



# Strategic Panorama 2018

Spanish  
Institute for  
Strategic  
Studies

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Instituto Español de Estudios Estratégicos



MINISTRY OF DEFENSE







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## Foreword

Miguel Ángel Ballesteros

*Director General, Spanish Institute for Strategic Studies*

### **The international *Strategic Panorama* 2018**

As is customary every spring, the Spanish Institute for Strategic Studies is pleased to present its *Strategic Panorama*, which examines some of the keys to understanding today's world from a broad geopolitical viewpoint.

Less than three decades since the fall of the Berlin Wall leading to a new world order, international analysts are expectantly observing a new geopolitical change. This change involves a pursuit of privileged positions in international relations and even a clash between regional powers which, like tectonic plate movements in an earthquake, seek a new more advantageous balance in the new distribution of power and influence.

Following the collapse of the USSR in 1990, Russia found itself immersed in a deep economic and political crisis that Russians experienced with a feeling of humiliation and hostility towards those who had left them alone to deal with a situation of decay, especially the countries that were once their partners and «enjoyed» Moscow's protection. It should not be forgotten that most of the former European members of the Warsaw Pact came knocking at NATO's doors, fleeing from the iron-fisted control imposed by Moscow during the Cold War. This brought the Alliance's borders closer to those of Russia, which viewed

the situation as a tightening of the military belt of George Kennan's brainchild, the Strategy of Containment.

The EU designed a strategy of eastward expansion, convinced that, in accordance with the theory of the founding fathers, this would boost the stability of the European continent. However, the Kremlin interpreted the strategy as restricting its own trade network, as the abolition of the EU's economic and trade barriers with the eastern countries amounted to excluding those countries from a Russian-led Eurasian Union and, accordingly, hampered the Russian economy.

The advent to the Kremlin of Vladimir Putin at the end of 2000 with the support of 52.94 percent of voters marked the start of a hard-line policy towards the Chechen separatists, which put an end to the conflict. It also ushered in a period of economic growth driven by gas and oil exports.

Russia's strategy attaches fresh importance to the military instrument in international relations and the country has not hesitated to allocate part of the results of its economic growth to revamping and modernising its military arsenal. The aerospace forces have presented a new MiG-35 fighter and a trainer craft, the R-10, with forward-swept wings. And the military world is also awaiting the appearance of the new fifth-generation Su-57 fighters, which are still at the developmental stage.

But above all Russia regards hybrid warfare strategy as the main tool for weakening its adversaries and accordingly breaking their will as opposed to unilateral actions such as the intervention in Crimea or collaboration with the Donbass Valley rebels. Hybrid strategies coupled with a policy of *faits accomplis*, such as recognising the independence of South Ossetia and Abkhazia, are cause for concern for the Europeans and NATO.

Any conflict is, above all, a dialectic of wills. Putin is aware of this and puts it into practice. That is why he does not cease to show muscle to the western countries at their own borders.

But Russian geopolitics is not limited to securing leadership of the post-Soviet area. With its intervention in Syria on 30 September 2015, Russia set out to secure the naval base of Tartus and Latakia airport and, accordingly, the possibility of deploying a fleet in the Mediterranean when so required.

President Donald Trump, for his part, is calling for the US's return to a policy based on bilateral relations and short-term economic benefits over long-term policies. Trump's «America first» had in fact previously been used by President Wilson during his second election campaign in 1916 as a motto for non-intervention in the First World War, though barely a month after he was sworn in, on 6 April 1917, the United States found itself forced by Germany's war strategy to intervene. Freedom of action and execution capacity are principles that should never be lost.

Furthermore, the US's newfound energy self-sufficiency thanks to fracking techniques, which has made it the third largest oil producer in the world with an out-



put of 10.2 million barrels/day, has allowed it to stop struggling to maintain its leadership and influence in the Middle East. This has left the way open for Russia, which in only two years has gained a role as an indispensable nation for achieving peace in Syria, to use Madeleine Albright's expression.

Turkey, aware of the difficulty of joining the EU, is pressing ahead with the Islami sation advocated by President Erdogan's Justice and Development Party and setting its sights on regaining the influence of what was once the nearest Ottoman Empire.

Turkey's main aim is to prevent the Kurdish militias from positioning themselves in Syrian Kurdistan to the west of the Euphrates and turning the area into a haven for the PKK. This could eventually bring it into conflict with the forces of Assad's regime – a clash that both have so far avoided.

The aspirations to regional leadership of Iran and Saudi Arabia and the void the US is leaving in the region have intensified the historical struggle between them in third countries such as Syria and Yemen. In turn, the open enmity between Iran and Israel has paradoxically made the Israelis undesired travelling companions of Saudi Arabia vis-à-vis a common enemy, Iran. In this struggle Iran seems to hold the advantages as an indispensable ally for the survival of Bashar al-Assad's regime. Despite this political withdrawal, there has not been a military withdrawal. In Syria, this means support for the Syrian Democratic Forces based on the Kurdish militias, with the protests of Turkey, and in the medium and long term it may harm the cohesion and confidence of the NATO allies.

Meanwhile, the EU is attempting to recover from the shock of Brexit and the refugee crisis in the same way that it has succeeded in overcoming all its crises: with greater integration, in this case via the Common Security and Defence Policy, which enables it to implement a Common Foreign and Security Policy capable of strengthening its role on the international scene.

Latin America's external influence is burdened by regional organisations such as the ALBA, which strongly advocates autarky. This, coupled with the lethargy of other regional organisations such as Mercosur, UNASUR, CELAC and SICA, among others, is undermining the region's influence beyond its own borders. The forthcoming elections will be of key importance to the region's future in that the new governments will determine whether these countries succeed in reaching understandings and joining forces. The economic growth of many of the Latin American countries points to a better and more influential future for the region's main powers.

The other leading world economic power is China, whose strategy of harmonious and sustainable growth has succeeded in rescuing more than 200 million Chinese people from extreme poverty and in extending the country's trade influence across the underdeveloped world and leading it to dominate part of the commodities market, such as rare-earth elements.

But this economic growth is further coupled with military growth, as it has modernised its armed forces and bolstered their influence by constructing aircraft carriers and strengthening the marine infantry.

The much-touted harmonious and calm growth brought about by China's economic policy has not been matched by its military policy in the region's waters, where China has installed military bases without the agreement of the international community on some of the many islands and atolls under dispute. Its power projection capacity and need to ensure oil supplies have driven it to set up a base in Djibouti, from which it can contribute to the security of shipping in the Gulf of Aden.

