but no less powerful—fighting force.

- We need a correction to bring defense spending in line with what it was before we started two wars.
- At a corrected level of spending, we'll still have the strongest and most effective fighting force in the world.
- The Department of Defense (DOD) should take this opportunity to invest in modern, precision weapons systems and technologies instead of Cold War-era systems.
- DOD should look for additional efficiencies in health care, fuel consumption, and acquisition reform.

BACKGROUND

The framework for reaching a debt reduction deal was set out in the Budget Control Act of 2011 (BCA). This legislation cut \$900 billion from discretionary spending from 2013 to 2021.¹ It also called for Congress, through a super committee, to find another minimum of \$1.2 trillion in deficit reduction over the same time period. To spur action and compromise, Congress placed a sequestration mechanism over its own head.² If Congress can't agree on how to reach that deficit reduction target, the ax will fall, forcing \$495 billion in defense cuts between 2013 and 2021.³ These cuts will affect each defense account on a pro-rata basis and a comparable amount on the rest of discretionary spending.⁴ Notably, if sequestration occurs

The single biggest threat to our national security is our debt... We must, and will, do our part.

— Fmr. Admiral Mike Mullen
to Business Executives for
National Security
September 22, 2011

the reductions will be roughly the same over the period from 2012-2020 as those recommended by the bipartisan Simpson-Bowles Commission.⁵

The trouble with the sequester mechanism is that it would cut the defense budget indiscriminately, hitting good programs and bad programs alike.

MAKING THE CASE

The problem isn't the size of the cuts with sequestration, but the mechanism.

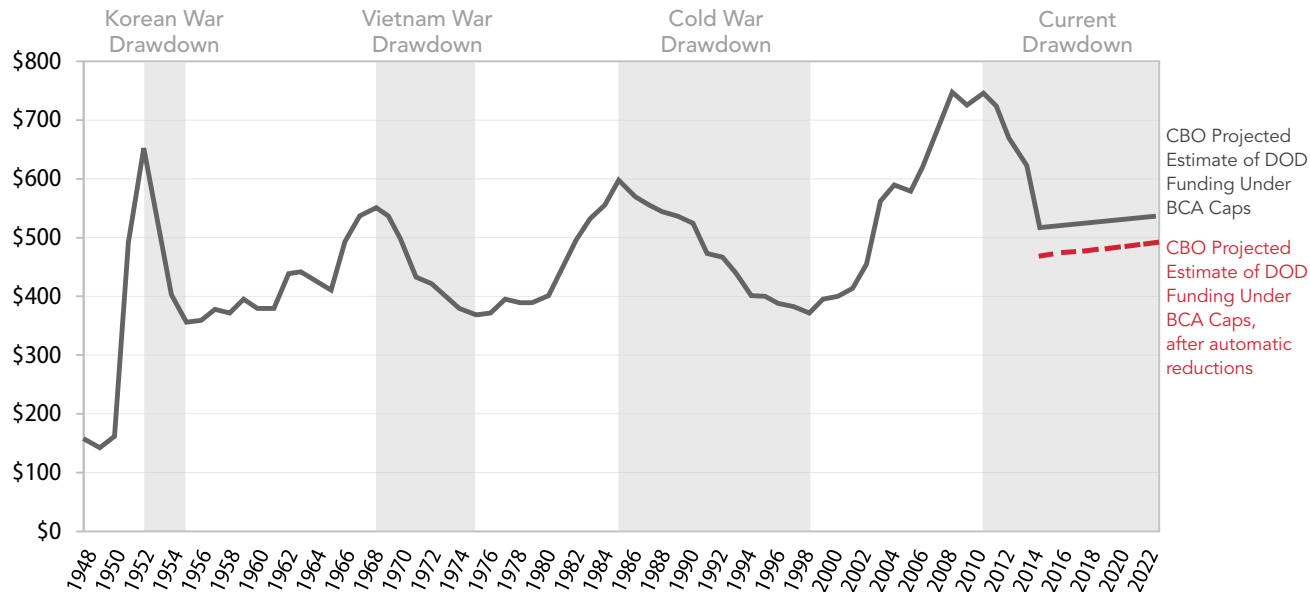
FRAMING THE DEBATE

The President and his top military advisors have repeatedly called for matching spending to strategy. This strategy calls for maintaining the most capable fighting force on the planet that can respond to global crises, eliminate terrorist threats, and protect the global commons—including cyber and space. To meet these challenges, DOD does not need to move forward with a budget still structured to fund the wars of occupation in Iraq and Afghanistan. Therefore, reducing the Pentagon's budget isn't a cut, it's a correction. After conflicts, America draws down.

MAKING THE CASE

Reducing the Pentagon's budget isn't a cut, it's a correction.

Historical Context of DOD Spending
(in billions, constant FY2013 dollars)⁶



- The defense budget could go back to 2002 base budget spending levels—which was around **\$460 billion in constant dollars—plus a little extra to help handle counter-terrorism missions.**⁷ This is roughly the level

of spending that would occur under sequestration, but without the arbitrary spending reduction mechanism.⁸

- This level of spending would give the Pentagon more flexibility to prioritize what programs it wants to keep, what fat it chooses to trim, and when those reductions should occur, so long as it meets the overall targets.

Beginning in 2014, the U.S. will not be fighting two land wars, so we don't need a budget sized to pay for them.

HOW WE MAKE IT WORK

Critics will say that reductions to the defense budget would devastate our national security. This isn't the case. In fact, there are numerous ways we can improve our military while still correcting the budget. Here are a few ideas:

Remove the sequester mechanism. If we remove the mindless sequestration mechanism and start the clock in 2014, the Department will have room to pick and choose where to trim the fat while still maintaining a force capable of carrying out our military strategy and maintaining our national security. DOD and the relevant Congressional committees should decide what programs it needs, and what it can do without.

Look for savings. For example, DOD can start saving immediately by:

- Reforming the military health care system by ensuring enrollment fees keep up with inflation, especially for working age military retirees;
- Lessening the Pentagon's fuel consumption by investing in alternative energies that decrease overall fuel consumption; and
- Reforming the acquisitions process by investing in the workforce and changing contracting practices.

Opt for modernization. The Cold War is over, and technology has progressed. Instead of buying gold-plated systems designed to fight yesterday's adversaries, we should invest in more targeted platforms that better suit the security threats of today, like drones, special operators, electronic and cyber warfare, as well as intelligence, surveillance, and reconnaissance platforms. The Pentagon is already laying out a strategy to invest in these platforms that will save money in the long run,⁹ and inherently be less costly than two land wars.

MAKING THE CASE

DOD can be more efficient in the way they spend their money.

MAKING THE CASE

We should focus on modern systems, not legacies of the Cold War.

DON'T FORGET, WE DID IT BEFORE

The 2002 DOD budget request was the last year in which funding for the wars in Afghanistan and Iraq was not included. Then, as now, our country had the world's strongest military and we took the fight to al Qaeda.

Returning to those pre-Afghanistan and pre-Iraq levels (in constant dollars) still provides the United States a defense budget five times higher than our next closest rival, the means to conduct our defense strategy, and the ability to pursue terrorists across the globe. This spending level has worked before and will work again.

As seen in this chart, historical spending and capability shows that DOD will be effective in defending the nation with 2002 spending levels. Although the defense budget will continue to grow in future years due to inflation, the budget will not reflect the historically high budget levels of the last 10 years when the U.S. was funding two wars.¹⁰

Discretionary Defense Budget Authority
(in billions, constant FY2013 dollars)¹¹



CONCLUSION

We shouldn't be paying for wars we aren't fighting. Correcting our defense budget back to the equivalent of 2002 funding levels will give the Pentagon what it needs to maintain the best military in the world while getting our fiscal house in order.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

* * *

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DIGEST | FEBRUARY 2013

Rising DOD Health Care Costs Threaten National Security

By Mieke Eoyang and Julie Zelnick

The current financial situation with the military's health care system (known as TRICARE) is a recipe for crisis. If we don't address it soon, it may harm our national security in the long run. It will also impact operational effectiveness and threaten health care benefits for active duty troops and their families.

This digest accomplishes three things:

- ▶ Lays out the fiscal situation for the Defense budget and TRICARE;
- ▶ Demonstrates that minor cost adjustments to TRICARE would still allow for generous benefits to military personnel, retirees, and their dependents; and
- ▶ Recommends that Congress allow the Department of Defense to adopt minor cost controls now—and take a comprehensive look at broader reforms over the next year—in order to preserve TRICARE for future generations.

WHAT IS TRICARE?

Our troops are the foundation of American defense and have shown unwavering commitment over the last 11 years of war. In return, it is a priority to ensure that health care needs of servicemen and women and their dependents are met. As a result, the Department of Defense (DOD) administers health benefits to about 9.6 million active duty military members, retirees, and dependents through a system called TRICARE.¹

DOD provides care to active duty troops, retirees (those who served a full 20-year career), and their dependents. Veterans who did not serve twenty years or more receive care from the Veterans Administration (VA) system.

Before the mid-1990s, DOD treated these groups in two ways:

- There was free care for active duty troops and retirees, on a space-available basis, at military hospitals or Military Treatment Facilities; and

Leaving aside the sacred obligation we have to America's wounded warriors, health care costs are eating the Defense Department alive.

— Secretary of Defense
Robert M. Gates

May 8, 2010

- Those who did not live near a military-run facility could use the Civilian Health and Medical Program (CHAMPUS).

After the Cold War, DOD shuttered numerous bases, reducing the number of DOD-run health care facilities. At the same time, there was growing demand for treatment.² To address this problem, Congress in 1995 created a program that became known as TRICARE.³

Since 2000, Congress has dramatically expanded TRICARE benefits and created 17 new programs especially for seniors, Reservists, and their dependents. These expanded benefits recognize new battlefield challenges and the needs of an aging retiree population.

- The new programs began to cover things like prosthetics, durable medical equipment, PTSD treatment, MRI breast cancer screening, Traumatic Brain Injury, and mental and behavioral health issues. Congress also created add-on programs like TRICARE for Life, TRICARE Senior Pharmacy, TRICARE Plus, TRICARE Reserve Select, Wounded Warrior Respite, and TRICARE Young Adult.
- While each expansion addressed a legitimate medical need, eligibility ballooned by 43%.⁴

Significantly, while only 17% of the force serves 20 years, this group represents over half of all TRICARE beneficiaries. Furthermore, because they use the health care system more often, they impose disproportionate costs on TRICARE.⁵ Still, the expansion of benefits and the increased pool of those eligible for care could have been manageable if the cost-share between DOD and beneficiaries stayed the same, but it did not.

THE BUDGET CRISIS WILL FORCE TRICARE REFORMS

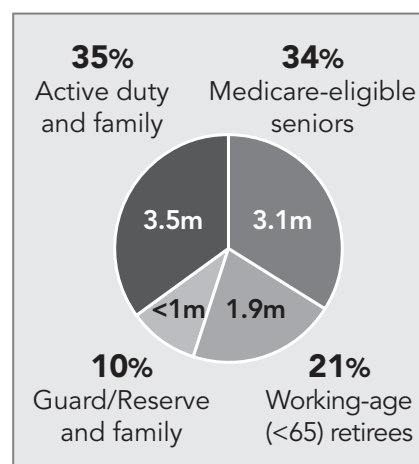
The *Budget Control Act of 2011* will cause the DOD budget to grow at a slower rate than it has in the past 10 years. But the cuts won't translate into reduced health care costs. Without reform, a bigger share of the Defense budget will go to health care costs, and TRICARE will crowd out other DOD security spending priorities.

