PHASE III IN THE WAR ON TERRORISM?
CHALLENGES AND OPPORTUNITIES

Panel One: Fighting Terrorism Groups with Global Reach

As the recent bombings in Saudi Arabia and Morocco have shown, the problem of terrorism has not vanished despite American military victories in Afghanistan and Iraq. While al-Qa'ida is the group most widely considered to have a "global reach," the activities of Hizballah and Hamas also reach beyond the confines of the Middle East—into Europe, the Americas, and the United States itself. The first panel reviews progress on the war on terrorism, identifies challenges inherent to confronting other groups, and addresses the broader historic and regional context.

Steven Simon, The RAND Corporation
"How Terrorism Has Changed Since 9-11"

The picture emerging from the U.S. war on terrorism, and specifically al-Qa'ida, is so far a fairly ambiguous one. Opinion in Washington has been transformed, as the pessimistic mood of a few months ago has suddenly given way to optimism. Thanks to the capture of key al-Qa'ida figures and the lack of terror attacks during the war in Iraq, the majority view now seems to be that al-Qa'ida is on the run, even "out of the picture." Yet one's view of al-Qa'ida's prospects may largely depend on one's definition of what al-Qa'ida is. Both sides have scored successes: the United States has captured or killed much of the organization's leadership, yet at the same time Usama bin Ladin has managed to inspire a global movement. Although the future of al-Qa'ida is clearly up in the air, there are signs that the struggle is far from over.

First of all, it is unlikely that the losses to its leadership have crippled the organization. The part of the al-Qa'ida leadership that has been taken off the streets is arguably the "weaker half." The two top leaders, bin Ladin and Ayman al-Zawahiri, are still at large, and the sheer fact that figures such as Khalid Shaykh Muhammad and Ramzi bin al-Shibh allowed themselves to be captured may demonstrate nothing so much as their own incompetence. Meanwhile, the Egyptian wing of the group is reasserting itself, as it has lost only one key commander (Muhammad 'Atef, killed by U.S. forces in Afghanistan) and other figures such as Saif al-'Adel have risen in prominence. A plan for succession is also in evidence, as the group has been able to replenish its losses and move personnel into key positions despite U.S. pressure.

Furthermore, al-Qa'ida is still able both to fund its activities and to spread its message with relative ease. Roughly $120 million of al-Qa'ida assets have been seized, but this is thought to be only a fraction of what the group possesses. The group has also shifted part of its wealth from money into other forms which are difficult to trace, such as precious stones. Web sites affiliated with al-Qa'ida have continued to proliferate, disseminating bin Ladin's ideology and promoting the killing of Western civilians; and how-to publications such as the *Jihad Manual* and the *Encyclopedia of Jihad* are still widely available on the Web.

Although it has not succeeded in striking the U.S. homeland since September 2001, it is important to remember that the group has managed to pull off attacks in a number of countries around the world, including Indonesia, Tunisia, Kenya, and now apparently Saudi Arabia as well. Moreover, such attacks have shown evidence of centralized direction, with local actors reporting back to the leaders of al-Qa'ida cells. In their planning and execution, one can easily

discern the "enthusiasm and creativity" that have come to be considered hallmarks of al-Qa'ida. These traits were evident, for example, in the recent attempt to shoot down an Israeli passenger jet with surface-to-air missiles in Kenya.

In conclusion, al-Qa'ida is an organization in transition, with some leaders remaining and others being replaced—and organizations in transitions are always vulnerable. Nevertheless, the larger problem of Islamist militancy remains unsolved. Although the U.S. war in Iraq may have had a compelling strategic rationale, it also appears to have validated bin Ladin's program—for example, his claim that the United States wants to use Saudi Arabia as a platform to dominate the rest of the Arab world. Pan-Islamic ideology is flourishing, not least in Great Britain and other European countries, owing to the widespread socioeconomic marginalization and alienation of Muslim youth. In the wake of the wars in Afghanistan and Iraq, Islamic opinion is splintering among different schools of thought, as Muslims debate where their societies should be heading. On the one hand, some militants have argued in favor of "relocalizing" the struggle, focusing on their own corrupt governments instead of the United States. On the other hand, there is also an introspective trend, as Muslims pose the question of "what went wrong" in their societies. Finally, the "apocalyptic impulse" associated with al-Qa'ida remains very much in evidence.

In the face of these trends, U.S. options in the short term are limited. For now, the direct battle against al-Qa'ida lies in the realm of law enforcement and intelligence. In this regard, the U.S. government has to improve its liaison with the countries of the European Union, which has real potential to become a platform for attacks against the United States. Dealing with the motivation and ideology that drives al-Qa'ida, however, is really a project for the long term. The Bush Administration's Middle East Partnership Initiative represents a step in the right direction, even though it has yet to receive adequate funding; it remains to be seen whether it can evolve into a constructive tool of U.S. engagement with the Islamic world.