The greatest challenges the region faces are pacifying the conflict with North Korea, an ally of China on which Kim Jong-Un relies for its survival, and the nuclear threat. China does not want an uncontrolled North Korea with nuclear weapons, but it is even more reluctant to see the Korean peninsula entirely under US control. Russia has recently shown signs of wanting to play a part in a conflict so close to home. Whereas South Korea feels threatened and supports US military deployment while advocating talks with its northern neighbour, Japan is debating on the appropriateness of amending the Constitution to be able to up its defence budget and undertake its own defence.

I do not wish to end without thanking the authors for their excellent work and stressing what an honour it is to have the military representative to the EU, Admiral Urcelay, write about the CSDP. As for the past eight years, the book has been coordinated by Felipe Sahagún, to whom the IEEE is inestimably indebted.

## Introduction

Felipe Sahagún

### Trump's first year

The world has entered what, so far at least, might be described as a post-American era, as the editors of Project Syndicate's 2018 yearbook note<sup>1</sup>. During President Donald Trump's first year in power, the United States renounced leadership in many global issues ranging from trade to climate change, leaving the international order and much of the world economy in limbo.

«Trump is the first post–World War II American president to view the burdens of world leadership as outweighing the benefits», points out Richard Haass, president of the Council on Foreign Relations (CFR). «As a result, the United States has changed from the principal preserver of order to a principal disruptor<sup>2</sup>.»

«The year America abandoned its leadership of the world» is how *Newsweek* entitled its review of 2017<sup>3</sup>. «Goodbye . . . to the year of the terrible», wrote Professor Eric Segall of the University of Georgia<sup>4</sup>.

<sup>1</sup> «Hope against Rage». Project Syndicate. *The Year Ahead 2018*, p. 4.

<sup>2</sup> HAASS, Richard. «America and the Great Abdication». *The Atlantic* (28 December 2017). <https://www.theatlantic.com/international/archive/2017/12/america-abidcation-trump-foreign-policy/549296/>.

<sup>3</sup> PATRICK STEWART M.; SHANNON, Anne. «2017: the year America abandoned its leadership of the world». *Newsweek* (31 December, 2017). <http://www.newsweek.com/2017-year-america-abandoned-its-leadership-world-766333>.

<sup>4</sup> SEGALL, Eric. «Goodbye and good riddance to the year of the terrible». *Newsweek* (31 December 2017). <http://www.newsweek.com/goodbye-and-good-riddance-year-terrible-764384>.



«A year best forgotten», announced Professor Arshad M. Khan the same day in *Modern Diplomacy*<sup>5</sup>. «It was the year of women», stated the *Washington Post*, repeating the diagnosis of many international media<sup>6</sup> on the mobilisation and complaints of millions of women against filmmakers, politicians, entrepreneurs and journalists in the US and Europe.

«The good news is that all of this geopolitical concern is happening absent an economic meltdown», but «when you look at Trump, May, the constellation of Europeans, Putin, Xi Jinping, non-state actors, we do not have the formula, the desire, the political will or the political capacity to get us out of this geopolitical recession for the foreseeable future», warned the president of *Eurasia Review*, Ian Bremmer, on 11 January during the presentation of the report entitled *Top Risks and Ethical Decisions 2018* at Carnegie Council<sup>7</sup>.

«The election of Donald Trump as president in the US has accelerated the descent into a Hobbesian state of international politics», warns the report. «The world is now closer to geopolitical depression than to a reversion to past stability<sup>8</sup>.»

«The challenges posed by Trump's approach to international affairs are the product of his unilateralist agenda and retrenchment, creating confusion for allies and rivals alike. What does the US stand for? What does the Trump administration hope to achieve? Is Trump a revolutionary or a pragmatist? Is the belligerent tone of some of his speeches and most of his tweets just an expression of his negotiating style or might he really take actions that push the US and others to the brink of war? Is 'Make America Great Again' policy or political performance art? The decline of US influence in the world will accelerate in 2018<sup>9</sup>.»

Writing for *Foreign Policy*, Hal Brands, professor of Global Affairs at the Johns Hopkins University School of Advanced International Studies and the author of *American Grand Strategy in the Age of Trump*, agrees with the above negative opinion but recognises that the worst predictions were avoided in 2017 and warns that what is in store could be worse.

«The combination of internal disorganization and understaffing, erratic presidential behavior, and very public disputes between Trump and his cabinet secretaries has made 2017 one of the messiest first years ever», he writes<sup>10</sup>.

<sup>5</sup> KHAN, M. Arshad. «A year best forgotten». *Modern Diplomacy* (31 December, 2017). <http://moderndiplomacy.eu/2017/12/31/year-best-forgotten/>.

<sup>6</sup> EPSTEIN, Kayla. «The year of women, in policy and politics». *The Washington Post* (29 December 2017). [https://www.washingtonpost.com/news/the-fix/wp/2017/12/29/the-year-of-women-in-policy-and-politics/?utm\\_term=.5390989cc38d](https://www.washingtonpost.com/news/the-fix/wp/2017/12/29/the-year-of-women-in-policy-and-politics/?utm_term=.5390989cc38d).

<sup>7</sup> Interview with Ian Bremmer. 11 January 2018. <https://www.youtube.com/watch?v=-JQYtnjM4O3c&feature=youtu.be>.

<sup>8</sup> «Eurasia Group's Top Risks for 2018». Eurasia Group (2 January 2018). <https://www.eurasiagroup.net/issues/top-risks-2018>.

<sup>9</sup> *Ibid.*

<sup>10</sup> BRANDS, Hal. «If you thought 2017 was bad, just wait for 2018». *Foreign Policy* (8 January 2018). <http://foreignpolicy.com/2018/01/08/if-you-thought-2017-was-bad-just-wait-for-2018-trump-united-states-foreign-policy/>.

«What can nonetheless be said for this administration is that it has so far avoided some of the most disastrous outcomes that were widely – and quite reasonably – feared when Trump took office. The president's tweets have often proved beyond irresponsible, but so far there has been no preventive war with North Korea. Symbolically decertifying the Iran nuclear deal was a bad idea, but Trump did not commit the far worse error of unilaterally withdrawing from the accord. The White House reportedly flirted with lifting sanctions on Russia and bringing back torture and CIA black sites, but internal and congressional resistance apparently blocked those ideas. The president withdrew from the Trans-Pacific Partnership, thus making a major strategic misstep, but he has so far refrained from initiating trade wars or pulling out of existing agreements such as the North American Free Trade Agreement<sup>11</sup>.»

Whether they are mistakes that have been avoided or simply postponed will soon become apparent, even before this *Panorama* reaches readers. David Gordon, former director of policy planning at the State Department, and Michael O'Hanlon of Brookings were less hard on Trump:

«Trump himself is a maverick and populist. By virtue of his style and temperament, he has complicated U.S. diplomacy, and lowered America's standing in the world at least temporarily. And yes, 2018 could bring momentous White House decisions on issues like North Korea and Iran that may invalidate this analysis going forward. But largely because of the strength and coherence of the foreign policy team that Trump assembled, 2017 in fact witnessed a far less dramatic departure in American foreign policy than has often been alleged. It was, for example, certainly less momentous than 1950, 1964-1965, or 2001-2003<sup>12</sup>.» three dates on which the US went to war.