In 2000, the Pentagon spent \$17 billion on military health care.⁷ This nearly doubled by 2012 to \$33.7 billion.⁸ Under

MAKING THE CASE

We must preserve TRICARE, but rising costs threaten DOD's budget.

TRICARE Beneficiary Population⁶



MAKING THE CASE

Increasing health care costs are crowding out other spending priorities.

the President's FY13 budget proposal, minor cost controls will keep the budget at about the same level.⁹

- But even with these minor cost controls, the spending for the Defense Health Program will increase by \$5.2 billion through 2017.¹⁰
- Without reform, according to DOD estimates, spending on military health care could rise to \$64 billion in 2015—a \$30 billion increase over a shorter period of time.¹¹ By comparison, that increase is three times the size of the Marine Corps' entire Operations and Maintenance Account.¹²

TRICARE REFORM WOULD STILL PROVIDE GENEROUS BENEFITS

1. Inflation has led to an unsustainable windfall for beneficiaries.

The annual enrollment fee for retirees using TRICARE Prime increased last year for the first time since the program began in 1997.

- TRICARE Prime's annual fee for a retiree's family is \$539 and \$269 for an individual.

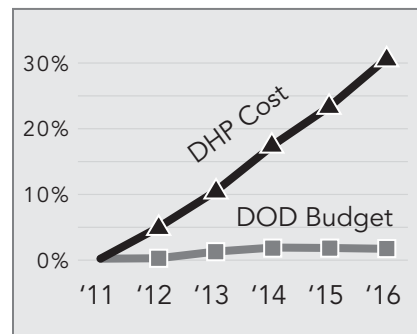
Some interest groups are opposed to increases, saying they break faith with promises made to veterans. But even with the recent increase, this is a generous health care program compared to what civilians pay.

- Prior to 2012, a working-age retiree's family under TRICARE paid a flat rate of \$460 annually for the past 15 years.¹³
- Had the enrollment fee increased along with general inflation over the years, TRICARE Prime would now cost \$660 a year per family.¹⁴

But as the real cost to the beneficiary has declined, DOD's costs have risen exponentially.

- Health care inflation has also contributed to DOD costs since it grows at a higher rate than inflation.¹⁵
- Even with the increase in enrollment fees, if the costs are not indexed to inflation, the cost share between the beneficiary and DOD will again become increasingly imbalanced. Ultimately, this is a financially unsustainable situation.

DOD Health Care Cost vs. Overall DOD Budget - Rate of Growth (2011 Baseline)¹³



MAJOR TRICARE GROUPS

TRICARE Prime

HMO-like plan that active duty troops and their families automatically receive. Retirees under 65 can also enroll for an annual fee.

TRICARE Standard

A fee-for-service plan that will cover costs not covered by Medicare Part B for seniors. Retirees can use *Standard*, but not Active Duty members.

TRICARE Extra

Network benefit for retirees eligible for Standard. It is like a PPO.

TRICARE for Life

Established in 2001 and a secondary health care

Since TRICARE Standard and Extra have no annual enrollment fees, DOD doesn't know how many beneficiaries annually choose to use them. Thus, DOD cannot plan and budget appropriately. If beneficiaries were required to enroll, DOD would be able to better manage its health care services.

2. Even with higher costs, TRICARE would remain a generous program.

Military retirees often choose TRICARE over their private employer-provided health care. And why wouldn't they?

- The costs to families for private insurance plans have risen steadily since 2001, growing by an average of \$1,754.
- As a comparison, a civilian federal employee now might pay \$5,000 for his or her family's health care every year, and those in the private sector might pay up to \$12,000. However, a family on TRICARE Prime, pays \$539 annually.¹⁶

The numbers make the choice clear. Not surprisingly, 22.4% of working-age retirees switched to TRICARE during the last ten years. This has helped drive up DOD costs to unsustainable levels.

3. Curbing overutilization is not a reduction in care.

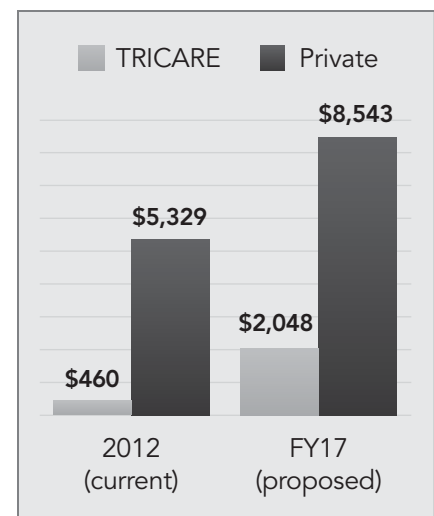
As the beneficiary pool has shifted from military hospitals to civilian care, TRICARE suffers many of the same overutilization problems experienced in private sector medicine. In cases where private sector doctors are paid on a fee-for-service model, some may have incentives to order more tests than are necessary in order to increase their income, driving up health care costs for the TRICARE program writ large. Now, people use TRICARE services much more than in the private sector.

- For example, in 2010 users of Standard/Extra received 2.4 times more health care services than their civilian PPO counterparts.¹⁹
- Allowing DOD to develop methods to address this kind of overuse will result in both better care for the beneficiaries and lower costs for the taxpayer.

MAKING THE CASE

Beneficiary cost shares haven't risen since 1997.

Annual TRICARE Prime Cost for Working-Age Retirees vs. Private Insurance¹⁸



MAKING THE CASE

Even with reform, TRICARE is still a generous benefit.

CONGRESS MUST PRESERVE THE BENEFIT WHILE CURBING COSTS

DOD and the nation have an obligation to provide health care for our troops and their dependents. But to keep that promise, we cannot continue the rampant cost-growth this program has seen in the last decade.

Congress must revisit the cost-sharing between DOD and its beneficiaries. The original cost shares should be re-set to tie beneficiaries' fees and co-payments to inflation in order to ensure that burdens remain in balance over time.

Congress also should allow DOD to implement minor cost controls.

- Congress authorized a Military Compensation and Retirement Modernization Commission in 2012 to examine the military compensation and retirement systems to ensure the sustainability of the all-volunteer force.
- This Commission has an opportunity to examine private sector cost control mechanisms that would be most applicable to the Defense Health Program, while preserving quality care for beneficiaries.²⁰

CONCLUSION

The current TRICARE program is simply unsustainable, and both Congress and DOD must take significant steps to reform the system while keeping faith with our troops. While military health care cannot exactly parallel civilian or private health plans, it cannot be drastically different if we are to keep it afloat in a time of budget constraints.

Reforming the system will be challenging and it is difficult to ask our troops and veterans to pay more for their care. Congress must make some hard choices to ensure our troops have quality health care and DOD has what it needs to defend the United States.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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Fuel Costs Squeeze Defense Budget

By Mieke Eoyang, Julie Zelnick, and Ryan Fitzpatrick

The Department of Defense is the single largest consumer of liquid fuels in the world, and its fuel costs are rising at an alarming rate. Under current legislation, the defense budget will be virtually flat over the next 10 years. If the Pentagon does not fully embrace energy efficiency, fuel costs will make up an increasing share of its budget, crowding out other priorities.

In this digest, we:

- Outline how rising fuel costs threaten DOD's budget; and
- Identify solutions that could help the Department cut oil consumption while preserving or enhancing mission capability.

Given the stakes, Congress should consider DOD fuel efficiency a national security priority, and it should use its budgetary and oversight functions to ensure that the Pentagon is proceeding aggressively with an effort to cut its fossil fuel consumption. Cutting funds for efficiency initiatives would be a mistake.

DOD'S FUEL PROBLEM

In 2011, Congress passed the *Budget Control Act*, which put long-term limits on defense spending as part of a broader effort to curb the federal budget deficit. Though the Department of Defense (DOD)'s budget will grow over the next 10 years, it will rise at a smaller rate than previously projected. In real terms, this means DOD's buying power remains constant, and rising costs in one area will come at the expense of others.¹

Given this budget reality, DOD must find efficiencies where it can. One place to do so is fuel—a critical component of military operations, especially for ground vehicles, ships, and aircraft. DOD spends about \$16 billion on fuel each year—almost double what UPS, FedEx, and DHL spend on global shipping operations combined.³

With such extraordinary levels of consumption, even small fluctuations in oil prices impact the defense budget. An increase

As someone who now faces a budget shortfall exceeding \$3 billion because of higher-than-expected fuel costs, I have a deep interest in more sustainable and efficient energy options.

— Leon Panetta, Secretary of Defense, May 2, 2012²

of \$10/barrel of oil, if sustained for a year, will cost the Department \$1.3 billion.⁴ This sensitivity presents a national security risk and underscores DOD's serious need for energy efficiency.⁵

SOLUTIONS TO THE FUEL CRUNCH

DOD recognizes that its reliance on fossil fuels poses a threat, both to military capability and to its tightening budget. To solve this problem, each service has committed to reducing its dependence on oil by investing in new technologies. Cutting these would be a mistake.

There are at least three areas of improvement where the Department can reduce its demand for fuel in ways that either assist or leave unchanged the tools available to our warfighters:

1. Making small changes in behavior to yield fuel savings

Major shipping companies already know that changes in behavior—like shifting routes and checking tire pressure—can yield big savings in fuel costs.⁷ While DOD faces different challenges, it too can look for changes in the way it operates to save fuel. For example, the Air Force uses 64% of DOD's petroleum (mainly jet fuel). To cut costs, the Air Force is increasing its use of simulators to replace time in the air burning fuel. It has made diplomatic arrangements to fly over foreign countries to cut flight times, changed flight speeds, and even moved cargo to different parts of its aircraft to conserve fuel.⁸ Currently, the Air Force is on track to save a total of \$500 million over the next five years through reduced fuel costs.⁹

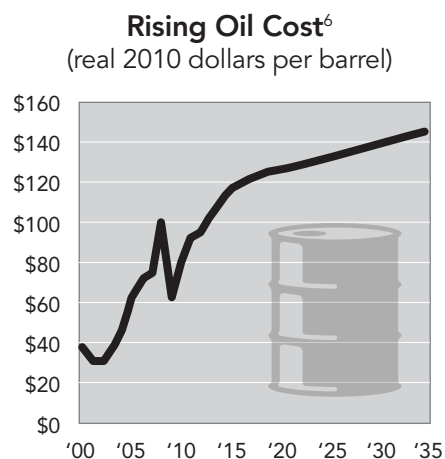
2. Investing in fuel-saving technologies and oil alternatives

DOD has spent millions of dollars developing technologies that will reduce its reliance on petroleum and has identified specific technologies that could drastically increase efficiency and lower fuel expenses.¹⁰

- DOD created the Adaptive Versatile Engine Technology (ADVENT) program, partnering with major engine producers to develop more fuel efficient engines that can be used in existing aircraft.
- The Army, through its Tank Automotive Research and Development Engineering Center, is developing vehicle fuel cells, hybrid engines, and batteries.

MAKING THE CASE

Rising oil costs will crowd out other DOD priorities, like training and weapons acquisition.