Daniel Byman, the Saban Center at Brookings and Georgetown University
"Countering Hizballah"

What policy should the United States adopt towards the Lebanese "Party of God?" While Hizballah is often mentioned in the same breath as al-Qa'ida, it is important to recognize that it does not pose an identical threat to U.S. interests. A different set of motives drives Hizballah's use of terror: most notably, its self-image as a group dedicated to the struggle against Israel, its desire to strengthen its political role in Lebanon, and its need to make itself useful to its Syrian and Iranian sponsors by disrupting the Arab-Israeli peace process. Unlike al-Qaeda, Hizballah today does not represent an active, immediate threat to the United States. In fact, it does not appear to have been involved in any attacks against American targets since the 1996 Khobar Towers bombing in Saudi Arabia.

Nevertheless, the latent threat posed by Hizballah is truly frightening. The group certainly has a global reach, and its operational skills may actually be superior to those of al-Qa'ida. Although it has avoided direct conflict with the United States, it still poses a threat to U.S. interests in the region, most obviously the security of Israel. Over the years, its remarkable ability to adapt and innovate has enabled Hizballah to perfect its techniques of guerrilla warfare, making it Israel's most capable adversary; while the border is quiet for now, the simmering conflict over the disputed Shabaa Farms territory gives the group the option of reopening that front in the future. The other country to watch is Iraq, where the infiltration of Hizballah

members and the group's calls for Iraqi resistance against American occupation troops suggest it may have the option of striking U.S. interests in the future.

Complicating the issue is the nature of Hizballah's involvement in terror, which has changed completely over the years. In fact, Hizballah now plays a role so different from that of a traditional terrorist group that it may be more useful to conceive of it as a "state sponsor" of terrorism. Of course, Hizbollah is not actually a state, but it has developed many of the characteristics of a state, with well-developed organs for security, politics, social welfare, education, and media. Much like a state, it sponsors terrorism by supporting, training, and providing an example for other groups with similar ideologies and aims. By seeking to "export" its model in this way, Hizballah has been able to achieve the perfect balance between action and caution, appealing to its constituency without compromising the interests of its own state sponsors in Damascus and Tehran.

Clearly, the United States should seek to end Hizballah's terrorist activities, both direct and indirect. But what are the options? The path of direct confrontation, while possibly tempting, is fraught with danger. As a Lebanese political party, Hizballah would have much to lose from a direct conflict with the United States; yet its self-image as a resistance group means it would not buckle easily, even under the threat of military action. Furthermore, Hizballah hardly makes for an easy military target. Its assets are widely dispersed, it has substantial popular support, its fighters mingle easily with the civilian population, and it has shown its ability to replenish its leadership despite military losses. Above all, there is little doubt that Hizballah would have the ability to retaliate with terror attacks—perhaps even within the United States.

Another option is to put pressure on Lebanon, Syria, or Iran to end their support for Hizballah; yet the probable results of such a campaign are uncertain. For example, there is reason for skepticism about the ability of the Lebanese government to influence Hizballah. The Lebanese security services, as a matter of policy, are passive and unwilling to act against such groups; and in any case no government in Beirut is willing to act independently of Damascus. The Syrian regime, by contrast, has both the intelligence and ruthlessness to shut down Hizballah if it wanted to do so. Moreoever, the Syrian-Hizballah alliance is almost purely tactical rather than ideological, and Damascus could possibly be convinced to abandon it if its interests were to change. Hizballah's other major state sponsor is of course Iran, which has influence over the group but not actual control. While a cutoff of Iranian support would hurt Hizballah, Iran's lack of direct access to Lebanese territory means that it could not act to shut down the group or its terrorist activities.

Given the risks of confronting Hizballah head on, U.S. policy should seek first to achieve its aims by pressuring the group indirectly. This means exerting constant pressure on Syria and Iran to reduce their pro-Hizballah propaganda, cut off material support from the group, and press it to disarm. In addition, the United States should seek to whittle away at Hizballah's global reach through a worldwide campaign to persuade governments to recognize it as a terrorist organization and actively confront it. This effort will carry some political costs: unlike al-Qa'ida, Hizballah enjoys a great deal of popularity not just in Lebanon and the Arab world, but also in Europe and Canada. Besides the evident risk of retaliation against American targets, there is also the possibility that U.S. pressure on Hizballah to disarm could cause it could splinter into competing factions, some of which could prove more radical and more aggressive than the current organization. With patience, however, it should be possible to push Hizballah out of the terror business—even though this effort is bound to take a long time.

Boaz Ganor, Institute for Counter-Terrorism, Israel
"Countering Hamas"

What is the formula for successful counter-terrorism? Any policy that aims at suppressing terror must seek to suppress both of the ingredients that enable groups to carry out terrorist acts: their operational capability and their motivation. It is not enough simply to address one or the other; both must be tackled at once. We should keep this principle in mind as we evaluate Israel's policy towards Hamas, beginning first with a look at how that policy has evolved since the group's origins in the 1980s.

Israeli policy towards Hamas has gone through at least three distinct stages over the years. In the first phase, from the group's founding up until the Oslo accord, Hamas certainly had high motivation to carry out acts of terror, and Israel relied chiefly on its military presence to keep the group's operational capability at a low level. This began to change with the 1994 peace talks. In this new stage, the Israeli withdrawal from Palestinian towns and cities enabled Hamas to develop its infrastructure, recruit new members, and otherwise build up its operational capability with no effective limits.