That the US's image in the world has deteriorated is clearly proven by the Pew Research's surveys: it fell by no less than 15 points during the first half of 2017 (see chart 1). The Real Instituto Elcano's first barometer of 2018 confirmed these trends in Spain. It shows that Trump is the worst rated leader and that the image of the US had slumped by nearly one point (from 6.1 to 5.3) during Trump's first year as president (chart 2)<sup>13</sup>.

<sup>11</sup> *Ibid.*

<sup>12</sup> DREZNER, Daniel W. «Is President Trump's foreign policy better than we think?» *The Washington Post* (9 January 2018). [https://www.washingtonpost.com/news/posteverything/wp/2018/01/09/is-president-trumps-foreign-policy-not-as-bad-as-we-think/?utm\\_term=.494c47f93d69](https://www.washingtonpost.com/news/posteverything/wp/2018/01/09/is-president-trumps-foreign-policy-not-as-bad-as-we-think/?utm_term=.494c47f93d69).

<sup>13</sup> Barómetro del Real Instituto Elcano (BRIE). 39th wave (January 2018). [http://www.realinstitutoelcano.org/wps/portal/rielcano\\_es/encuesta?WCM\\_GLOBAL\\_CONTEXT=/elcano/elcano\\_es/barometro/oleadabrie39](http://www.realinstitutoelcano.org/wps/portal/rielcano_es/encuesta?WCM_GLOBAL_CONTEXT=/elcano/elcano_es/barometro/oleadabrie39).

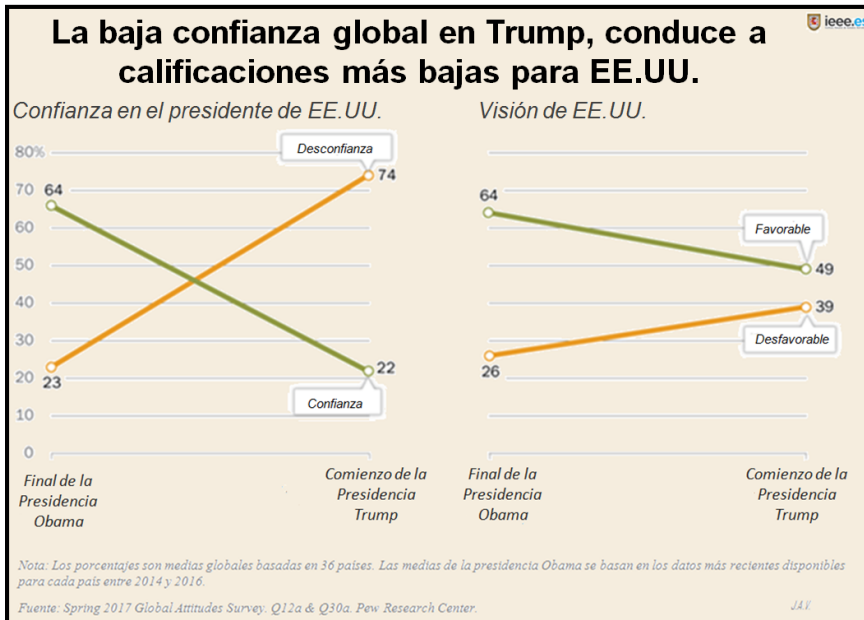


Chart 1: Loss of global confidence in Trump and the US.

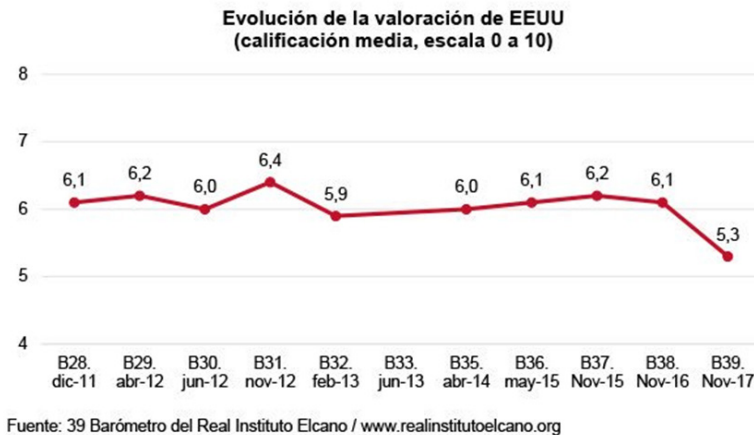


Chart 2: How the US is rated in Spain (Dec. 2011-Nov. 2011).

As Professor Keren Yarhi-Milo of Princeton explains:

«The United States does not derive its credibility from the words of the executive alone, but Trump's behavior carries consequences. As the president



undermines the nation's credibility at home and abroad, allies will hesitate to trust American promises, and US threats will lose some of their force. The risks of deadly miscalculation will increase<sup>14</sup>.»

Although as a candidate he was in favour of withdrawing from the main wars, he very soon gave into what his generals proposed and, as for military interventions, his first year in power has seen more continuity than change. He maintained and reinforced Obama's essential guidelines in Afghanistan, Iraq, Syria, Yemen and Somalia... These guidelines seek to enhance the capabilities of partners and allies, provide greater air support and more special forces and drones, and give priority to defeating Daesh, Al Qaeda and their branches.

«Within eight months of assuming office, Trump – with the announcement of six 'precision airstrikes' in Libya<sup>15</sup> – had bombed every country that former President Barack Obama had in eight years. One month after that, the United States surpassed the 26,172 bombs that had been dropped in 2016. Through the end of December 2017, Trump had authorized more airstrikes in Somalia in one year (33), than George W. Bush and Obama had since the United States first began intervening there in early 2007 (30)<sup>16</sup>.»

To sum up, Trump's first year has been fairly negative, but the response and resilience of Congress, the courts, allies, his own advisors and many other state and non-state actors, both public and private, have prevented the damage from being any greater. The first question that needs to be asked in this new edition of the *Strategic Panorama* is therefore whether the situation will improve or worsen in 2018.

### More questions than answers

Will special counsel Robert Mueller's investigation put an end to Trump's presidency in 2018 or could he be removed from power on the grounds of physical or mental incapacity pursuant to the 25th amendment of the Constitution?

«For the time being that is a fantasy», answered *The Economist*. «The Mueller probe into his campaign's dealings with Russia should run its course. Only then can America hope to gauge whether his conduct meets the test for impeachment. Ousting Mr Trump via the 25th Amendment, as some favour, would be even harder<sup>17</sup>.» Let us not forget this amendment was designed for situations such as John F. Kennedy being in a coma had he survived the attack in Houston in 1963.