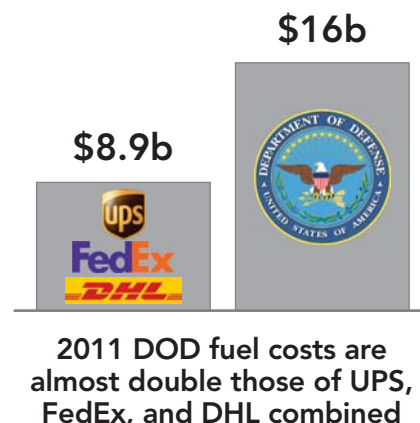


- The Navy has developed an Amphibious Assault Ship with a hybrid electric drive system that saved \$2 million in fuel costs on its maiden voyage and is expected to save \$250 million over the life of the vessel.¹¹
- Fuel conservation even took place off the battlefield. The Army recently invested \$108 million in more efficient power production and distribution across its bases in Afghanistan.¹² These projects are expected to replace over 500 generators, saving 17.5 million gallons of fuel annually (the equivalent of removing more than 7,000 fuel trucks from dangerous roads). The investment should pay for itself in less than one year, according to DOD officials.
- DOD has invested in testing advanced biofuels.¹³ Its goal is to ensure military readiness and improve flexibility on the battlefield. The military services are positioning themselves to take advantage of these fuels when they are cost-competitive with conventional fuels, which will provide greater security from foreign oil volatility and savings in the long term. While some in Congress object to the high initial costs of developing these fuels, the expenditures represent less than 10% of DOD's operational energy improvements.¹⁴

3. Considering Fuel Costs in the Acquisition Process

DOD can also change its buying practices. Right now, DOD doesn't have the data-collection tools in place to measure how much fuel its services consume. It's hard to identify savings when the total fuel budget is a mystery, and DOD needs a method for measuring energy consumption and then making informed decisions.¹⁷ DOD's Office of Operational Energy Plans and Programs has begun to implement such a method, but it must remain a high priority for the entire Department.¹⁸

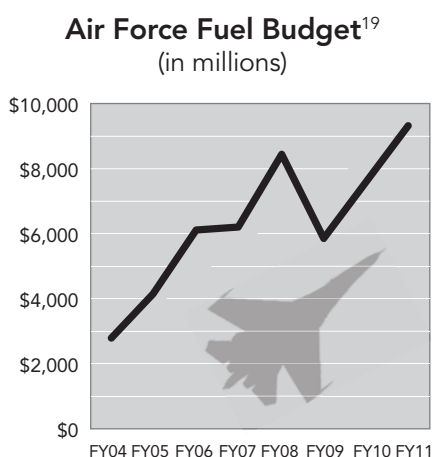
DOD can also do a better job of understanding its fuel costs. The military, after all, doesn't simply pull into a local gas station and pay the price at the pump. It has to bear the additional costs of delivery to some of the most remote places in the world, all the while facing threats to fuel convoys. Though the commodity cost of jet fuel might be less than \$3/gallon on a given day, the "fully burdened cost" of that fuel could end up being as high as \$50/gallon.²⁰ Taking this total cost (transportation and security) into account when planning



MAKING THE CASE

Crude oil prices are expected to rise 23% by 2016.¹⁵

Investing now in oil alternatives will help drive down long-term costs.¹⁶



missions and purchasing equipment should encourage DOD to place a higher value on energy efficient technology.²¹

Americans know that over time, a more efficient car with a slightly higher sticker price can cost less than a cheaper gas-guzzler. The military should consider the price of its systems the same way—not just the “fly-away” cost, but the systems’ lifetime costs. If DOD made “life-cycle costs” part of the decision-making process for acquiring new platforms, it would save it—and the taxpayer—money.

CONGRESS AND DOD FUEL EFFICIENCY

Congress has already taken steps to support this effort. In 2010, it created the position of Assistant Secretary of Defense for Operational Plans and Programs, which oversees DOD’s use of energy to improve military capabilities and lower costs.²³

However, some in Congress have failed to recognize the urgent national security priority of reducing DOD’s oil consumption and have failed to support—or have even attacked—these efforts on partisan or ideological grounds. At a March 2012 House Armed Services Committee hearing, one Republican Member accused the Department’s leadership of an “anti-fossil fuel attitude.”²⁴

This is the opposite of what pro-defense Members should be doing. Congress must recognize that America’s military strength increasingly will rely on our ability to diversify our fuel supply, operate more efficiently, and cut military fuel costs.

Fuel efficiency is fundamentally a national security priority. Without it, DOD will spend an ever-increasing percentage of its budget on oil—at the expense of other priorities. The Pentagon has plenty of ways to improve efficiency while maintaining the effectiveness and lethality of our military. Indeed, in many cases, fuel efficiency improves our fighting capability. Congress must support the Department in these efforts.

DOD Goals and Metrics for Energy Efficiency²²

Army	<ul style="list-style-type: none"> 16 Net zero energy, waste, and/or water installations by ‘20, and 25 at home and/or abroad by ‘30.
Navy	<ul style="list-style-type: none"> Increase efficiency, reduce fuel consumption afloat 15% by ‘20.
Air Force	<ul style="list-style-type: none"> Increase aviation energy efficiency by 10% by ‘20.
Marine Corps	<ul style="list-style-type: none"> Increase energy efficiency on the battlefield to cut fuel consumed per Marine per day 50% by ‘25.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

* * *

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GLOBAL HOT SPOTS



DIGEST | FEBRUARY 2013

Afghanistan: Understanding the Administration's Transition Strategy

By Mieke Eoyang and Aki Peritz

After more than a decade of fighting in Afghanistan, the White House is advancing a strategy to transition responsibility to Afghan security forces by the end of 2014. While some may argue for maintaining a large U.S. presence, the President's plan is appropriate because:

- ▶ It ends the combat mission as quickly as is logistically possible;
- ▶ A faster timeline could imperil U.S. security interests;
- ▶ Making our objective a Taliban surrender could extend the U.S. combat mission by decades; and
- ▶ The current plan provides for U.S. security interests in the region.

The Administration's plan ends the U.S. combat mission about as quickly as possible without endangering our core interests. America is transitioning security responsibilities to Afghan forces by 2014 so Afghanistan can continue the combat mission against al Qaeda and defend its borders with minimal U.S. support.¹ This plan follows longstanding military doctrine of transitioning security responsibilities to local forces as part of counterinsurgency operations.²

- The U.S. Army Counterinsurgency Field Manual states that transition is critical to victory, as "eventually all foreign armies are seen as interlopers or occupiers; the sooner the main effort can transition to [host nation] institutions, without unacceptable degradation, the better."³
- We are more than halfway through transitioning security responsibilities to the Afghan government. Afghans already provide security for 75% of their own people, and they will take over security responsibilities completely by 2014.⁴

Our efforts to transition to local forces should not be termed a "pullout" or a "drawdown," because we are not abandoning

Throughout history, insurgencies have seldom been defeated by foreign forces. Instead, they have been ultimately beaten by indigenous forces. ... transition, then, is the linchpin of our strategy, not merely the way out.

— Gen. John R. Allen
Fmr. Senior U.S. Commander
in Afghanistan
March 22, 2012⁵

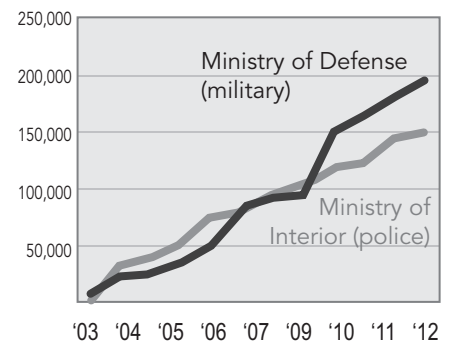
this country to our common enemies. Transitioning combat responsibilities from the U.S. military to local forces coincides with improving Afghan capabilities.

- The combined strength of the Afghan National Army and Afghan National Police is approaching our goal of 352,000.⁷ Most coalition missions are carried out with Afghan support, and an increasing number are led by Afghan troops.
- The long transition ensures that the overall abilities of U.S.-Afghan forces improve while the mix of forces changes.

Immediate “withdrawal” is neither practical nor wise.

Transitioning combat responsibilities from U.S. forces to Afghan ones is no easy feat. This effort requires the U.S. military to move \$57 billion worth of equipment, including 53,000 vehicles and 100,000 railroad container-sized boxes of combat-related materiel from a landlocked country with few roads or airports.⁹

Afghan Security Forces⁶

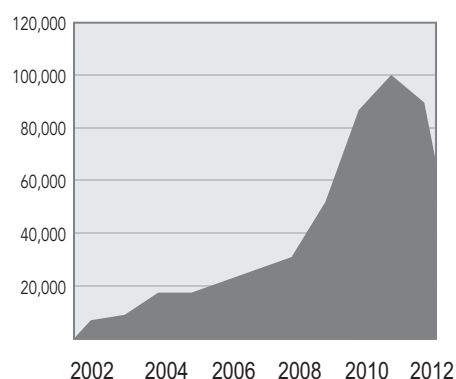


NATO Overland Routes In and Out of Afghanistan



- The 13,000+ Mine Resistant Ambush Protected (MRAP) vehicles in Afghanistan—the military’s primary means of ground transport—are too big and heavy to be carried by helicopter¹¹ or to be loaded onto most ships.¹² Instead, they must be abandoned, sold, or flown by plane.
- The major road out of Afghanistan (the Khyber Pass in Pakistan) was closed from November 2011 to July 2012, after American forces killed 24 Pakistani troops in a border skirmish.¹³ In its place, the U.S. was forced to use the much more expensive and lengthy Northern Distribution Network—which requires the permission of many former Soviet states, including Russia.¹⁴

U.S. Troops in Afghanistan¹⁰



WHAT IS THE ENDGAME?

The U.S. cannot unilaterally defeat the Taliban, as Afghanistan remains mired in a protracted conflict between groups that have been vying for control since the 1990s. Ultimately, it will be up to the government in Kabul—and Islamabad, to the extent that it is fueling the insurgency—to negotiate the endgame with its rivals.

It is also impossible to wage a counterinsurgency campaign without the host government’s assistance. The Afghan government has made it clear that they are not interested in a long-term American presence, and the American footprint and mission moving forward will be decided through bilateral negotiation.

MAKING THE CASE

The transition is long enough to allow us to respond if local forces are overwhelmed by insurgent or terrorist groups.

FLEXIBILITY TO COUNTER THREATS

We must ensure al Qaeda does not return to Afghanistan. Since Presidents Obama and Karzai recently signed the *Strategic Partnership Agreement*, the Afghan government will give the United States the option to combat al Qaeda and its affiliates in the region from Afghanistan’s bases through 2024. That means we can continue using drones and Special Operations Forces to track and eliminate threats from al Qaeda and other terrorist groups until the job is done.

- Since multiple terror plots that threatened the U.S. over the last decade originated from northern Pakistan, it will be important to have our Special Ops forces in the neighborhood.

MAKING THE CASE

If America fights the Taliban until they cease to challenge Kabul, U.S. combat troops would remain in Afghanistan for decades longer.

- The Agreement also allows the U.S. to keep funding and training Afghanistan's military and police to fight insurgents and terrorists while improving domestic security.

The *Strategic Partnership Agreement* requires the U.S. and Afghanistan to develop a detailed plan that determines future missions and levels of support by May 2013. This security agreement is currently being negotiated. **Congress should conduct vigorous oversight of this process and provide input toward what the U.S. mission should be in the next decade.**

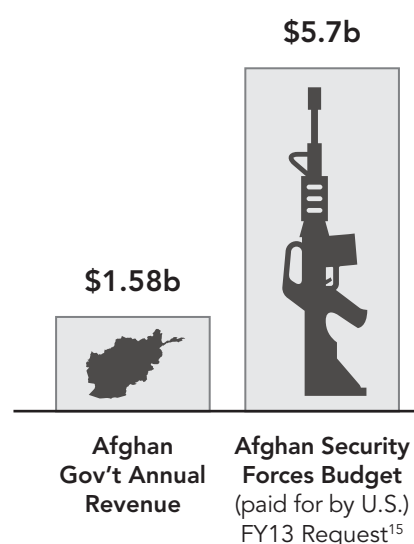
- The details of the plan are not final and the mission is neither defined nor funded. **Therefore, Congress should demand Administration officials answer specific questions—on the record—about mission, scope, and troop levels before funding these activities.**
- Members of Congress should also require answers concerning the ongoing capabilities and financial sustainability of Afghanistan's security forces—and whether these forces are effective enough without significant U.S. assistance after 2014.
- Members of Congress should continue to ask hard questions about the stability and political reliability of the Afghan government, especially during its electoral transition in 2014 when President Karzai is scheduled to leave office.