What prevented Hamas from waging a large-scale terror campaign during this time was low motivation. In fact, Hamas had achieved a certain understanding with Yasir Arafat and his Fatah organization over short-term issues of national interest. Both Hamas and Arafat agreed on the immediate need to liberate the West Bank, Gaza, and East Jerusalem; if they disagreed (at least outwardly), it was on the long-term question of whether the Palestinians should settle for a state on those territories or use them as a platform for continued struggle against Israel. Both sides also agreed on the need to avoid a Palestinian civil war at all costs. This basic understanding gave considerable leverage to Arafat, who sought to control the group's motivation through a mix of threat and persuasion.

Throughout this stage, Israel based its policy on a misconception of the relationship between Hamas and Arafat. Israeli policymakers saw Arafat as a fundamental opponent of Hamas and believed his claims that the Palestinian Authority was doing its best to control the organization. Hence Yitzhak Rabin's well-known policy that Israel would "fight terror as if there were no negotiations, and negotiate as if there were no terror"—a formula subsequently adopted by both the Netanyahu and the Barak governments. In reality, Israel was sitting on a time bomb. In the years 1994–2000 Arafat reined in Hamas when it suited his purposes, but he had no motivation to stop terrorism for good. Most crucially, he never attacked the group's operational capability, which remained intact and even continued to grow.

Since the outbreak of violent conflict in September 2000, Israel has been forced to rethink its policy towards Hamas and terrorism yet again. In this stage, the discredited policy of "negotiating as if there were no terror" has been abandoned; instead, Israel has returned to the previous strategy of limiting the terrorists' operational capability by sending its troops back into the West Bank. This policy is even more necessary since the Palestinian Authority is not just tolerating terrorist activity, as in the past, but is actively cooperating and participating in it. In fact, Hamas has not even used all of its capabilities in the current terror campaign, but has sought to preserve its operational capability by letting Fatah fight most of the battles.

How, then, should Israel confront this threat? The first priority is to attack its operational capability. Ideally, the Palestinians should take up this burden. Merely inducing Hamas to stop attacks through a *hudna* or truce is not acceptable, since Hamas will simply wait to fight again another day while keeping its capabilities intact. Rather, the Palestinian security services should

use their own intelligence to degrade its operational capability. Even at the height of Palestinian-Israeli cooperation, the Palestinian security services never acted on its own far superior intelligence on Hamas, but only on tips from Israeli sources. The Palestinian Authority could make good use of that intelligence to attack the Hamas infrastructure—demolishing bases, dismantling weapons stores and bomb-making facilities, arresting individual terrorists, and so on. Until the Palestinians have a leadership that is willing and capable of taking such a step, Israel will have to continue to do the job itself.

As for motivation, Hamas is a rational organization that is capable of using cost-benefit analysis. It should therefore be possible to lower its motivation to carry out terror attacks, although this will be a lengthy process. Israel can accomplish this directly by continuing to show that terror does not serve Palestinian interests and by pressuring Hamas itself. At the same time, there are a number of ways in which the group's motivation could be lowered indirectly. Thus, Israel can seek to change the atmosphere in the Palestinian arena through humanitarian support and gestures to the Palestinian people. Israel and the United States can put pressure on states such as Syria and Saudi Arabia to end their support for Hamas. Finally, the Palestinian Authority itself must stop inciting terrorism and start "inciting" for peace. Above all, it is necessary to remember the lessons of past history: thus, the Bush Administration's proposed "road map" is mistaken, since it returns to the discredited premise of negotiating while terrorism continues.

Hisham Melhem, *al-Safir* and Middle East Broadcasting
Respondent

Most discussions of terrorism in Washington take place outside any historical context; yet without such a context we are liable to misread the present. Terrorism is often presented as a novelty, yet concepts and terms such as "terrorism" and "reign of terror" date back to the French Revolution. On closer examination, it becomes evident that terrorism in one form or another has existed since the beginnings of human society. It is a problem that can be checked, but never eliminated completely, because it arises from deeply ingrained, atavistic impulses toward retribution and violence. Despite the popularity of the phrase "war on terrorism," it is impossible to deal with the problem of terrorism through coercive means while ignoring the human motivations behind it.

Nowadays, terrorism is often portrayed as a specific ideology, one with a Muslim face. Yet what makes al-Qa'ida so different from previous terrorist groups is simply its use of technology. Its motivations, by contrast, mirror those of groups as diverse as the Assassins of medieval Iran and the anarchists of nineteenth-century Europe. The anarchists in particular saw themselves as waging not just a political struggle, but a metaphysical struggle against an oppressive abstraction called "the state." Similarly, Usama bin Ladin may use political issues for tactical reasons, but he too is really waging such a metaphysical battle, this time against an entity called "the West." It is impossible to enter into a political dialogue with al-Qa'ida, precisely because its main motivations for using violence are not political. The only way to deal with such a group is indeed through force.