Will his trial of strength with North Korea end in a historic agreement, more bluster, or military action? Will Europe's multiple crises reach crunch point? Will new conflicts erupt in the Middle East as America's influence wanes? Following a relatively good 2017 for China's and Russia's leaders while the West continued

<sup>14</sup> YARHI-MILO, Keren. «After credibility». *Foreign Affairs*, January-February 2018, pp. 68-69.

<sup>15</sup> US Africom Press Release. 24 September 2017. <http://www.africom.mil/media-room/pressrelease/29924/u-s-conducts-precision-strikes-in-libya>.

<sup>16</sup> ZENKO, Micah. «How Donald Trump learned to love war in 2017». *Foreign Policy* (29 December 2017) <http://foreignpolicy.com/2017/12/29/how-donald-trump-learned-to-love-war-in-2017/2017>.

<sup>17</sup> «The one-year old Trump presidency». *The Economist*, (13 January 2018), p. 9.

immersed in internal crises, can we expect to see any major challenges to the authority of Xi Jinping or Vladimir Putin in 2018?<sup>18</sup>

Will Trump finally dare impose trade sanctions on China, as he has threatened to do in sectors such as intellectual property, steel and aluminium? The report of the White House Trade Representative Robert Lighthizer on world trade and the Trump team's first National Defence Review published in January heralded a period of major tension between Washington and Beijing.

The new Defence Review singled out Russia and China as the US's main adversaries and accused them of threatening US democracy. As the Pentagon chief, Jim Mattis, stated at the presentation, the modernisation of China's military over the past 20 years clearly goes against US interests<sup>19</sup>.

In view of China's behaviour, the first trade report of the Trump administration states that supporting China's membership (in 2001) of the World Trade Organization (WTO) was a mistake. As a result, Lighthizer undertook to use new unilateral measures outside the WTO to attempt to force Beijing to change its attitude<sup>20</sup>. Unless a miracle occurs, a trade war is assured.

How would these measures affect global bilateral cooperation between the two countries and international security? Will GDP growth be more than 5 percent in the emerging economies and 3 percent in industrialised countries?

Will Theresa May hold on to her post as UK prime minister until the end of 2018? Will the British economy lag behind the other G-7 countries in growth as a result of Brexit?

Will oil prices rise above the 70-80-dollar mark that Brent crude reached on 11 January for the first time in three years? Will Angela Merkel manage to put together another major coalition with the social democrats in Germany based on the draft agreement with SPD in the early hours of 12 January? Will Emmanuel Macron secure the essential support of the new German government, when it is formed, to give impetus to his European reform project?<sup>21</sup>

«Though the threat of war on the Korean Peninsula can't be ruled out, the United States will probably try to avoid a costly preventive strike against the North's nuclear weapons program», replied the Stratfor team in its forecast for the new year<sup>22</sup>.

<sup>18</sup> Peter Apps answered all these questions in *Reuters* in «Commentary: What to watch in 2018» on 26 December 2017. <https://www.reuters.com/article/us-apps-watch-commentary/commentary-what-to-watch-in-2018-idUSKBN1EK166>.

<sup>19</sup> MANSON, Katrina. «Jim Mattis warns US losing military edge». *Financial Times* (19 January 2018). <https://www.ft.com/content/72eb74ea-fd24-11e7-9b32-d7d59aace167>.

<sup>20</sup> DONNAN, Shawn. «US says China WTO membership was a mistake». *Financial Times* (19 January 2018). <https://www.ft.com/content/edb346ec-fd3a-11e7-9b32-d7d59aace167>.

<sup>21</sup> The *Financial Times* answered these and many other questions in «Forecasting the world in 2018», 29 December 2017. <https://www.ft.com/content/d18f4518-eca7-11e7-bd17-521324c81e23>.

<sup>22</sup> NURELDINE, Faye et al. «2018 Annual Forecast». *Stratfor* (26 December 2017). <https://worldview.stratfor.com/article/2018-annual-forecast>.

They also envisaged hedging all around owing to the strategic threat that growing cooperation between Russia and China poses to the US, a more aggressive trade policy by Washington on nearly all fronts, and closer cooperation between the US, Israel and Saudi Arabia to contain Iran in the Middle East, leaving more space for Russia to carry on boosting its influence in the region.

## Security, democracy and human rights

«Democracy faced its most serious crisis in decades» warns Freedom House in its 2018 annual report.

«Its basic tenets – including guarantees of free and fair elections, the rights of minorities, freedom of the press, and the rule of law – came under attack around the world. Seventy-one countries suffered net declines in political rights and civil liberties, with only 35 registering gains. This marked the 12th consecutive year of decline in global freedom»<sup>23</sup> (charts 3 and 4).

There are many causes for this decline, but two are foremost: Trump's abandonment of the US's historical commitment to promoting and defending democracy, and the identification of democracy by Putin's Russia and Xi's China as a threat to their repressive regimes and the intensification of their disinformation and destabilisation campaigns with the help of the social media and the anonymity new technologies allow<sup>24</sup>.



Chart 3: Freedom in the world in 2018. Status by population and country.

<sup>23</sup> ABRAMOWITZ, Michael J. «Democracy in Crisis. Freedom in the World 2018». Freedom House (16 January 2018).

<sup>24</sup> ABRAMOWITZ, Michael J. «Democracy in Crisis. Freedom in the World 2018». Freedom House (16 January 2018). <https://freedomhouse.org/report/freedom-world/freedom-world-2018>.

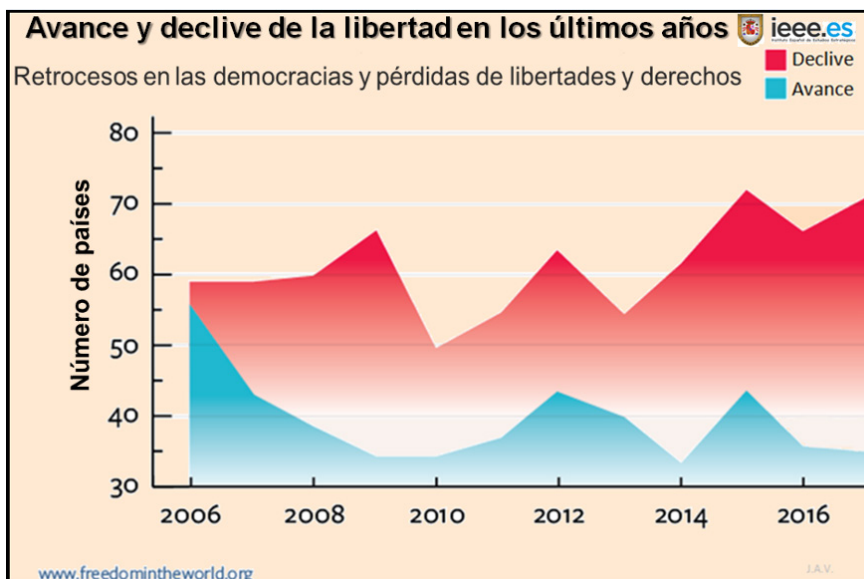


Chart 4: Twelve years of global decline.