CONCLUSION

Afghanistan remains a serious geopolitical challenge with few easy solutions. We can't transition too quickly, but it's time to rely more heavily upon local forces. The White House's plan is the most practical roadmap forward.

MAKING THE CASE

Our security agreements with the Afghan government allow us to remain vigilant and to address terrorist threats before they arrive on our shores.



The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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COUNTRY BRIEF | FEBRUARY 2013

The People's Republic of China's relationship with the U.S. will soon define the global order. Given our two countries' economic interdependence, it is in America's best interests to help China rise peacefully and become a responsible stakeholder in the international community.

To be sure, America and China have serious political differences, but how we choose to engage with each other—either in the spirit of cooperation or conflict—is of tremendous consequence. **An adversarial relationship is not in either country's interest.**

ECONOMY

The American and Chinese economies are the 1st and 2nd largest in the world, respectively.

They are firmly intertwined, and significant shocks to either side would imperil the other's financial well-being. China and the U.S. did \$539 billion in trade in 2011 for all manner of goods and services, from furniture to footwear, and from agricultural products to airplanes.¹

- In 2011, China was the third-largest purchaser of U.S. exports, and China was America's largest supplier of imported goods in 2011.²
- Chinese imports into the U.S. exceeded exports by \$282 billion in 2011.³ Also, China holds over \$1 trillion in U.S. foreign securities.⁴
- China's economy has been expanding 8-10% annually for many years;⁵ by contrast, the U.S. economy grows by 2-3%.⁶ However, China's economy grew at approximately 7.8% in 2012.⁷

MILITARY

The People's Liberation Army (PLA) is large, but its overall strength lags far behind America's current fighting capabilities. Furthermore, the Pentagon recently characterized the PLA as a military designed only to fight and win short, high-intensity wars in the region.⁸

China



Population:	1.3 billion
Capital:	Beijing
President:	Xi Jinping (SHEE jin PING) starting March 2013
Premier:	Le Keqiang (LEE kuh-CHANG) starting March 2013



CIA World Factbook, 2013

- China spends just over \$100 billion annually on its military,⁹ compared to the \$645 billion the U.S. spent in 2012.¹⁰
- China's military has not been involved in large-scale combat since 1979; consequently, it has few—if any—veteran troops.
- China recently tested its first aircraft carrier. This puts China on par with Thailand and India, each having a carrier. By contrast, the U.S. has 11 carrier battle groups.

LEADERSHIP

China is an authoritarian, oligarchic system based on Communist Party membership, as well as personal and family connections. Leaders are selected by the Party, from the Party.

- **Incoming President Xi Jinping** is an engineer who spent decades climbing the Party structure in Beijing and in the provinces. He is a so-called **princeling**—one of the Communist Party elites' children.
 - Xi's father was a former Politburo member who piloted free-market zones in China during the 1980s.¹¹
 - Some experts believe Xi generally supports free-market economics, but he also supports the large monopolistic state-owned companies which benefit the Party.¹² Like most top Chinese officials, Xi is publicly vague on his personal stances on specific policy topics.¹³
- **Incoming Premier Li Keqiang** will oversee the day-to-day administration of the Chinese bureaucracy. Li served as Party boss in various provinces and then made his way onto the Politburo Standing Committee in 2007.¹⁴
 - Li is not a princeling, having risen from humble roots in a rural, hardscrabble part of China.
 - He has been described negatively as “passive,” although U.S. diplomats have nevertheless called him “engaging and well-informed.”¹⁵

CHINA ON THE WORLD STAGE

Given its size and population—every fifth person on the planet is a Chinese citizen—China is a key player in global affairs. China's responses to crises define international options during and after the conflicts.

- As a permanent member of the UN Security Council, China can veto any international effort that requires UN authorization, particularly military interventions.¹⁶
- China is an important player in regional disputes, such as our negotiations over North Korea's nuclear weapons program or dealing with sovereignty issues in the South China Sea.¹⁷
- China is a key player on critical global challenges, from protecting public health to solving international environmental issues.¹⁸

CHINA'S INTERNAL CHALLENGES

China faces multiple internal challenges that continually threaten to destabilize the country. Absent a foreign policy crisis, these problems will consume most of the leadership's time and attention. These include:

- **Anger towards the government keeps bubbling to the surface.** In 2010, there were 180,000 protests, riots, and other mass incidents countrywide—four times as many as there had been 10 years before.¹⁹
- **The country's economic growth may be unsustainable.** China's economy has been booming over the last few decades, but recent downward trends worry Chinese policymakers.²⁰
- **China confronts multiple environmental problems,** such as limited water resources, air pollution, and wide-scale desertification. Beijing is trying to mitigate these problems through huge infrastructure initiatives, but enormous challenges remain. Climate change could make many of these problems substantially worse.²¹

WHAT THE U.S. HAS IN COMMON WITH CHINA...

Besides our mutually beneficial economic situation, the U.S. and China have multiple issues in common.

- **We share an interest in maintaining stability on the Korean peninsula.** North Korea's border is a short distance from many Chinese cities; a crisis involving hundreds of thousands of North Korean refugees or a political implosion in Pyongyang could overwhelm Beijing's ability to handle such an event. And although they could do more, Beijing does not desire a nuclearized Korean peninsula, as it has supported UN sanctions against North Korea whenever Pyongyang tests an atomic device.²²
- **Both countries must solve global environmental issues—together.** As the world's top oil consumers and carbon emitters, both countries share an interest in addressing the global consequences of their energy consumption.

...AND WHAT ARE OUR DIFFERENCES

The U.S. nonetheless views many of China's behaviors as problematic.

- **China has turned away from open markets and toward "state capitalism" in key sectors.** Beijing employs multiple tactics to block American exports and investments, denying opportunities for our workers, manufacturers, farmers, and service providers.²³ Chinese corporations also routinely violate American copyrights, patents, and trademarks.
- **China has a poor human rights record.** According to the State Department, China continues to persecute ethnic and religious minorities, restrict political activism, enforce coercive birth-control practices, and utilize extrajudicial detention mechanisms, including detentions at unofficial holding facilities known as "black jails."²⁴ Beijing also routinely censors its media and people.

- **China remains edgy about the Pentagon's rebalancing to Asia.** One widely-held view in China is that this move is designed to preserve American global dominance and prevent China's rise.²⁵

CONCLUSION

The Sino-U.S. relationship will define the global order for the foreseeable future. How our two nations choose to address economic growth, global stability, and environmental challenges will determine the fate of the planet in the 21st century.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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COUNTRY BRIEF | FEBRUARY 2013

Egypt, the most populous country in the Arab world, is in the middle of a slow-moving, messy evolution toward democratic rule. After longtime strongman Hosni Mubarak was deposed during 2011's Arab Spring, long-stifled political voices have emerged—and many of them are not sympathetic toward American security interests. The deep religious, social, and economic cleavages within Egyptian society are again turning into major political struggles that threaten the country's stability.

THE MUSLIM BROTHERHOOD

Egypt's current dominant political actor is an organization called the Muslim Brotherhood (MB), led by President Mohammed Morsi.

- Founded in 1928 in order to oppose British rule in Egypt, MB is a conservative, political-religious movement that has over the decades been both brutally suppressed and quietly encouraged as a counterweight to more radical political movements by successive Egyptian governments.¹
- MB has a history of violence and extremely conservative views on many subjects, including the role of women, the status of Egypt's Coptic Christian minority, and attitudes toward the U.S., Great Britain, and Israel.² However, MB renounced violence in the 1970s and since coming to power, Morsi has left the relationships with other countries intact.

While some of its members are extremely conservative, MB is not the most fundamentalist organization in the Egyptian political landscape.

- Nonetheless, MB has spawned violent regional groups, like the Palestinian terrorist group Hamas.
- Al Qaeda routinely denounces MB as apostate because it has participated in national elections for over a decade.³

Egypt



Population: 83.6 million

Capital: Cairo

President: Mohammed Morsi
(moh-HAH-mehd MOOR-see)



CIA World Factbook, 2013

MUSLIM BROTHERHOOD AND THE ARAB SPRING AFTERMATH

Although it was young, secular activists who led the public mass protests that toppled Mubarak, the Muslim Brotherhood has nonetheless emerged as the most powerful organization in Egypt's new government.

- In 2012, Morsi narrowly won the presidency and MB's "Freedom and Justice Party" won a plurality (47%) of the seats in parliament. Additionally, an even more fundamentalist strain of political Islam, the Salafists, won nearly 25% of the seats.⁴ Fearing a religious takeover of the government, the Egyptian military tried—and failed—to dissolve parliament in June 2012.⁵
- A MB/Salafist-dominated parliament chose an Assembly to draft a new constitution, but when it seemed likely that independent courts would invalidate the Assembly, Morsi declared his executive decisions exempt from judicial review. Many Egyptians viewed this as a naked power grab, sparking riots in Cairo and elsewhere.⁶
- A national referendum approved the Assembly's constitution, but opposition groups have been charging that the vote was obtained fraudulently.
- Political turmoil continues to rock Egypt. In late January, Morsi declared a state of emergency and a curfew after clashes between rioters and police in Port Said—at the mouth of the Suez Canal—turned deadly.⁷ It remains unclear whether Morsi's civilian government will remain in power for the long term.

EGYPT, THE U.S., AND THE REGION

As the largest country in the Arab world, Egypt is a critical player to any American effort in the region. Egypt has been the traditional center of Arab culture and Muslim learning, which is why President Obama made his 2009 "A New Beginning" speech in Cairo.⁸

- Egypt has been a decades-long recipient of American military aid. Despite some misgivings with the current political situation, President Obama requested \$1.5 billion in his FY13 budget for military and economic aid for the country.⁹
- After recent attacks on the American Embassy in Cairo in September 2012, some Members of Congress criticized authorizing additional funds to aid Egypt. However, the Department of State countered that funds used to support and buttress democracy is what young governments need to establish stability.
- Egypt is one of the few Arab countries that signed a peace treaty with Israel.¹⁰ Despite concerns that this stance would change, these policies have continued and Morsi helped broker an Israel-Hamas ceasefire in 2012.¹¹

EGYPT'S FRAGILE ECONOMY

The global economic downturn and a lukewarm investment climate continue to batter Egypt. While Cairo controls an important global economic chokepoint—the Suez Canal, where 8% of the world's commerce passes—Egypt's economy is still sputtering.¹²

- The World Bank in September 2012 noted Cairo's largest challenges include restoring market confidence and tackling Egypt's chronically high youth unemployment. Furthermore, Egypt is running a large budget deficit despite the government's pledge to devote more funds to public spending.¹³
- Before the revolution, tourism accounting for at least 10% of the economy. Since then, tourism has slumped, causing further economic dislocations within the country.¹⁴
- Due to these problems, Egypt is also having a problem servicing their IMF loans and maintaining a level of foreign currency reserves.¹⁵

With the departure of the resolutely pro-American Mubarak government, the U.S. will need to forge new alliances with the current democratically-elected government. Despite reservations about the MB, American policymakers must appreciate that they are firmly part of the Egyptian political landscape.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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DIGEST | FEBRUARY 2013

Iran: Keeping Our Powder Dry

By Mieke Eoyang and Aki Peritz

A nuclear-armed Iran is unacceptable. The debate is not about whether the Iranians should or should not have nuclear weapons, but about how best to stop them. Rejecting a nuclear-armed Iran does not, however, mean embracing immediate military strikes. We offer three reasons why the use of force is not in the best interest of the United States or our allies in the near term:

- ▶ We still have time to stop Iran from obtaining a nuclear weapon;
- ▶ International diplomacy and crippling sanctions are working, but they need time to become fully effective;
- ▶ Striking too soon would make it harder to stop Iran in the long run.