Yet it is equally important to recognize that not all terrorist groups share the same motives. There are many groups, including Hamas and Hizballah, that use immoral means for ends that are largely legitimate. To some extent, one may be able to (and must) check al-Qa'ida militarily; but coercion alone will not succeed in uprooting Hamas and Hizballah, because they represent grassroots movements with real political constituencies and interests. In Lebanon, for

example, even secularists admire Hizballah for its struggle to drive Israel out of the southern part of the country. Fighting Israeli soldiers on Lebanese soil is not "terrorism" by any definition, and many see it as a legitimate nationalist cause.

If the United States seeks to deal with Hizballah through force, it is likely to succeed only in forcing a new civil war on Lebanon. The U.S. intervention against Saddam Hussein owed its success to his extreme unpopularity, and thus an utter lack of popular resistance on the ground; this would not be the case if the United States were to carry the fight to Hizballah and Hamas. Likewise, it is unrealistic to expect states such as Syria and Iran to shut down Hizballah's activities, because they have only limited influence on the group's behavior.

Precisely because these groups are not al-Qa'ida, no strategy to end their violent activities can succeed unless it addresses the national aspirations, perceptions of humiliation, and other essentially political motivations behind the violence. Until Israel and the United States learn this lesson, the Middle East will continue to be rife with terrorism.

Panel II: Dealing with State Involvement

As the United States pursues the war on terror, the issue of state sponsorship raises particularly difficult challenges which need to be addressed. What motivates state sponsors of terror as well as policy choices in confronting such sponsorship need to be examined in detail. The second panel examines Iran, Pakistan, and Syria, all of which actively back a range of radical groups, as well as Saudi Arabia, which is often criticized for allowing its citizens to support terrorists with no interference.

Mark Gasiorowski, Louisiana State University
Iran

The current prospects are good for persuading Iran to reduce its sponsorship of terrorism. Two main factors have combined to produce a certain window of opportunity: the U.S. victory in Iraq and the Iranian domestic political condition. This unique combination of forces has raised new prospects for cooperation between Washington and Tehran not seen since the presidency of Rafsanjani.

A new impetus for rapprochement with Washington has arisen since the U.S. victory in Iraq, which changed the regional strategic balance and raised the concern that Tehran could be the next target for military action. Meanwhile, Iran's domestic political dynamic is supporting the trend. There is widespread popular support for improved Iranian-American relations: in a recent poll, 75 percent of respondents favored restoring relations with the United States. Accordingly, any public figure who is able to lead such a process has the potential to harness significant political benefit and public support. This is an attractive possibility to both sides in the ongoing struggle between Iran's conservatives and reformists. At the moment, conservative elements within the regime are attempting to position themselves to lead such a process, hoping to sideline the reformists and siphon away much of their public support.

As a concession to the United States, Iran can be expected to reduce its support for terror groups to varying degrees. In this regard, it is important to distinguish between Iran's relationships with various groups. For example, the lack of great public support for Palestinian groups such as Hamas and Islamic Jihad means that Iran might be persuaded to abandon its support for them, although the price is bound to be high. The Iranian relationship with Hizballah,

however, is very different. For a sufficiently high price, Tehran could be willing to end its military support for the group, since Hizballah is not vital to Iranian national security; but it is very unlikely that the Iranian government would agree to cut its political ties as well. Iraq is another place where Iran could be persuaded to exert a positive influence over Shiite groups; finally, Iran can be expected to oppose al-Qa'ida and affiliated organizations, despite reports of isolated contacts.

The fundamental question remains how the U.S. can best persuade Iran to change its policy of supporting terror organizations. U.S. policymakers have three basic options: coercion, waiting for a change in regime, and a negotiated agreement. Coercion could consist of economic sanctions, military threats, limited military strikes, or a full-scale invasion as in Iraq. This approach could easily backfire, however. Unlike Iraqis, Iranians in general are highly nationalistic and sensitive to the prospect of U.S. intervention in their affairs, while Iran also has a much more powerful army than Iraq. The Iranian people and the Iranian state, therefore, would be both willing and able to resist U.S. military action. Limited "saber rattling" may be a useful way of putting pressure on the regime, but relying on coercion is not a credible or a feasible option in dealing with Iran.

Some circles in Washington advocate the policy of waiting and providing support for opposition groups in the hope that the Islamic regime will soon collapse. Despite the demonstrations of the last two years in Iran, however, the idea of confronting the regime has no widespread popular support beyond the student movements. As unpredictable as the political situation in Iran may be, the regime is not likely to fall apart in the near future, and it would be unwise to base U.S. strategy on such an uncertain outcome.

Thus, a negotiated deal between the United States and Iran remains the most feasible way to challenge Iran's support for terrorism. The basic parameters of such an agreement are clear to both sides and would require a normalization of relations, including the lifting of all sanctions on Iran. There have been recent exploratory meetings, but the United States would have to engage in serious dialogue in order to discern the Iranian terms of such an agreement. Yet it is unclear how long the window of opportunity in Iran will remain open, and there are two main obstacles to a negotiated agreement in the near future.