Albeit too late, the leading democracies' defence ministries are at last recognising this and responding to the threat. «We are facing the establishment of a new battlefield in which the influence of the decision-making of the holders of sovereignty – in this case the Spanish people – is the target of the actions carried out in it», warned the Spanish defence minister, María Dolores de Cospedal, during this year's Pascua Militar ceremony<sup>25</sup>.

«The proliferation of disinformation and fake news distributed on a massive scale seeks to manipulate citizens' perception to orient them towards third-party interests different from ours», she added. «They only aim to destabilise countries and drive them towards a climate more conducive to geopolitical and geostrategic interests not pertaining to the nations in question... We must realise that we will not be completely secure unless we consider this new form of conflict to be one of the most dangerous domains».

Although the Spanish minister did not name Russia, weeks earlier NATO had detected an intense disinformation campaign using thousands of automated social media accounts linked to Russia in favour of Catalan independence. According to Janis Sarts, director of the NATO Strategic Communications Centre of Excellence, the intention was not so much to encourage Catalan independence as to «create confusion and worsen the problems» of the EU and NATO<sup>26</sup>. The same conclusion

<sup>25</sup> COSPEDAL, María Dolores. «Discurso de la Pascua Militar». Ministerio de Defensa (6 January 2018). [http://www.defensa.gob.es/Galerias/gabinete/ficheros\\_docs/2017/Discurso\\_de\\_Cospedal\\_en\\_la\\_Pascua\\_Militar\\_de\\_2018.pdf](http://www.defensa.gob.es/Galerias/gabinete/ficheros_docs/2017/Discurso_de_Cospedal_en_la_Pascua_Militar_de_2018.pdf).

<sup>26</sup> ALANDETE, David. «El Centro de Comunicación Estratégica de la OTAN pide a España que se proteja ante la injerencia rusa». *El País* (10 November 2017). [https://politica.elpais.com/politica/2017/11/19/actualidad/1511112485\\_977295.html](https://politica.elpais.com/politica/2017/11/19/actualidad/1511112485_977295.html).

was reached by Josep Baqués in the report published by the Spanish Institute for Strategic Studies at the beginning of the year<sup>27</sup>.

In a report published around the same time, the democrats of the US Senate Committee on Foreign Relations provided details of the main destabilising actions carried out by Russian agents in European countries (Brexit, Germany, France, Catalonia...) and America over the past two years<sup>28</sup>.

To prevent further surprises like those of the US elections of 2016, the EU implemented a gradual action plan until the spring of 2018 (chart 5) and one by one (France, the US, Spain...) the leading democracies reinforced their cyberdefence and deterrence measures in the national security strategies adopted last year<sup>29</sup>, though many observers reckon that these measures are still far from sufficient.

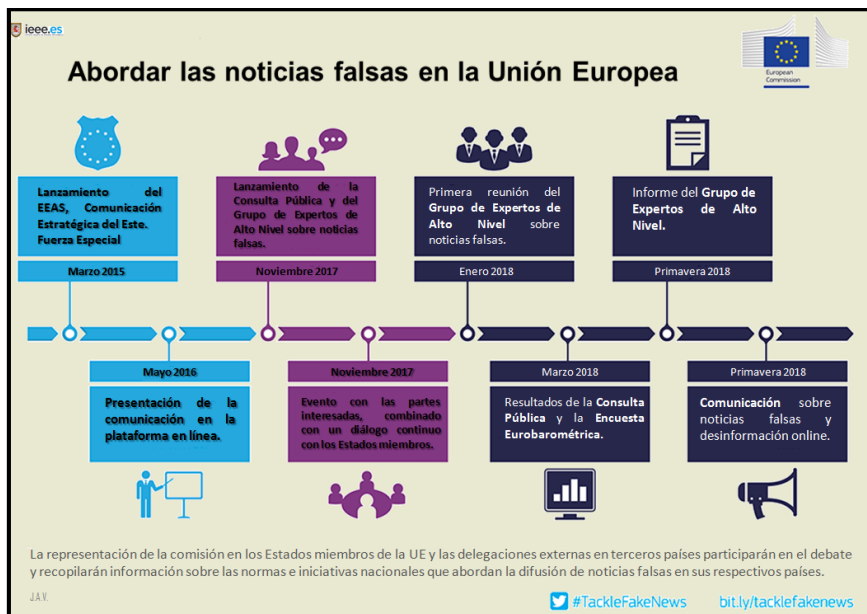


Chart 5: Response to disinformation in the EU.

<sup>27</sup> «Análisis de tendencias geopolíticas a escala global» (research paper). IEEE, 2017. [http://www.ieee.es/Galerias/fichero/docs\\_investig/2018/DIEEINV18-2017\\_Analisis\\_Tendencias\\_Geopoliticas\\_EscalaGlobal\\_JosepBaques.pdf](http://www.ieee.es/Galerias/fichero/docs_investig/2018/DIEEINV18-2017_Analisis_Tendencias_Geopoliticas_EscalaGlobal_JosepBaques.pdf).

<sup>28</sup> «Putin asymmetric assault on democracy in Russia and Europe... A Minority Staff Report for the Committee on Foreign Relations». US Senate (10 January 2018). <https://www.foreign.senate.gov/imo/media/doc/FinalRR.pdf>.

<sup>29</sup> *Revue Stratégique de Défense et de Sécurité Nationale* 2017 <http://www.defense.gouv.fr/dgris/presentation/evenements/revue-strategique-de-defense-et-de-securite-nationale-2017> Estrategia Española de Seguridad Nacional 2017 [http://www.dsn.gob.es/sites/dsn/files/Estrategia\\_Seguriad\\_Nacional\\_2017.pdf](http://www.dsn.gob.es/sites/dsn/files/Estrategia_Seguriad_Nacional_2017.pdf) US National Security Strategy 2017 <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>.

Since his advent to the White House, Trump has supported prominent autocrats: he chose Saudi Arabia for his first international trip and in July 2017 he visited Poland, where he sympathised with the new Polish leaders in their attacks on the press and other democratic institutions<sup>30</sup>.

In addition to giving impetus to global realignments, he has weakened the field of democracies and civil rights with his criticisms of immigrants and minorities, his illiberal policies, a few clearly racist and misogynistic statements, and his silences on human rights violations within and outside the US. On the rare occasions when he has expressed an opinion – for example in the cases of Iran and Venezuela – he has provided fodder to the leaders he intended to denounce, in protest against whom millions of Iranians and Venezuelans had taken to the streets.