A NUCLEAR-ARMED IRAN IS UNACCEPTABLE

America cannot accept a nuclear-armed Iran.

The U.S. cannot allow a designated state sponsor of terrorism to have a nuclear weapon. Iran has been a longtime supporter of terrorist organizations like Hezbollah and Hamas. These groups—bankrolled by Tehran—have attacked our embassies, murdered civilians, and taken hostages. Iran has also supported militant groups in Iraq and Afghanistan that have killed scores of U.S. troops over the past decade.

A nuclear-armed Iran poses a grave risk to the stability and security of the most volatile region in the world. Iran has already threatened our vital allies by calling for their destruction and targeting their diplomats abroad. Iran would use its nuclear status to try to exert dominance over the region. This could ignite a nuclear arms race, as Saudi Arabia, Turkey, or others would begin the quest for nuclear weapons to even the score. Very quickly, the world could see multiple nuclear-armed nations in one of the most dangerous neighborhoods in the world.



Shahab-3 Ballistic Missile Range¹

A nuclear-armed Iran would undermine the global nuclear non-proliferation framework. Under the Nuclear Non-Proliferation Treaty (NPT), the number of states with nuclear weapons is limited in order to prevent the spread of these dangerous devices. Letting Iran develop and deploy nuclear weapons tells the rest of the world they too can ignore the NPT. Some nations will then think they can seek the bomb without consequence or safeguards, increasing not only the risk of nuclear war, but also the possibility of a nuclear device falling into the hands of terrorists.

These are all unacceptable outcomes, but rejecting a nuclear-armed Iran does not mean embracing immediate military strikes.

MILITARY STRIKES ARE PREMATURE

Now is not the time to exercise the military option. We offer three reasons:

1) We Still Have Time to Stop Iran.

Iran is gathering the ingredients, but it's not certain that they've decided to bake this cake. Iran is clearly developing the components for a nuclear weapon. However, the U.S. Intelligence Community—after reviewing all of the available classified and unclassified data—does not yet believe Tehran has taken the ultimate step towards building an actual bomb.² As the Director of National Intelligence told Congress, “They are certainly moving on that path, *but we don't believe they have actually made the decision* to go ahead with a nuclear weapon.”³ [emphasis added]

Complicating the issue is that Iran signed the NPT. This treaty guarantees nations the right to develop, research, produce, and use nuclear energy for peaceful purposes, but it bars most countries from developing or acquiring nuclear weapons technology.⁴ While Iran has not been cooperating fully with the International Atomic Energy Agency (IAEA), which enforces the NPT, the IAEA has yet to find conclusive evidence that Iran has gone beyond peaceful uses.

Iran still has several challenges to overcome before it possesses a viable nuclear weapon. There are still certain steps in the process that are difficult to hide and would provide unambiguous indications of Tehran's intent to weaponize. These could include: enriching uranium to weapons-grade,

MAKING THE CASE

The United States and our allies simply cannot allow Iran, a designated state sponsor of terrorism, to build a nuclear weapon.

MAKING THE CASE

Rejecting a nuclear-armed Iran does not mean embracing immediate military strikes.

MAKING THE CASE

If Iran gets the bomb, it will be impossible to tell other countries in the region that they cannot or should not build their own nuclear weapons.

expelling IAEA inspectors, withdrawing from the NPT, testing a device, and developing a delivery system.

Even if a country develops a nuclear weapons program, it can still be compelled to abandon it. For example, in 2003 Libya gave up its WMD programs and turned over all nuclear technology in order to normalize relations with the rest of the world.⁵ South Africa actually built nuclear weapons and then voluntarily gave them up.⁶

Most importantly, America, with the most powerful military in the world, has the ability to severely disrupt Iran's nuclear program at any time. It would not be easy—Iran is large, and some of the sites are well-fortified. However, there's no question that the U.S. military can get the job done. We have no arbitrary timeline, and there is no point when Iran's program becomes too big to strike. There is no need to rush to war.

2) Sanctions and Diplomacy are Biting.

The U.S. has built a regime of sanctions and international agreements designed to make Iran's quest for the bomb very painful. These are tough and unprecedented efforts, but they require time to work.

In 2010, President Obama signed into law the *Comprehensive Iran Sanctions, Accountability, and Divestment Act* (CISADA), which extended 1990s-era sanctions to punish companies that do business with Iran's oil industry.⁷ But because implementation took a while, these sanctions have only had an effect on the Iranian economy since mid-2011. CISADA excludes foreign banks from doing business in the U.S. if they work with Iranian entities, thereby cutting off Iran from the international financial system.⁸

In addition, the U.S., the European Union (EU), and the UN have imposed various economic sanctions that are causing multiple challenges for Iran:

- In late 2011, President Obama signed into law tough new sanctions that specifically targeted both the Central Bank of Iran (CBI) and foreign institutions doing business with the CBI.⁹
- Since autumn 2011, the Iranian currency (the rial) has lost much of its value against the U.S. dollar.¹⁵ This economic stress has led to rampant inflation and increasing anxiety within the Iranian middle class.¹⁶

MAKING THE CASE

America has the power to disrupt Iran's quest for nuclear weapons. We must choose the most effective way to do so.

In early September, Israeli Prime Minister Benjamin Netanyahu said, "The fact is that every day that passes, Iran gets closer and closer to nuclear bombs."¹⁰ But Israel's national security professionals and citizens remain divided on how to proceed.

In late August 2012, a former Chief of the Israel Defense Forces (IDF), Gabi Ashkenazi, called for a "combination of strategies" to combat Iran's nuclear ambitions, including economic sanctions and covert efforts.¹¹ He joined other knowledgeable Israelis—including ex-IDF Chief Amnon Lipkin-Shahak, ex-Mossad chief Meir Dagan, and ex-Military Intelligence head Aharon Farkash—in urging caution on confronting Iran with direct violence.¹²

Also, a June 2012 poll indicates a slim majority of Israelis (52%) oppose striking Iran militarily, stating Israel should pursue diplomatic options first.¹³ A November 2012 poll found that fewer than one in five Israelis (18%) favor striking Iran unilaterally.¹⁴

- The EU in January 2012 began placing an embargo on Iranian crude imports, as well as sanctions on the CBI, gold, certain dual-use technologies, and personalities connected to the Iranian Revolutionary Guard Corps (IRGC).¹⁷ On July 1, 2012 this embargo took full effect.¹⁸ Before the embargo, EU member countries purchased 20% of Iran's oil exports.¹⁹
- Before the sanctions, Iran exported 2.5 million barrels of oil per day. However, bilateral and multilateral sanctions have reduced Iranian exports to 1.25 million barrels per day—a 50% decrease.²⁰ Moreover, China, India, South Korea, Japan, and Turkey—the five largest remaining importers—have all reduced their Iranian imports.²¹

Diplomatic efforts against Iran are also beginning to have an effect. An international coalition, including countries not normally supportive of the American perspective, has coalesced to press for more inspections.

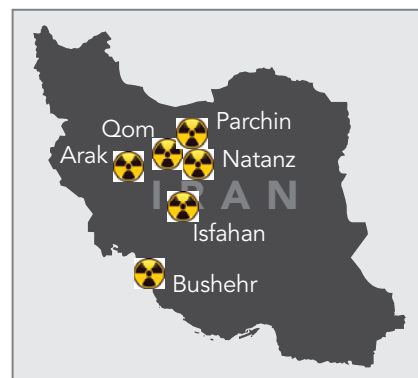
- In June 2010, the White House led an effort—with Russian and Chinese acquiescence—to push through a UN Security Council resolution restricting Iranian military, shipping, and financial capabilities, as well as banning nuclear-capable ballistic missiles technology.²² This effort built on previous sanctions and played a factor in Russia's decision to suspend all major weapons systems sales to Iran.²³
- In early March 2012, the U.S., France, Germany, Great Britain, Russia, and China announced that they would restart negotiations with the Iranians over nuclear inspections and enrichment.²⁴ However, these talks have yet to bear fruit.
- The U.S. is continuing to tighten the economic vise. In August 2012, the *Iran Threat Reduction and Syria Human Rights Act of 2012*, which makes even more business dealings with Iran "sanctionable offenses," became law.²⁵

As President Obama has said, "the only way historically that a country has ultimately decided not to get nuclear weapons without constant military intervention has been when they themselves take [nuclear weapons] off the table."²⁶ The use of force can destroy facilities and kill personnel, but the desire to relinquish the quest for nuclear weapons permanently must come from the Iranian government itself. Sanctions—and the economic and social disruption they bring—could provide exactly the kind of incentives it needs to make this choice.

MAKING THE CASE

Sanctions and diplomacy are beginning to cripple Iran's economy. They can bring the regime to heel, but they need time to work.

Top Nuclear Sites in Iran



MAKING THE CASE

Only the Iranians can put a permanent end to their nuclear ambitions. We must convince them that the bomb is not in their interest.

3) Premature Strikes Could Make It Harder to Stop Iran in the Long Run.

Military strikes could devastate the Iranian nuclear program, but they could never offer the assurance that Iran would not simply start over and try again. What's more, premature strikes would make it much more difficult for the U.S. to deny weapons in the future.

Striking too soon could collapse the international consensus to stop Iran. Unless the U.S. provides clear evidence that Iran is weaponizing its nuclear program, it could be difficult to prod even normally supportive members of the international community into backing an American strike. The U.S. would then struggle to hold together the coalition of nations that supports economic sanctions and technology transfer restrictions.

While many Middle Eastern governments hostile to Iran might quietly support the use of force,²⁶ some may be obliged (due to domestic pressures) to publicly condemn it. This stands in sharp contrast to the 2011 airstrikes in Libya, where the Arab League openly sought NATO intervention.

After a strike, America would have less insight into Iran's nuclear program. Once bombed, Iran would have little incentive to allow the IAEA or the international community to inspect its facilities.²⁷ The strikes would also shatter the international consensus to compel Iran to accept inspectors.

The situation would be similar to Iraq after 1998, when the UN found that Iraq was not cooperating with weapons inspectors.²⁸ Neither intelligence nor inspectors were able to satisfy concerns about the state of Iraq's weapons program until the 2003 occupation.

CONCLUSION

It is unacceptable for Iran to have a nuclear weapon. While Tehran may be gathering the means to build a bomb, it's not certain that it has decided to weaponize. In the meantime, we are squeezing Tehran through sanctions and diplomacy. They must be given time to work.

Ultimately, we can disrupt Iran's nuclear ambitions on a timetable of our own choosing. The time may come when military action becomes our best option, but premature strikes would make it harder for us to stop Iran in the long run. For now, we should keep our powder dry.

MAKING THE CASE

If we strike them too soon, we will lose the vital information we get from the international inspectors inside Iran, and we won't ever be certain that their program is over.

Any time we consider military action... there's going to be a price to pay.