First, an agreement to curb or end Iran's support for terrorism will undoubtedly come at the expense of other important security issues—most importantly, Iran's pursuit of nuclear weapons and long-range ballistic missiles. In exchange for ending its support for terror groups, Iran may seek legitimacy for its weapons program, which it considers to be a key national security interest.

Second, a U.S.-Iranian agreement would also have serious ramifications for the domestic political dynamic in Iran. The next two years will be vital for the Iranian reform process, as conservatives and reformists prepare for struggles over key legislation as well as the upcoming parliamentary and presidential elections. If Iran strikes a deal with the United States under the leadership of the conservatives, this is only likely to strengthen the dominance of the conservatives during this sensitive time and give them a few more years of breathing room. Thus, the U.S. administration must consider whether Iranian concessions on terror are more important than the long-term prospects for internal regime change.

Iran's support for groups such as Hamas must be put into perspective. These movements would continue to fight against Israel even without Iranian support, and the nuclear issue is probably more important to U.S. national security. What, then, should the U.S. policy be? First, Washington must recognize that threats and coercive tactics will have little effect and are only

likely to cause the regime to pull back from any engagement with the United States. Waiting for the regime to collapse would also be a foolish gamble. The best prospect for ending Iran's involvement in terror is a negotiated agreement, but the United States runs the risk that this would prolong conservative rule and undermine the prospects for democratic change in Iran. Nevertheless, the United States needs to explore the possibilities of such a deal and find out what Tehran might be willing to concede. Without engaging in preliminary talks, there is no real way to know where Iran may be headed.

Flynt Leverett, The Saban Center at Brookings
Syria

According to the U.S. State Department, Syria has not been directly involved in terrorism since 1986. At that time, President Hafiz al-Asad decided to protect Syria from the negative ramifications of such activities by reining in elements within Syrian intelligence that had been active in terrorism. As this example shows, Syria has always based its support for terrorism on tactical considerations and perceptions of Syria's national interests. This stance has remained constant over the years and continues to characterize the Syrian approach to terrorism today.

Syrian sponsorship of terror takes two forms, one of which is its backing of Palestinian rejectionist groups such as Hamas and Islamic Jihad. While Syria has allowed Palestinian terror groups to operate in Syria and maintain public offices, the regime monitors and limits the activities of these groups in order to protect Syrian interests. For instance, Syria has aimed to prevent any direct attack on U.S. interests, and it has also consistently prevented Palestinian groups from launching any attacks on Israel from Syrian territory.

The Syrian relationship with Hizballah is more complex. Syria supplies the main conduit to Lebanon for Iranian arms and military supplies. While Syria supports Hizballah's harsh anti-Israel rhetoric, it has attempted to stay out of military confrontations with Israel and avoid Israeli retaliation for Hizballah actions. Though the Asad regime has significant influence over the movement in Lebanon, it has little influence with Hizballah's global network, which is more influenced by Iran; yet it does play an important role in facilitating travel between Hizballah and Iranian intelligence.

Why does Syria continue to support such organizations? As a rule, its motives are tactical rather than ideological. Syria's primary aim remains the return of the Golan to Syrian control; its upport for Hizballah and the Palestinian resistance has been the Asad regime's primary mode of confronting Israel and reminding Israel that it can not solve its outstanding security concerns without Syria. In the past, Damascus has appeared willing to shut down Palestinian terror organizations in return for an Israeli pullback from the Golan. Until that happens, Syria's sponsorship of such organizations maintains its nationalist position as the last "confrontation state" and the leader of the Arab struggle. Close ties with Hizballah also help to preserve Syria's dominant position in Lebanon.

The United States has only limited options for persuading Syria to end its support for terrorism. One option is to reactivate the Israeli-Syrian peace process. This may not be a viable option at the moment, however, given the reluctance of the Bush administration to pursue the Syrian track and the unwillingness of Israeli Prime Minister Ariel Sharon to withdraw from the Golan Heights. Israeli-Syrian talks are thus unlikely to resume in the near future, despite recent press reports of secret Syrian overtures—which, in any case, probably represent a tactical maneuver to ease U.S. pressure rather than a serious peace initiative.

It is important not to link the issue of Syria's sponsorship of terror to other issues of importance. Just the Clinton administration tied the issue of terror to an Israeli-Syrian peace agreement, the Bush administration ignored Syria's sponsorship of terror as long as the regime cooperated in the fight against al-Qa'ida. Yet if the administration really wishes to end Syrian involvement in terror, it must confront the problem head on and be willing to deviate from the status quo.

In the absence of any movement towards a peace deal, three options remain for U.S. policymakers. Some in Washington have espoused coercive regime change on the model of Iraq; others have advocated trying to induce the regime to roll back its support for terrorism by applying negative pressure. Such pressure could entail imposing economic sanctions, applying the Syria Accountability Act, or blocking access to Iraqi oil. Advocates of this approach point to the success of Turkey, which used the threat of military action to pressure Damascus to drop its support for the Kurdistan Workers' Party or PKK in 1998. This is not likely to work with U.S.-Syrian relations, however; most probably, negative pressure will force Syria to make short-term tactical adjustments but not to abandon terror for good.