All this has led the main international human rights organisations to view Trump as a new promotor of what the American anthropologist Arjun Appadurai describes as *democratic fatigue*.

Whether through action or omission – remaining silent about extrajudicial executions, the deterioration of democratic institutions, attacks on the media and human rights violations or openly supporting such actions in Vietnam, Egypt, the Philippines, Saudi Arabia, Poland, Turkey and other countries – Trump is helping destroy the global liberal order built by his predecessors since the Second World War with so much effort and such good results. «The world is moving from a democratic recession toward a democratic depression», warns Francis Fukuyama<sup>31</sup>.

For Spanish diplomacy, which made women's rights one of its main priorities in 2015 and 2016 as a non-permanent member of the UN Security Council, the mobilisations in many countries for this cause in 2017 have been a welcome change in favour of peace and stability<sup>32</sup>.

Examples of this progress and of the much that still remains to be done are the important contribution of more than 7,000 female Kurdish fighters to Daesh's defeat in Syria and Iraq, the presence (more than half) of women and children in the world's main refugee camps, the scant number of women involved in the main peace processes despite efforts to reverse the trend made by organisations such as the UN, NATO and the EU, and the Brussels summit in March to compensate with some 200 million dollars for the elimination of the approximately 600

<sup>30</sup> CAROTHERS, Thomas. «Democracy promotion under Trump...» *Carnegie Endowment for International Peace* (6 September 2017). <http://carnegieendowment.org/2017/09/06/democracy-promotion-under-trump-what-has-been-lost-what-remains-pub-73021>.

<sup>31</sup> MUGGAH, Robert; Owen, Taylor. «The global liberal democratic order might be down, but it's not out». *World Economic Forum*. [https://www.weforum.org/agenda/2018/01/the-global-liberal-democratic-order-might-be-down-but-its-not-out?utm\\_content=buffer-f4e57&utm\\_medium=social&utm\\_source=twitter.com&utm\\_campaign=buffer](https://www.weforum.org/agenda/2018/01/the-global-liberal-democratic-order-might-be-down-but-its-not-out?utm_content=buffer-f4e57&utm_medium=social&utm_source=twitter.com&utm_campaign=buffer).

<sup>32</sup> VOLGESTEIN, Rachel. «Women around the world: year in review». *Council on Foreign Relations* (CFR). (28 December 2017). [https://www.cfr.org/blog/women-around-world-year-review-1?sp\\_mid=55658480&sp rid=YXJvc3NAY2ZyLm9yZW52](https://www.cfr.org/blog/women-around-world-year-review-1?sp_mid=55658480&sp rid=YXJvc3NAY2ZyLm9yZW52).



million dollars the US had been contributing to women's world health assistance programmes before Trump.

In October the Trump administration passed the Women, Peace and Security Act in support of women's participation in peace and security processes. It marked progress, albeit late and scant, for the more than 420 million women who, according to the «#MeToo» campaign, still live in countries where there is no legal protection against harassment in the workplace.

A positive aspect of the international mobilisation in defence of women's rights, an essential aspect of the struggle for democracy if the legal changes are successful, is the progress made in the Middle East. In 2017, by means of a decree issued by King Salman, Saudi Arabia made it legal for women to drive and attend some sports competitions, albeit in separate areas, and other MENA countries such as Lebanon and Jordan abolished laws allowing rapists who marry their victims to avoid punishment.

Bearing in mind the connection between security, economic growth and women's rights underlined in the first *Arab Human Development Report in 2002*, these are positive steps for one of the most unstable regions in the world<sup>33</sup>.

In 2017 Malawi, El Salvador, Honduras and Guatemala banned child marriages, though Bangladesh passed a law allowing what continues to be a permitted practice, even though it is illegal in more than a hundred countries<sup>34</sup>.

Progress in this field has yet to be seen in China, where, following the historic congress held in October, none of the seven members of the new Standing Committee of the Politburo is a woman; there is only one female member of the new 25-strong Politburo, and only 10 on the new 204-member Central Committee. The «half the sky» which according to Mao belongs to women currently stands at a meagre 4.9 percent in practice<sup>35</sup>. In the 193 countries that belong to the UN, only 18 women were heads of government as of the end of 2017, four fewer than in 2016. The *new day* announced by the prestigious Oprah Winfrey, a possible US presidential candidate in 2020, at the Golden Globe award ceremony on 7 January is still a distant possibility.

<sup>33</sup> *Arab Human Development Report 2002*. [http://hdr.undp.org/sites/default/files/rbas\\_ahdr2002\\_en.pdf](http://hdr.undp.org/sites/default/files/rbas_ahdr2002_en.pdf).

<sup>34</sup> GRAY, Alex. «These are the countries where child marriage is legal». *World Economic Forum* (26 September 2016). <https://www.weforum.org/agenda/2016/09/these-are-the-countries-bwhere-child-marriage-is-legal/>.

<sup>35</sup> RAUHALA, Emily. «Xi Jinping and six other men will rule China, but women are left behind». *The Washington Post* (25 October 2017). [https://www.washingtonpost.com/news/worldviews/wp/2017/10/25/chinese-women-sidelined-as-xi-takes-center-stage/?tid=a\\_in-l&utm\\_term=.071cf484f4a1](https://www.washingtonpost.com/news/worldviews/wp/2017/10/25/chinese-women-sidelined-as-xi-takes-center-stage/?tid=a_in-l&utm_term=.071cf484f4a1).

## Europe's optimism

The European Union is turning into 2018 with the best prospects of the past ten years, pointed out Tom Nutall, Brussels correspondent for *The Economist*<sup>36</sup>.

He attributed this optimism to economic recovery – better than that of the US – the improvement in the migratory crisis and others (although not specified, Brexit, trade, refugee, separatist nationalism, terrorist, Russian interference spring to mind, to mention only a few) and the position of Angela Merkel who, at the time of writing, was in the process of negotiating her fourth and probably last term as German chancellor.

Nutall attributes Europe's recovery above all to the election of the passionately pro-European Emmanuel Macron as French president and the sensation that Eurosceptic populism has already peaked<sup>37</sup>.

«When 2017 began, Europe was surrounded», wrote Pablo Suanzes, Brussels correspondent for *El Mundo*. «Its enemies, opponents and rivals were pushing it on all four sides. Putin's Russia, Trump's rhetoric calling for a breakup (be it of NATO or Brexit). Jihadis. Closed borders. Populists. Elections in France, Germany and the Netherlands with negative outlooks. Wherever you looked there were risks for the Union's survival. This 2018 that is starting is the complete opposite<sup>38</sup>.»

José M. de Areilza and Álvaro Imbermón confirmed this optimism in their survey of the year for *Política Exterior*<sup>39</sup>.