— President Barack Obama
March 6, 2012

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COUNTRY BRIEF | FEBRUARY 2013

Libya is still struggling to emerge as a free, stable society after decades of authoritarian rule under longtime dictator Muammar Qadhafi. Last year's lethal attack on an American diplomatic compound underscores Libya's shaky security situation and indicates that much remains to be accomplished in a post-civil war Libya. **America should help the country develop the capacity to defeat and disarm its anti-government militias.**

Tripoli has the will—but not the capacity—to extend government control throughout the country. In the aftermath of its civil war, Libya has been unable to stem internal political violence or effectively control its long borders.¹

- International diplomats are frequent targets in Benghazi: Last year's attack on the city's U.S. post, which killed our Ambassador and three other Americans, was not the only recent strike against foreign personnel; in January 2013, assailants fired upon the Italian consul general's car,² and in mid-2012, unknown attackers struck the British ambassador's convoy.³
- Following the strike on the U.S. diplomatic compound, tens of thousands of Libyans marched in protest against the attacks because they saw our Ambassador as a steadfast ally of the Libyan people.⁴ However, local authorities have been unable or unwilling to move against the powerful Islamist militias and terror suspects behind the attack.⁵

Following Qadhafi's fall, his arms depots were looted, flooding the country and the region with weaponry. Some of these weapons—along with the veteran fighters who used them—remained in Libya, while others filtered into other countries across the region. Other countries, such as Egypt, Tunisia, Algeria, and Israel, have expressed concern that Libyan arms are supporting local insurgents and fueling regional instability.⁶

Libya



Population: 5.3 million

Capital: Tripoli

President: Muhammad el-Marqaryaf (moh-HAH-mehd ehl mee-GAHR-yeef); since August 10, 2012



CIA World Factbook, 2013

- The U.S. is particularly concerned with Libya's looted stockpile of shoulder-fired, anti-aircraft missiles (also known as MANPADS), which pose a significant threat to both civilian and military airplanes and helicopters.⁷ They are easy to use and to smuggle—making them a favored weapon of insurgent and terrorist groups.⁸
- Some fighters involved in the post-civil war violence have committed terrorist attacks in neighboring countries, including striking a gas field in Algeria and carving out an Islamist stronghold in Mali.⁹
- In the past, Libya had both chemical and nuclear weapons programs. Many of these programs' precursor materials still exist within the country, posing a proliferation risk until they are destroyed.¹⁰

Securing long-term American security interests in Libya will require sustained policymaker attention.¹¹ The U.S. government has already advanced plans to provide security and transition support to Tripoli, some in order to combat conventional arms and WMD proliferation.¹²

- In the last Congress, however, some legislators tried to condition or rescind American funds to secure Libyan borders, train Libyan forces, or continue anti-proliferation programs until certain specific conditions are met.¹³
- Spending funds now to secure Libya's porous borders, stabilize its generally pro-American government, and neutralize local and regional terrorist threats is firmly in our national self-interest.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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COUNTRY BRIEF | FEBRUARY 2013

North Korea is the most closed, repressive, unpredictable, and isolated country on the planet—and one that is nuclear-armed and continues to threaten regional stability.

HISTORY

Since 1948, North Korea has been ruled by a totalitarian dictatorship. In 1950, Kim Il Sung, the leader of North Korea, invaded South Korea in an attempt to unify the Korean Peninsula under Communist rule. The U.S. came to South Korea's aid, counterattacking and pushing deeply into North Korea. China then sent hundreds of thousands of "volunteers" into the conflict. The war killed nearly 2.5 million people.

In 1953, North and South Korea signed an armistice—though not a peace treaty—putting an end to active fighting. The countries remain hostile to this day.

Since the armistice, the U.S. has maintained a large presence in South Korea—currently 28,500 American military personnel are stationed in the country, which has the most heavily militarized border in the world.¹ Tension with the North has only increased since it tested a nuclear weapon in 2006.²

LEADERSHIP

North Korea is built around the cult of personality of the members of the Kim family, treating them as divinities imbued with supernatural powers.³ Kim Jong Il, the son of the regime's founder, Kim Il Sung, died in December 2011 after a 17-year rule. He designated his son, Kim Jong Un, as his successor.⁴ Little is known about Kim Jong Un, but he has continued his father's repressive and unpredictable regime.⁵

North Korea



Population: 24.1 million

Capital: Pyongyang

Head of State: Supreme Commander of the Korean People's Army, Kim Jong Un (KJHM JAWNG-UHN); since Dec 17, 2011



CIA World Factbook, 2012

REPRESSION

North Korea is the world's most repressive nation. The regime subjects citizens to a constant barrage of propaganda through radios—which cannot be turned off—installed in almost every home and workplace. It imprisons dissidents, their families, and scores of others (including children) in barbaric prison camps, where they are subject to starvation, torture, and execution.⁶ There is no freedom of the press, and populations are often uprooted to be forcibly resettled elsewhere.⁷ Virtually all resources flow to the ruling class and the military, leaving the population to face constant deprivation and regular waves of mass starvation.⁸

North Korea is also considered the most corrupt country in the world.⁹ A centralized economy and lack of a food distribution system have created a reliance on the black market for goods and services.¹⁰ Corruption among the senior leadership and the military is the norm.¹¹

The international community has imposed and maintained harsh sanctions on North Korea for decades. Internally, the country has adopted a philosophy of *Juche*, or “self-reliance,” to convince the population to cope with the shortages.

NUCLEAR WEAPONS PROGRAM

The U.S. first suspected North Korea had a clandestine nuclear weapons program during the 1980s.¹² U.N. nuclear inspectors found evidence of a program in 1992.

Since 1994, North Korea has engaged in cycles of (1) demonstrating progress on its nuclear weapons program with either nuclear tests or missile launches, (2) negotiations with other countries to suspend its nuclear program, (3) agreements to freeze its program or allow U.N. inspection in exchange for aid, (4) suspending talks and ejecting U.N. inspectors, and (5) withdrawing until the next round of threats.¹³

In April 2012, North Korea began the cycle again when it launched a missile that exploded shortly after liftoff. Pyongyang also threatened a nuclear test later in the year.¹⁴ In December 2012, North Korea successfully launched a rocket which introduced a satellite into orbit—in violation of UN Security Council Resolution 1874.¹⁵ In early February 2013, North Korea performed an underground nuclear test.

- Experts suggest significant hurdles remain in North Korea's path to develop a reliable intercontinental ballistic missile capable of threatening the U.S.¹⁶
- Nonetheless, some believe North Korea is capable of developing a small nuclear arsenal of a dozen weapons.¹⁷

THREATS TO REGIONAL STABILITY

North Korea continuously harasses its neighbors, seizing Chinese fishing boats for ransom, abducting Japanese citizens, and threatening South Korea.¹⁸ As a result of its erratic behavior, North Korea has poor relations with most of the world. Even China, which assisted North Korea during the Korean War, has limited influence over the country.¹⁹ Short of war, however, there is little pressure the U.S. can bring to bear on Pyongyang that is not already in place.

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COUNTRY BRIEF | FEBRUARY 2013

Pakistan is important to U.S. strategic interests in Central Asia, the fight against al Qaeda, and our efforts in Afghanistan. Despite Pakistan's continuing intransigence on a range of issues, Washington cannot walk away from a close and continuing relationship with Islamabad.

FIGHTING AL QAEDA

In the aftermath of 9/11, Pakistan helped the U.S. in its counterterrorism efforts. However, this cooperation has been inconsistent over the last decade.

- The Pakistani intelligence service (called the ISI) has helped the U.S. capture or kill hundreds of al Qaeda targets.¹
- Pakistan has borne most of the burden of clearing out its side of the border region with Afghanistan, deploying more than 100,000 soldiers to battle insurgents in the area.²
- Pakistan has tacitly endorsed U.S. unmanned aircraft strikes against terrorist targets within its borders, even if it continues to deny this or criticizes us for carrying them out.³
- Since 2001, the U.S. has provided Pakistan with over \$20 billion in foreign aid to support these efforts.⁴

However, the raid on bin Laden strained an already tense relationship. The May 2011 raid on the compound in Abbottabad, Pakistan crystalized deep misgivings that the U.S. had with Pakistan's government, and vice versa.

- Six months after the attack, Admiral Mike Mullen, the former Chairman of the Joint Chiefs of Staff, said the ISI was behind some of the deadly attacks against U.S. forces in Afghanistan.
- In June 2012, Gen. Martin Dempsey, the current Chairman of the Joint Chiefs of Staff, told reporters that he was "extraordinarily dissatisfied" with Pakistani actions against the Haqqani insurgents that kill American troops across the border in Afghanistan.⁵

Pakistan



Population: 190 million

Capital: Islamabad

Head of State: President Asif Ali Zardari (AH-sihf AH-lee zahr-DAH-ree); since 2008, leaving March 2013

Chief of Army Staff: General Ashfaq Kayani (AHSH-fahk kah-AH-nee)



CIA World Factbook, 2012

- Pakistan continues to provide some support to various insurgent groups that fight U.S. troops in Afghanistan and commit terrorist acts outside of the country. This is fueling the cycle of violence.⁶

Nevertheless, the U.S. is forced to rely upon Pakistan to prosecute the war in Afghanistan, providing the Pakistanis great leverage in bilateral relations. For example, from November 2011 to July 2012, Pakistan closed the Khyber Pass—the primary supply line for gas, food, and military equipment to U.S. forces in Afghanistan. This occurred after American forces killed 24 Pakistani troops in a border skirmish.⁷ As a result, the U.S. had to route its supplies thousands of miles out of the way across several states of the former Soviet Union at a cost of \$2.1 billion.⁸

OTHER GEOPOLITICAL ISSUES

Beyond fighting terrorists, Pakistan should remain important to U.S. policymakers because:

- **Pakistan has more than one hundred nuclear weapons.**⁹ These weapons are pointed at neighboring India, a fellow nuclear power.
- **Pakistan has been responsible for the proliferation of nuclear weapons technology.** The father of its nuclear weapons program, A.Q. Khan, provided nuclear technology to Iran, North Korea, and Libya over a period of over two decades.¹⁰
- **Pakistan has a long-simmering border dispute with India.** Each nation views the other as its primary national security threat. In fact, much of the frustration the U.S. has with Pakistan stems from Islamabad's focus on a possible conflict with India, often over the contested area of Kashmir. Other urgent priorities, such as crushing al Qaeda or stabilizing Afghanistan, are subsumed by its obsession with countering India.¹¹
- **Pakistan maintains a close, long-standing political relationship with China.** Both nations rely upon each other in part to counter U.S. and Indian influence in the region.¹²

Despite these challenges, Pakistan is too large and too strategically located to ignore politically. Punitive actions against Pakistan may have unintended consequences and should be considered very carefully.

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COUNTRY BRIEF | FEBRUARY 2013

Yemen is an emerging front in the war against al Qaeda, but our efforts to address the threat are complicated by the country's internal conflicts.

In February 2012, President Ali Abdullah Saleh was forced to step down after 33 years in power. The new government is nonetheless engaged in clashes with multiple domestic groups and it is also fighting a war against al Qaeda in the Arabian Peninsula (AQAP).

AL QAEDA IN THE ARABIAN PENINSULA

AQAP has become the al Qaeda franchise most interested in striking the U.S.¹ and an important source of financial support for al Qaeda in Pakistan.² U.S. and other intelligence services thwarted sophisticated AQAP attempts to bomb U.S.-bound airplanes in 2009,³ 2010,⁴ and 2012.⁵ Defeating AQAP is America's primary counterterrorism priority for the region.

- AQAP is attempting to create a territorial safe haven in Yemen.⁶
- In the last few years, AQAP's ranks have more than doubled,⁷ and the group has temporarily held a number of urban areas.⁸
- AQAP has been successful because it is taking advantage of broad, popular grievances against Yemen's government.⁹

AMERICAN EFFORTS AGAINST AQAP

The U.S. is currently pursuing a multi-front campaign against AQAP.