The optimal approach is one of conditional engagement which employs both the carrot and the stick. While keeping the threat of military and economic pressure on the table, the Bush Administration should also use positive inducements to entice Syria into changing its entrenched policies. For now, U.S. law prevents the government from offering Damascus very much in the way of economic incentives; but the United States can offer to remove Syria from the list of state sponsors of terrorism, outlining a roadmap of specific steps Syria must take in order to obtain this "carrot." In addition, the administration needs to engage Damascus in a genuine strategic dialogue to discuss Syria's security interests and role in the region.

Stephen Cohen, Foreign Policy Studies at Brookings
Pakistan

When discussing Pakistan's relationship to terrorism, it is imperative to note a key difference between it and the other states under discussion: Pakistan is a nuclear weapons state—one that is on the brink of war with India. Pakistan is also one of the few states that is both a participant in and a victim of terrorism. Despite its continued ties with the Taliban, Pakistan has acted as an ally in the U.S. war on terrorism, providing the U.S. military with two bases during the war in Afghanistan.

Besides the Taliban, Pakistan has long sponsored radical Sikh and Kashmiri separatist groups that carry out terrorist attacks in India. Pakistani involvement with these groups stems from India's support for Bengali nationalism and its role in severing East from West Pakistan in 1971; in effect, Pakistan has also been able to turn on and off terror attacks against India at will. In Afghanistan, Pakistan has completely reversed its policy towards al-Qa'ida and has been actively fighting the organization. At the same time, there are few signs of a similar shift in policy towards the Taliban—primarily because of close ethnic and personal ties between the Taliban and elements in the Pakistani regime. Taliban activity in Afghanistan is likely to increase thanks to this continuing relationship.

As a victim of terrorism, Pakistan has witnessed mounting levels of violence between Shiite and Sunni Muslims, as well as the beginnings of an indigenous movement linked to al-Qa'ida. The growth of this movement, especially among the educated and professional class, reflects dissatisfaction with the government of Pervez Musharraf and anger at American policies;

its supporters are often liberal, progressive, and modern, opposed to what they see as a corrupt, U.S.-backed regime. Pakistan's major religious party, Jamat-e-Islami, has increasing ties with al-Qa'ida itself, although it is not clear whether this is due to party policy or the actions of isolated individuals within the party.

Given this deteriorating and rather alarming situation, the United States essentially has three options in its relations with Pakistan. First, the U.S. government could simply continue with the status quo. This means supporting Musharraf and the military in the interest of stability, with only limited economic aid and no real pressure for democratization. The main U.S. goal, as now, would be to work with the Pakistani army to root out the remnants of al-Qa'ida; once al-Qa'ida had vanished, the relationship would effectively be over.

There is also the "Egyptian" option. Such a policy would commit a massive economic aid package if Pakistan agrees to normalize relations with India and make a serious crackdown on all Al-Qa'ida elements. Such a policy, if successful, might help to stabilize a deteriorating socioeconomic climate that is fueling the growth of extremism. It would require a shift away from current policy, however, in requiring both large-scale aid and serious U.S. involvement in the South Asian peace process.

The last option would be to contain Pakistan, viewing it as a failed state and a threat to U.S. interests. Some in Washington have advocated just such a policy, which would entail siding with India in the conflict between the two South Asian powers. The main problem with this approach is that Pakistan is now a nuclear power, poised to use nuclear weapons against India as well as to spread them to other states or non-state actors.

Given the prospect that a nuclear-armed Pakistan might succumb to extremist elements, the only feasible option is to engage Pakistan with an Egyptian-style aid package. In all likelihood, however, the United States will choose instead to continue its current policy of "muddling ahead" for the next couple of years, hoping that the Musharraf regime will continue to hang on despite pressure from below. This policy may work for a time, but in the middle to long term a change of regime seems highly likely. An ominous mix of political instability, military tensions with India, nuclear weapons, and terrorism suggests Pakistan is on its way to becoming the most dangerous country in the world.

F. Gregory Gause III, University of Vermont

Saudi Arabia

There are two ways of thinking about Saudi Arabia's role in terrorism. The first model argues that Saudi Arabia is not a state sponsor of terrorism. Rather, the Saudi government and private Saudi citizens have at times supported terror networks, whether intentionally or not, by supporting Islamic charities which fund terror organizations, by supporting Islamic non-government organizations implicated in terror, and by not confronting jihadist forces in Saudi Arabia. The second model portrays the Saudi state itself, and especially the Wahhabi form of Islam it espouses, as the main source of terror activity and the anti-American hatred that drives the global terror network.

If one believes in the first model, there are a number of steps the U.S. government can take to reduce private Saudi sponsorship of terror. For example, it is clear that the Saudi regime has not done enough to end the financing of terrorist networks on its soil, as the regime has reacted very slowly to U.S. requests to shut down financing networks. One approach the United States has not yet taken, but which could be effective, is to "name and shame" those prominent

Saudis who have been involved in financing terror. The Saudis are very averse to public embarrassment and are likely to react positively to such tactics.