«The idea of a hard Brexit is losing steam and there are signs that the United Kingdom is open to a more deals-based approach», they wrote. «For the time being the trauma of Brexit has done more to bind the Union together than to split it up... Economic recovery also seems to be gaining a foothold<sup>40</sup>.»

Whether or not the most is made of this window of opportunity depends on the government crisis being solved soon and positively in Germany, on Paris and Berlin overcoming their differences – which are considerable on many points – and on the EU adapting its institutional design to address present and future crises as proposed by the President of the Commission, Jean-Claude Juncker, on 13 September.

«If the parties involved – the Christian Democrats led by Chancellor Angela Merkel and the Social Democrats – do manage to pull it off, it would be truly radical in one respect», claimed Wolfgang Münchau: «the section on the

<sup>36</sup> NUTALL, Tom. «A n EU dawn». *The Economist. The World in 2018*, p. 37.

<sup>37</sup> *Ibid.*

<sup>38</sup> SUANZES, Pablo. «2018, el año cero para reconstruir la Unión Europea». *El Mundo* (14 January 2018). <http://www.elmundo.es/internacional/2018/01/14/5a59dc98468aeb-146f8b4636.html>.

<sup>39</sup> AREILZA, J. M.; IMBERMÓN, A. «Un guion español para la UE». *Política Exterior*. No. 180, vol. xxxi, Nov-Dec 2017, pp. 94-104.

<sup>40</sup> *Ibid.* p. 94.

future of the EU lays out the biggest push by Germany towards continental integration since the Maastricht treaty a quarter of a century ago<sup>41</sup>.»

With Britain's withdrawal, more is expected of Spain in the EU, as Areilza and Imbernón maintain. It is necessary for Spain to present proposals for a more open international order based on balanced rules, better management of the common external border, strengthening of EMU (more credible if the national deficit is trimmed) and substantial improvements in the democratic debate that can be put into practice in the European elections of 2019.

Some of them were already discussed on the initiative of the president of the Spanish government, Mariano Rajoy, at the fourth summit of the seven southern EU countries held in Rome on 10 January.

Are there grounds for such optimism? This will depend on:

- The results of the trade negotiations with Japan, Australia, Mexico and Mercosur;
- Competition with China and the US technological and digital giants for foreign investments and tax revenues;
- How the Brexit negotiations are settled in 2018;
- The avoidance of new refugee crises like that of 2015;
- The stemming of the Catalan separatist crisis and preventing its spread to other nationalist movements on the continent;
- The xenophobic and unliberal trend in Poland and Hungary not spreading to the rest of the EU;
- The now routine terrorist attacks, which will no doubt continue for a long time, not giving way to new large-scale attacks just as or more lethal than those of 11 September or 11 March;
- Whether the French-German engine is truly activated and whether Macron's ambitious proposals made at the Sorbonne in late September, initially well-received by Berlin, progress from being a draft list of ideas or dreams.

Macron proposed having an EU finance minister and a common budget for the eurozone that could be funded from corporate tax revenues, a new law protecting farmers in the Union, the end of social dumping, a firm boost for a European army, a European defence budget and doctrine, harmonisation of taxes and minimum wages to prevent unfair competition, transnational lists for the European elections, the reduction from 28 to 15 commissioners in Brussels, a European asylum office, a European tax on imports, a European espionage agency, a common civilian protection force and an innovation

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<sup>41</sup> MÜNCHAU, Wolfgang. «A German coalition deal to radically reshape Europe». *Financial Times* (14 January 2018). <https://www.ft.com/content/a6e39acc-f796-11e7-88f7-5465a6ce1a00>.

agency similar to the Pentagon's DARPA (Defense Advanced Research Projects Agency)<sup>42</sup>.

The idea behind this programme for revitalising the EU was that, following the French and German elections, a window of opportunity opened up that cannot be wasted: a two-year period that is due to end in 2018 with the United Kingdom's permanent exit from the EU and new elections to the European Parliament.

Progressing towards these and other goals is crucial to completing the yet to be accomplished bank and tax union and to covering the approximately 10 billion euros the United Kingdom contributed to the budget each year.

When he presented his roadmap, Macron was not counting on Merkel's difficulties forming a new government in Germany. After the attempt at forming a coalition with the liberals and greens failed, negotiations began on 7 January to repeat the major outgoing coalition with the social democrats.

The alternative was new elections and a Berlin government unable to negotiate, let alone steer the European ship, with Macron during the first half of 2018<sup>43</sup>. Without a stable Germany, the main European reforms would remain at a standstill, as they have been except in security and defence (if Germany finally supports him, which remains to be seen) since the German election campaign began in the summer of 2017.

Neither Merkel nor any of the ministers of her transition government attended the Gothenburg social summit, the first held by the EU in 20 years to address one of the main causes of the indifference that explains the rise of populist and far-right movements in Europe: decline of the welfare state and growing inequality.

Turkey's solution to the refugee problem, although a European common position, was directed and promoted by Germany. The Minsk agreement to ease tension with Russia in Ukraine is a German initiative. With a provisional government in Germany it was difficult, if not impossible, to progress along the path that Macron has proposed and Europe needs.

Since Trump's victory, Europe's relationship with the United States is no longer what it was. The major uncertainties arising from the new US president's unilateralist hyper-nationalism have been overcome but the lost confidence, especially between Washington and Berlin, will not be easily rebuilt no matter who the next German chancellor is.

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<sup>42</sup> Summaries of Marc Basset's address can be found in *El País* (26 September 2017) [https://elpais.com/internacional/2017/09/26/actualidad/1506421196\\_879623.html](https://elpais.com/internacional/2017/09/26/actualidad/1506421196_879623.html) and M. Khan; Brunsden; and M. Acton in *Expansión* (29 September 2017). [www.expansion.com/economia/politica/2017/09/29/59cd3f64ca47412c6d8b45ae.html](http://www.expansion.com/economia/politica/2017/09/29/59cd3f64ca47412c6d8b45ae.html).

<sup>43</sup> SUÁREZ, Marcos. «Europa, a la espera de Alemania». *El Economista* (25 November 2017). <http://www.eleconomista.es/opinion-blogs/noticias/8769354/11/17/Europa-a-la-espera-de-Alemania.html>.

«The global rise of conservative nationalism with the aim of creating 'national communities' – directed by an unchallengeable leader to defend special national values, controlling borders against the virus of immigrants and 'foreign' influence – is the menace of our times», warned Bill Hutton in *The Guardian* on 9 January<sup>44</sup>. «It is the recipe for domestic repression, crony capitalism, massive corruption, implosion of the rule of law, the rise of racism and international conflict. The values that underpinned the post-war liberal order that conferred peace, tolerance and prosperity are being torched before our eyes. It is time to take a stand<sup>45</sup>.»