Working with Yemenis:

- The U.S. military is training and equipping Yemen's security forces in order to build their capacity to combat terrorism and insurgency, as well as to promote good governance.¹⁰

Yemen



Population: 24.7 million

Capital: Sana'a

President: Abd Rabuh Mansur HADI
(Ah-bd RAH-boh Mahn-SOOR Had-ee)



CIA World Factbook, 2012

- President Obama in May 2012 signed an Executive Order that allows the Treasury Department to act against those who “threaten the peace, security or stability of Yemen.” This order allows the U.S. government to, among other actions, block financial transactions to groups that wish to undermine the government in Sana’a.¹¹

Working with the Saudis:

The U.S. is working closely with neighboring Saudi Arabia to fight AQAP.

- AQAP’s most recent attempted attack, using a sophisticated underwear bomb, was thwarted in May of 2012 when the bomber turned out to be a Saudi intelligence asset.¹² He reportedly provided U.S. and Saudi security services with both his explosives and the locations of multiple AQAP leaders.¹³
- In 2010, a tip-off from Saudi intelligence stopped an attack on a U.S.-bound cargo plane. An AQAP bombmaker hid explosives inside a toner cartridge within a larger package.¹⁴

Our Operations:

President Obama has acknowledged that the U.S. is taking “direct action” against AQAP.¹⁵ Press reports indicate that the U.S. is actively using Unmanned Aerial Vehicles (UAVs)—drones—to strike AQAP targets. Our unilateral efforts inside the country date back to at least 2002, when a UAV struck Salim al-Harethi, a major player in the 2000 USS Cole attack.¹⁶

- The U.S. has reportedly used drones to strike AQAP leaders such as American-born AQAP cleric Anwar al-Awlaki and the USS Cole attack mastermind Fahd al-Quso.¹⁷
- The State Department is conducting a program to counter al Qaeda recruitment efforts in Yemeni tribal websites.¹⁸

LARGER UNREST IN YEMEN

Yemen has a long history of violent unrest between tribal groups and the central government. While U.S. policy remains focused on defeating AQAP and facilitating stability in the country, the “Arab Spring” has reignited old grievances that have strained the Yemeni military and the government.¹⁹

- Southern tribes have rallied against AQAP, but they remain anti-government.²⁰
- In the north, the Iran-backed al-Houthis continue to fight the central government in a separate rebellion.
- In September 2012, anti-American protesters demonstrated in front of the U.S. embassy in reaction to an incendiary anti-Muslim film. In October 2012, a Yemeni security guard for the U.S. embassy was shot and killed in an apparent AQAP attack.²¹

Regardless of U.S. actions, Yemen will remain a fragile state for years to come.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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TERRORISM



DIGEST | FEBRUARY 2013

America's Goldilocks Moment in the Fight Against al Qaeda

By Mieke Eoyang and Aki Peritz

It's been a year since the raid on Osama bin Laden's compound and more than a decade since our fight against al Qaeda began. With the al Qaeda chief dead and no major successful acts of foreign-based terrorism in the United States since 9/11, Americans are wondering if the fight is over.

It is not; al Qaeda and its affiliates remain a serious threat. **In this paper, we offer guidance for discussing the current fight against terrorism to a nation weary of war and growing somewhat complacent about its domestic safety.**

The central question relating to terrorism is the magnitude of America's response. In the last two decades we have lurched from doing too little to trying to do too much. Now, we have finally achieved a "Goldilocks Moment" in the fight against al Qaeda—our actions are neither too big nor too small, but just about right.

MAKING THE CASE

At long last, the U.S. is using the right tools to permanently dismantle al Qaeda.

PRE-2001: TOO SMALL

The May 2011 raid in Abbottabad was the result of careful intelligence work in unfriendly territory, partnerships with foreign countries, advanced special operations forces capabilities, and superior technical means. But many of these counterterrorism building blocks were not in place prior to 9/11.

After the fall of the Soviet Union, the U.S. Government was not organized to address the threat that terrorism would pose a decade later. Our national security apparatus was geared towards fighting nation-state conflicts, not small groups of extremists hiding in remote corners of the globe. The 9/11 Commission later concluded that fighting terrorism was "a second- or third-order priority" for Congress.¹

The executive agencies charged with preventing terrorism were both under-resourced and unmoored from a common mission:

- **The CIA:** After the Cold War, the Agency was still structured to fight the USSR and faced a declining budget due to the reduced threat from the Soviets.² Its Counterterrorism Center was generally considered an organizational backwater, provided with few resources, and operated at the mercy of its traditional regional offices. Even developing and deploying the now-critical Unmanned Aerial Vehicle (UAV) technology proved difficult for the Agency.³
- **The FBI:** The Bureau had some success in capturing several terrorists throughout the 1990s, but, according to then-Director Freeh, it had not yet moved to thwarting attacks before they happened.⁴ In 2001, only 6% of the FBI's personnel worked on counterterrorism issues.⁵
- **The Defense Department:** The Pentagon viewed anything other than conflicts with nation states as outside of its core mission. Handling low-intensity conflicts was viewed as a distraction, and dealing with terrorist groups even more so.⁶ The military left the tracking of terrorist groups to the FBI inside the U.S. and to the intelligence community overseas.

In addition, the agencies divided up responsibilities and did not have ways of sharing information or addressing common threats. These patchwork efforts were insufficient to identify or stop the 9/11 attack. But an overreaction to the terror strike would prove to be just as problematic.

POST-9/11: TOO BIG

Immediately following 9/11, the White House—acting with congressional approval for a vaguely worded *Authorization for Use of Military Force* (AUMF)—sent CIA and special operations forces into Afghanistan to combat al Qaeda and its Taliban protectors. While this initial thrust crushed al Qaeda's Afghan safe havens, America then lost its way by making short-term choices that resulted in long-term problems. This included, among other things:

- **Detention:** We did not know what to do with the hundreds of individuals captured in Afghanistan, so we opened an ad hoc detention facility at Guantánamo Bay and put them there under evolving, questionable legal rationales.⁷
- **Interrogation:** The White House and the Justice Department authorized the CIA to use brutal interrogation

MAKING THE CASE

In the decade after the Cold War, terrorism was just one of many threats facing our nation. And certainly not the most pressing issue.

The President is authorized to use all necessary and appropriate force against those nations, organizations, or persons he determines planned, authorized, committed, or aided the terrorist attacks that occurred on September 11, 2001...

— Text from the Authorization for Use of Military Force (AUMF) of 2001

techniques that the current Attorney General has since labeled as “torture.”⁸ Even when the first memos were drafted, some Bush Administration officials, notably the Navy’s General Counsel, expressed the belief that certain interrogation techniques were “at a minimum cruel and unusual treatment and, at worst, torture.”⁹

- **Surveillance:** President Bush authorized warrantless electronic surveillance following the 9/11 attacks. After its existence was leaked to the press, the President subsequently defended the program as a necessary tool to fight terrorists. The Bush announcement prompted Congress to establish new guidelines and regulations for electronic surveillance that provided additional protections for U.S. Persons.¹⁰

And of course, the invasion of Iraq was a huge distraction from the real fight—the one against those who attacked us on 9/11. The invasion of Iraq and the chaos that followed consumed so much American blood, treasure, time, and effort that it would take many years before U.S. policymakers could refocus squarely upon the actual terrorist threat. Al Qaeda and its allies took advantage of a distracted America to regroup and reengage in their terrorist activities.

NOW: JUST ABOUT RIGHT

America has, after a decade of conflict, developed new capabilities and learned hard lessons about fighting al Qaeda. This has led to a much more effective effort to crush our foes and stop terrorist activities in its tracks.

The bin Laden raid is a textbook demonstration of this “just right” approach. America was able to find the al Qaeda chief because of thousands of hours of work performed by the intelligence community, followed by a carefully-executed, limited military operation. The critical slivers of information that eventually led to the courier that America followed to bin Laden’s compound were gathered not by brutal methods approved in the wake of 9/11, but by two separate sources: 1) standard, noncoercive interrogations of prisoners and 2) intelligence provided by a foreign country.¹¹

But it has also been made clear that the threat is still with us, and we must remain vigilant.

***Guantánamo...
had become a
propaganda tool
for our enemies
and a distraction
for our allies.***

— President George W. Bush,
Decision Points, p.180

MAKING THE CASE

***The Iraq War was
a large distraction
from the fight
against those who
attacked us on 9/11.***

MAKING THE CASE

***The bin Laden raid
was the result of
careful intelligence
work, foreign part-
nerships, special op-
erations forces, and
advanced technical
capabilities.***

A Scalpel, Not a Sledgehammer

We have come to learn the value of employing a lighter footprint by using specially trained personnel operating in tough parts of the world. For example:

- **Afghanistan:** U.S. forces have established indigenous teams of counterterrorism personnel that have effectively acted to root out terrorist and insurgent groups within the region.¹²
- **North Africa:** Al Qaeda in the Islamic Maghreb (AQIM) and its local allies have taken advantage of the political instability caused by 2011's Arab Spring and smoldering conflicts in Libya and Mali. While these certainly are troubling recent developments, the U.S. is working with partners in the region, as well providing the French military fighting in Mali with intelligence, airlift capacity, and surveillance capabilities to push back the terrorist menace.
- **Yemen:** The U.S. has brought new focus to tracking and neutralizing the threat from al Qaeda personnel in Yemen without placing too many American boots on the ground. The most notable recent success was the death of U.S.-born extremist cleric Anwar al-Awlaqi, who had been linked to a number of terrorist plots and attacks.¹³
- **Somalia:** U.S. forces continue to deliver sharp blows to al Qaeda personnel in the Horn of Africa, including the 2009 elimination of Saleh Ali Saleh Nabhan, who was responsible for the 1998 American Embassy bombings in Kenya and Tanzania as well as other attacks in Africa.¹⁴
- **Drones:** UAVs have not only provided critical breakthroughs in surveillance, but also have attacked hundreds of suspected al Qaeda personnel in northern Pakistan. This technology has profoundly disrupted their operations and has kept them on the run. Intelligence from Abbottabad showed that bin Laden was concerned with the number of "brothers" that had died in persistent UAV attacks.¹⁵

Better Integrated Intelligence

The U.S. national security system is now marching effectively to destroy al Qaeda. We continue to develop the capabilities for precise intelligence, analysis, international cooperation, and technology, which are critical to foiling many of its terror plots.

MAKING THE CASE

We've now developed new capabilities and learned hard lessons about fighting al Qaeda.



MAKING THE CASE

UAVs not only provide both critical surveillance capabilities, but also keep terrorists on the run—since few places are safe for them, for long.

For example:

- In 2010, the Saudi government informed senior U.S. officials of an al Qaeda in the Arabian Peninsula (AQAP) plot to place explosive-filled packages on U.S.-bound cargo planes. The planes were intercepted and grounded before they ever reached the United States.
- In 2009, the FBI and NYPD (with help from the CIA) stopped an al Qaeda plot to bomb the NYC subway. The CIA flagged Najibullah Zazi after he travelled to Pakistan to train at a terrorist camp, and the FBI then tracked him from Colorado to New York and back to Colorado before arresting him.¹⁶
- In 2006, the U.S., British, and Pakistani governments broke up a significant plot to destroy several passenger planes midflight over the Atlantic (which led to the ban on liquids in carry-on luggage). Had this plot been successful, it could have killed thousands of people, cost billions of dollars, and severely damaged the global aviation system.

An Educated, Vigilant Public

Americans must understand that terrorist threats remain real, and even the best intelligence and military efforts cannot thwart every extremist bent on attacking America and our citizens. An informed, alert public can help law enforcement thwart attacks here at home.