The U.S. must also push the Saudi government to confront Saudi Arabia's Salafi jihadists, which it has been reluctant to do. Throughout the nineties, the Saudis believed that bin Ladin and the jihadists were merely a security threat and that expelling the movement from the country would suffice to end the problem. After September 11, however, they realized that the jihadist movement was increasingly a problem of ideas and beliefs as well as a threat to their rule. One area where the regime has taken action is in monitoring state-run religious institutions, which have, for example, taken more moderate positions on issues of suicide attacks against Israel. Most recently, the suicide bombings in Riyadh may push the regime to realize that it has no choice but to confront the phenomenon of *jihad* as one of ideas and beliefs and not solely as a problem of internal security.

The foregoing analysis only holds true if one subscribes to the first model, asserting that Saudi Arabia's support for terrorism has often been unintentional. The alternate view—that the Saudi regime itself is a major source of global terror and anti-Americanism—derives from a problematic and simplistic view of Saudi Islam. Official Saudi clerics have consistently denounced suicide bombings and other forms of terrorism, especially against American targets and the accusation that Wahhabism itself is the root of terror is completely false. Extremists like those in al-Qa'ida owe a greater intellectual debt to thinkers such as Egypt's Sayyid Qutb than to indigenous Wahhabi thought.

The United States could safely push the Saudis to use elements of the official religious establishment more aggressively in order to delegimitize terrorism and bin Ladin; the regime is not so fragile that such pressure would cause it to fall. Meanwhile, there is no doubt that certain domestic changes in Saudi Arabia need to take place. On the other hand, such changes cannot be imposed with provoking a serious backlash, because they touch on deep social issues as well as the essence of Saudi ruling power. Thus, any U.S. demand for social and political change will ultimately be delegitimized. Ultimately, the view that Saudi Arabia is a pure terrorist entity does not leave open any rational policy choices. If the United States is to have a reasonable policy toward Saudi Arabia, we first must learn to live with the fact that there is simply no clear alternative to the Al Sa'ud.

Panel III: Integrating the War on Terrorism with Broader U.S. Foreign Policy

The war on terror has not changed the fact that the United States has other vital strategic interests and relationships worldwide. Nevertheless, for better or for worse, U.S. priorities have changed. The threat of terrorists with global reach, possibly armed with weapons of mass destruction, has moved to the top of the list. Panel Three examines how the United States should balance priorities, old and new, and how we should view the war on terrorism in the context of our relations with other states.

Francis Fukuyama, Johns Hopkins School of Advanced International Studies

The term "war on terrorism" is a misnomer, resulting in distorted ideas of the main threat facing Americans today. Terrorism is only a means to an end; in this respect, a "war on terror" makes no more sense than a war on submarines. The United States is not attacking terrorism generically; the concept of a war on "terrorism" in general implies that the United States has a

stake in local battles such as Russia's war in Chechnya, when in fact it does not. Similarly, the United States should provide support to Israel through shared intelligence, but Palestinian terrorism in Israel remains essentially Israel's problem.

What is the United States fighting, then? The "war on terror" is really a struggle against radical Islamism, a movement that makes use of culture for political objectives. This ideological struggle may be deeper than the East-West divide of the Cold War. At the same time, it is not equivalent to Samuel Huntington's "clash of civilizations," and one of the major challenges for the United States is to focus on executing a war against terrorists without escalating it into a clash with the Islamic world. The key new element introduced in this war is the technological threat of nuclear, biological, and chemical weapons. Thus, the struggle in which the United States finds itself today results not from terrorism per se, but the threat of non-deterrable terrorists coupled with weapons of mass destruction.

Nevertheless, what we are facing now is an insurgency, similar in certain ways to other insurgencies in El Salvador, the Philippines, and elsewhere. The United States should conduct the "war on terror" like other insurgencies in the past. Its ultimate strategy should be to use direct political means to wage this struggle, rather than a strictly military policy. As always, the central principle in successfully executing a political insurgency, and thus in combating it, is to win popular support. The United States, therefore, must first consider how radical Islamism has managed to win the popularity that is so vital to its cause.

In this respect, the discussion of "why they hate us"—a prominent question after September 11—has largely been superficial. In the eyes of many, those that oppose the United States hate Americans for what we are: an open, democratic society. President Bush has stated that they hate us because we are "free and prosperous." Yet while this may accurately represent the views of a minority of hard-core Islamists, it does not explain the broader sea of popular support that enables radical Islamist ideas to flourish. For instance, a recent study by United Nations Development Program found that a majority of Arabs, if given the choice, say they would immigrate to the United States. In light of such evidence, it seems hard to argue that hatred for our lifestyle and values is the driving force behind our unpopularity in the Arab world.

Rather, the United States must examine the broader political factors fueling the spread of radical Islamist and anti-American views. These include the Israeli-Palestinian conflict; the lack of political space in Arab and Muslim societies; a demographic "youth bulge" that adds to socioeconomic and political pressures; and the availability of new media sources that universalize local problems such as the struggles in Palestine and Chechnya. Accordingly, the United States must adopt a strategy that seeks to deal with each of these issues. Such a strategy would entail countering a hostile ideology, advocating political pluralism, learning to build legitimate state authority in failed states; ending the apparent hypocrisy of U.S. trade and aid policies; and seeking to end or at least mitigate the Palestinian-Israeli conflict.

In incorporating the "war on terrorism" into broader foreign policy, we should consider both the seriousness of the threat and the future of America's role in the world. If our main concern is the intersection of weapons of mass destruction and people who are motivated and willing to use them, then the situation is grave but not unsolvable. Given the history of past insurgent movements, the current terrorist threat is likely to be a finite problem. Yet the United States must also address the broader problem of anti-Americanism, which derives largely from U.S. dominance rather than dislike of democratic values. In the eyes of many other countries around the world, the United States itself—with the world's largest defense budget and unmatched military dominance—has become a major problem. Even as we pursue our national

security interests, our explicit goal should be to exercise American power in such a way that it does not stimulate the growth of hostile coalitions against us.

James Steinberg, Foreign Policy Studies at Brookings

Clearly, the main threat today is not terrorism in general, but the intersection of terrorist groups and weapons of mass destruction. The United States has only limited tools with which to deal with this problem; the stakes are extremely high, and we have never had to confront such a problem in the past. Yet the experience of the Cold War remains instructive. Then, the United States viewed virtually everything that happened in the rest of the world through the lens of the Soviet threat. We are now in a similar situation in the Middle East, which appears increasingly to lie on the other side of a fault line akin to the old East-West divide.

Today, how the United States perceives its relationship with other countries largely depends on what role these countries play in the war on terror. The shift has been evident in the case of states such as China and Malaysia, which until recently had cool or distant relations with the United States but now are viewed as key to the anti-terror campaign. Conversely, political relations with other states have been downgraded if they are seen as problematic or irrelevant to the struggle against terrorism; Mexico, which the Bush Administration used to proclaim one of its most important partners, is a case in point. Traditional alliances appear to be less important, while new, emerging relationships are increasingly based on how helpful a state can be in the war on terror.

This unrelenting focus on the immediate terrorist threat has introduced two major problems into U.S. foreign policy. First, the United States increasingly tends to ignore issues that are highly important to the world's long-term stability and growth, such as economic development and globalization. Second, current U.S. foreign policy risks damaging long-term relations with other countries over our own double standards and perceived hypocrisy. During the Cold War the United States made many "uncomfortable friends": repressive authoritarian regimes whose main virtue was their anti-communist credentials. Similarly, the United States today forges relationships with dictatorial states (such as Uzbekistan) on the basis of their solidarity with our view of terrorism rather than our liberal and democratic principles.

Thus, the United States has met with a policy dilemma: present security versus long-term goals. It is choosing to protect itself now, but at the expense of its long-term interests and the credibility of its values.

William Kristol, *The Weekly Standard*

As the other speakers asserted, the war on terrorism is fundamentally a war on dictators and on states that have connections with groups likely to use weapons of mass destruction. Has this effort really distorted U.S. foreign policy? It is true that the United States is forming wartime relationships with other states, but this has always happened in past wars as well. In any case, the Cold War ended with the peaceful collapse of our main adversary; if this new conflict has a similar ending, we should be willing to accept some slight "distortions" in our foreign policy.

Thus far, President Bush basically has had the right idea in the war on terrorism. He has not focused narrowly on terrorism, but rather on the threat of weapons of mass destruction and on deterring other states from hostile behavior through military force. Without such a policy focus, we could see a terrifying world emerge in the next ten years. For instance, North Korea's

nuclear program could trigger a full-scale East Asian nuclear arms race, possibly involving South Korea, Japan, and even Taiwan.

In the greater scheme of things, however, Iran is likely to pose a more serious problem than North Korea. North Korea is a small, isolated, peripheral state that can probably be contained and deterred by the threat of force. Iran, on the other hand, is a regional power in the heart of the strategically vital Middle East. The potential ripple effects of an Iranian nuclear breakthrough are truly frightening: if Iran acquires nuclear weapons, will it really be feasible to dissuade Saudi Arabia, Turkey, and Egypt from following suit? In addition, the Iranian leadership is unpredictable, and it is hard to say what it will do if it does acquire nuclear weapons.

Behind the main issue of the "intersection" between terrorists and weapons of mass destruction lies the existence of states that promote both. Iran thus represents the core of the current challenges in U.S. foreign policy. Many are quick to assume that the Bush Administration, having already carried the war on terrorism to Afghanistan and Iraq, has done enough for now and will hesitate to undertake a new military action before the 2004 elections. Yet this assumption may be based on a mistaken assessment of President Bush's principles and his character. In fact, we need a serious debate inside the Administration about how to deal with Iran and its weapons of mass destruction. Now that the Iraq crisis is over, we will soon have a veritable "Iran crisis" on our hands.