- A gun shop clerk's tip in 2011 led authorities to stop Pfc. Naser Jason Abdo from reprising the 2009 massacre at Fort Hood, TX. When law enforcement officials arrested Pfc. Abdo, he had weapons and bomb-making devices in his possession.¹⁷
- A T-shirt vendor helped thwart the 2010 bombing of NYC's Times Square by alerting police to a suspicious SUV—law enforcement officials later determined that the vehicle carried a powerful explosive device.
- Passengers and crew responded quickly and helped avert disaster on Northwest Airlines Flight 253 on Christmas Day 2009, when a suicide attacker tried to detonate a bomb in midair.

MAKING THE CASE

Regular Americans provide critical help in the fight against terrorism here at home.

MAKING THE CASE

Americans are all in this fight together; scapegoating one community will hurt our counterterrorism efforts.

Assistance from Muslim-Americans

Authorities are also working with various Muslim communities to prevent attacks, and it is working—families and friends are turning dangerous people in:

- According to the New America Foundation, “Over one-fifth of the post-9/11 Islamist terrorism cases originated with tips from Muslim community members or involved the cooperation of the families of alleged plotters.”¹⁸
- In 2010, the FBI thwarted an attempted bombing in Oregon after the alleged bomber’s friend and father contacted it.
- Also in 2010, the FBI arrested a man plotting to bomb the Washington, D.C. Metro after a member of the local community contacted it.

CONCLUSION

This nation was overly complacent before 9/11 and had to build our counterterrorism ship as it sailed. That meant our conflict with al Qaeda cost this nation dearly, and the mistakes we made and the lessons we learned were hard ones. Many issues remain to be resolved, including the disposition of the Guantanamo Bay detainees. And of course, al Qaeda has shown a remarkable ability to bounce back in the face of major setbacks.

That said, we believe that we are now moving in the right direction. We must remind Americans that the threat remains and vigilance is required, but we can also assure them that after 10 years, we have finally gotten things just about right.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

* * *

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TERRORISM | FEBRUARY 2013

Fighting Global Terrorism

This brief identifies some of the critical foreign adversaries of the United States and why they matter. These include:

- State sponsors of terrorism;
- Designated international terrorist groups; and
- States the United States does not diplomatically recognize.¹

STATE SPONSORS OF TERRORISM

The U.S. government defines terrorism as “premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents.”²

A **State Sponsor of Terrorism** is a nation that has “repeatedly provided support for acts of international terrorism.” The Department of State maintains this list. These nations are subject to numerous sanctions, such as:

- A ban on arms-related exports and sales;
- Controls over exports of dual-use items, which are devices that have both military and civilian use. (Note: Exports require a 30-day notification to Congress for any goods or services that could significantly enhance the country’s military capability or ability to support terrorism);
- Prohibitions on economic assistance; and
- Imposition of miscellaneous financial and other restrictions.³

FOREIGN TERRORIST ORGANIZATIONS (FTO)

The Department of State also maintains a **Foreign Terrorist Organization** (FTO) list. To earn a place on the FTO list, a group must pose a threat to the U.S. or U.S. interests. As of September

State Sponsors of Terrorism

CUBA

Cuba has supported the Revolutionary Armed Forces of Colombia (FARC), as well as some members of the Spanish separatist group, the Basque Fatherland and Liberty (ETA).⁴

IRAN

Iran remains the most active of all of the state sponsors of terrorism, supporting groups such as Hezbollah, HAMAS, and Palestinian Islamic Jihad (PIJ), among others.

SUDAN

Sudan was designated a state sponsor of terrorism in the early 1990s because it hosted numerous terrorist groups—most notably al Qaeda. However, it remains unclear why Sudan remains on the list, as the State Department states Khartoum currently cooperates with U.S. counterterrorism efforts.⁵

SYRIA

Syria has historically allowed multiple terrorist groups (including HAMAS, Hezbollah and various Palestinian terrorist organizations) to operate freely and with explicit government support.

2012, there are over 50 groups on the list. The following are several examples, divided by region. While there are other groups that use, or have used, terrorist tactics, they are not on the list for various reasons.

Asia-Pacific

1. **Al Qaeda (AQ):** Pakistan-based organization responsible for 9/11.
2. **Lashkar-e Tayyiba (LT) (Army of the Righteous):** Pakistan- and Kashmir-based group that carried out the 2008 Mumbai attack.
3. **Tehrik-e Taliban Pakistan (TTP):** Pakistan-based group that is a critical al Qaeda ally.
4. **Jemaah Islamiya (JI):** Indonesia-based, al Qaeda-linked group responsible for the 2002 Bali bombings.
5. **Abu Sayyaf Group (ASG):** Philippines-based Islamist separatist group.

Middle East

1. **Al Qaeda in the Arabian Peninsula (AQAP):** Saudi- and Yemen-based al Qaeda affiliate, most notably responsible for the thwarted 2009 Christmas Day attack on a Detroit-bound passenger plane. AQAP remains committed to attacking the U.S., as it tried to destroy a U.S. cargo plane in 2010.
2. **HAMAS (Islamic Resistance Movement):** Sunni Palestinian group that seeks to bring Israel under Islamic control. After winning local elections in 2006, HAMAS now controls the Gaza Strip.
3. **Hezbollah (Party of God):** Shi'a organization based in Lebanon responsible for, among other operations, the 1983 attacks on the U.S. Embassy and Marine barracks in Beirut. Hezbollah is a semi-autonomous proxy for both Iranian and Syrian interests.
4. **Al Qaeda in Iraq (AQI):** This al Qaeda affiliate is responsible for hundreds of attacks and thousands of deaths throughout Iraq since its inception in 2004.
5. **Al Nusra Front:** AQI-led jihadist organization currently fighting the Syrian government.

Removed from the State Sponsor of Terrorism List

Since the founding of the State Sponsors list, the State Department has removed four countries which have either fully renounced terrorism or have actively and successfully aided the U.S. in counter-terrorism efforts. These countries include:

IRAQ

Removed after the U.S. invasion in 2003.⁶

LIBYA

Removed after Muammar Gadhafi surrendered their ongoing nuclear weapons program, severed ties with terrorist organizations (including closing active training camps), and paid compensation for its involvement in the 1988 Pan Am 103 bombing.⁷

NORTH KOREA

Removed in 2008 as an incentive to bring Pyongyang back to the negotiating table over its nuclear weapons program.⁸

SOUTH YEMEN

Removed when it united with North Yemen in 1990 to form the Republic of Yemen.

Europe

1. **Basque Fatherland and Liberty (ETA):** Basque nationalist organization that commits terrorist acts throughout Spain.
2. **Real IRA (RIRA):** Splinter group that broke from the Provisional Irish Republican Army after the PIRA declared a ceasefire with the UK in 1997.

Central/South America

1. **Revolutionary Armed Forces of Colombia (FARC):** Based in Colombia, FARC is Latin America's oldest and largest insurgent group, responsible for scores of murders, kidnappings, bombings, and hijackings since the mid-1960s.
2. **Shining Path (Sendero Luminoso):** A Maoist, Peru-based group.

Africa

1. **Al Shabaab:** Somalia-based al Qaeda affiliate. Note: multiple Somali-Americans have left the U.S. to join al Shabaab, although we have yet to see an al Shabaab-led attack in the U.S.
2. **Al Qaeda in the Islamic Maghreb (AQIM):** Algeria-based al Qaeda affiliate that has spread into neighboring Mali, Niger, and Mauritania.

DIPLOMATIC RELATIONS

Beyond the issue of terrorism, the United States does not recognize the governments of certain major countries recognized by the United Nations. Therefore, we have no embassy in their capitals:

Iran: The U.S. severed relations with Iran in April 1980 following the takeover of the U.S. Embassy in Tehran that touched off a 444-day long hostage crisis.

Cuba: The U.S. severed diplomatic relations with Cuba in January 1961, shortly after Cuba signed a treaty with the USSR and nationalized various foreign properties and companies.

North Korea: The U.S. has never formally recognized North Korea and therefore has never had diplomatic relations with Pyongyang.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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1 The information was drawn from the U.S. State Department's list of State Sponsors of Terrorism and Foreign Terrorist Groups, and other U.S. Government sources such as the Congressional Research Service and the National Counterterrorism Center.

2 Title 22 of the US Code, Section 2656f(d).

3 United States, Department of State, Bureau of Counterterrorism, Office of the Coordinator for Counterterrorism, "Country Reports on Terrorism 2010," Report, Chapter 3, August 18, 2011. Accessed June 13, 2012. Available at: <http://www.state.gov/j/ct/rls/crt/2010/170260.htm>.

4 United States, Congressional Research Service, Raphael Perl, "The Department of State's Patterns of Global Terrorism Report: Trends, State Sponsors, and Related Issues," Report, RL32417, June 1, 2004. Accessed June 13, 2012. Available at: <http://fpc.state.gov/documents/organization/33630.pdf>; See also "Country Reports on Terrorism 2010."

5 "Country Reports on Terrorism 2010."

6 "Country Reports on Terrorism 2010."

7 Eben Kaplan, "How Libya Got Off the List," Backgrounder, Council on Foreign Relations, October 16, 2007. Accessed June 13, 2012. Available at: <http://www.cfr.org/libya/libya-got-off-list/p10855#p4>.

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INTERNATIONAL TERRORIST GROUPS

Terrorism is a tactic used by many organizations to achieve their political goals; the U.S. Department of State specifically designates multiple groups as foreign terrorist organizations. These groups, however, are varied in goals, interests, and capacity for violence. We have highlighted six major organizations that have attacked U.S. interests and citizens in order to provide context to the challenges that America faces today.



	Al Qaeda	Islamic Resistance Movement (HAMAS)	Hezbollah	Lashkar-e-Tayyiba (LeT)	Revolutionary Armed Forces of Colombia (FARC)	Ansar al-Islam (Fmr. Ansar al-Sunnah)
Location	Pakistan	Gaza Strip	Lebanon	Pakistan	Colombia	Iraq
Founded	1988	1987	1982	Early 1990s	1964	2001
Leaders	Osama bin Laden (deceased); Ayman al-Zawahiri	Khaled Meshaal	Hassan Nasrallah	Hafeez Mohammed Saeed	Rodrigo Londoño aka "Timochoenko"	Abu Abdallah al-Shafi'i (captured)
Goals	Overthrow Muslim rulers they deem apostates in order to establish an Islamic caliphate across the Muslim world.	Overthrow Israel and establish a Palestinian Islamic State.	Advocates Shia power inside Lebanon and Israel's destruction.	Expel India from Kashmir and establish Islamic rule over the Indian subcontinent.	Theoretically establish a Marxist state in Colombia.	Establish a fundamentalist Islamic state in Iraq.
Attacked the U.S. ?	Yes	No	No	No	No	No
Attacked U.S. Citizens or Interests Abroad?	Yes	Yes	Yes	Yes	Yes	Yes
Significant Terrorist Operations	September 11, 2001 Washington D.C. and New York City suicide bombings; 2000 USS Cole suicide bombing; 1998 attacks on the U.S. Embassies in Kenya and Tanzania.	Multiple suicide attacks against Israeli civilian targets; ongoing rocket attacks on Israel.	1983 U.S. Marine barracks in Lebanon suicide bombing; 1983 U.S. Embassy in Beirut suicide bombing; 1985 TWA flight 847 hijacking.	2008 coordinated suicide attacks against multiple civilian targets in Mumbai, India.	2003 assassination of Antioquia (Colombia) Governor; many kidnappings and murders of prominent Colombian personalities; multiple kidnappings of U.S. citizens.	2004 Forward Operating Base Marez (Mosul, Iraq) suicide attack. Numerous attacks on Iraqi civilians as well as on Coalition troops.