### The November verdict

The legislative elections in America in 2018 will amount to a decisive verdict on Trump, who is being increasingly cornered by at least three investigations, especially the enquiry conducted by the former director of the FBI and currently special counsel (since 2016) Robert Mueller into the help allegedly received from Putin's Russia in the 2016 campaign.

With a Republican majority in both houses, few Republicans will dare promote Trump's impeachment, at least not until 2018, but Michael Wolff's book, which came out at the start of the year, stresses this possibility<sup>46</sup>.

«The book could lead to impeachment», stated the veteran Spanish and British journalist Tom Burns following a detailed analysis of its contents. «Also to Trump being incapacitated as president. Bannon predicts both possibilities<sup>47</sup>.»

With the dismissals and fallings-out within his team, Trump has gradually been moving closer to the traditional Republican line and further away from the populism that earned him his victory. At the Camp David meeting held with party leaders during the first weekend of January, he attempted, with varying success, to seal this rapprochement in an action programme for 2018, though the November elections will bring the less popular initiatives to a halt.

Will the media destroy him? Probably not. His war began several years ago and does not seem to have harmed him. On the contrary, his image of enemy of the press has been one of his main means of hanging on to the support of his faithful electorate. Today's fake news has much less of an impact than traditional disin-

<sup>44</sup> HUTTON, Will. «Beware the illiberal alliance of Poland and Hungary, a grave threat to the EU». *The Guardian* (9 January 2018). <https://www.theguardian.com/commentisfree/2018/jan/07/hungary-poland-had-enough-of-liberal-democracy-eu-must-act>.

<sup>45</sup> *Ibid.*

<sup>46</sup> WOLFF, Michael. *Fire and fury: Inside the Trump White House*. Little, Brown Book Group 2018. [https://www.amazon.com/Fire-Fury-Inside-Trump-White/dp/1250158060#reader\\_B078GSYDZ2](https://www.amazon.com/Fire-Fury-Inside-Trump-White/dp/1250158060#reader_B078GSYDZ2).

<sup>47</sup> BURNS, Tom. «El fuego y la furia de Trump». *Expansión* (8 January 2018). [http://quiosco.expansionpro.orbyt.es/ModoTexto/paginaNoticia.aspx?id=15620081&tipo=1&se-c=Expansi%3n&fecha=08\\_01\\_2018&pla=pla\\_3634\\_Nacional](http://quiosco.expansionpro.orbyt.es/ModoTexto/paginaNoticia.aspx?id=15620081&tipo=1&se-c=Expansi%3n&fecha=08_01_2018&pla=pla_3634_Nacional).

formation and routine ends up normalising any unproven rumours or reiterated lies.

Trump has had no qualms about lying. The main US media have created special sections to monitor him daily. He has continued with his tweets, many of them insulting and vulgar.

In foreign policy he has not hesitated to break the basic diplomatic rules and contradict himself, and everything indicates that despite this, or because of this, his voters continue to support him. It remains to be seen whether the tax reform and others he has not managed to push through this first year – chiefly immigration and healthcare – but has not given up on will end up being as detrimental as the *New York Times* anticipated in its editorial column of 2 December<sup>48</sup>.

The business world as a whole has fewer complaints. The stock exchange and the economy have improved. Overall, companies' profits have risen by 8 percent since Trump was elected president. Whereas 94 countries were in recession in 2009, only six were by the start of 2018. The world markets grew by 21 percent in 2017 and that of the US by 20 percent. According to the White House and its supporters, all thanks to Trump. According to his critics, despite him and his mistakes<sup>49</sup>.

### Promises and realities

Trump moved into the White House with a few, very simple ideas, the main one being *to make America great again*.

How? By

- greatly limiting immigration;
- building a much bigger wall between Mexico and the US;
- pulling out of trade or environment agreements already signed or under negotiation;
- threatening no less than China and the EU to boost the competitiveness of the dollar vis-à-vis the euro and the yuan;
- hinting, without specifying, at more effective and indirect actions against jihadi terrorism by enlisting (without explaining how) the support of authoritarian regimes;
- denouncing the interventionism of his predecessors and, at the same time, promising to do away with adversaries like North Korea, Iran and Venezuela one way or another;
- openly taking a stand against the EU and supporting Brexit;

<sup>48</sup> «A Historic Tax Heist». *The New York Times* (2 December 2017).[https://www.nytimes.com/2017/12/02/opinion/editorials/a-historic-tax-heist.html?\\_r=0](https://www.nytimes.com/2017/12/02/opinion/editorials/a-historic-tax-heist.html?_r=0).

<sup>49</sup> RATTNER, Steve. «2017: the year in charts». *The New York Times* (29 December 2017). [https://www.nytimes.com/interactive/2017/12/29/opinion/2017-the-year-in-charts.html?\\_r=0](https://www.nytimes.com/interactive/2017/12/29/opinion/2017-the-year-in-charts.html?_r=0).

- making his support for NATO and his main Asian allies (South Korea and Japan) conditional upon their paying more for the security umbrella the US provides;
- unconditionally supporting Benjamin Netanyahu's policy in Israel: expanding settlements, something the UN condemned on 23 December 2016 with the abstention of the US, scepticism about the old two-state solution and recognising Jerusalem as the capital;
- denouncing the 14 July 2015 agreement with Iran, which he described as «the worst deal ever negotiated», and reiterating his admiration for Putin despite Russia's remilitarisation, his hostile interventions abroad and his decisive support for Assad's regime in Syria and the Iran of the ayatollahs<sup>50</sup>.

What has become of this hotchpotch of ideas, prejudices and desires?

After fifteen missile tests and the sixth nuclear test in the first ten months of 2017, time is running out for preventing North Korea, either diplomatically or militarily, from being able to attack US territory or any other target around the world.

During his first year as president, Trump vied with Kim Jong Un in fiery speeches, warmongering rhetoric and all kinds of threats on the social media, but in practice his only new move has been to toughen the sanctions.

Without closer cooperation from China, on which some 85 percent of Pyongyang's trade depends, the sanctions will not have much of an impact. If they have not in 65 years, they are even more unlikely to in a globalised society where millions of North Koreans already have mobiles and a host of new and old actors are willing to violate the embargoes in exchange for weapons or money. Strict border controls and systems for preventing this are ineffective.

Will the Trump administration opt for diplomacy or, as South Korea, Japan, China and Russia wish, for war? Will the president give priority to his personal leanings or the interests of America's traditional alliances with Japan and South Korea? Whatever he decides – the time limit may be only months away – could determine the future of twenty-first-century relations between the US and China.

Although Trump threatened to destroy North Korea in his first address to the UN last September, during his first year as president he has proven to be more flexible than his tweets indicate – probably as a result of pressure from the generals in his cabinet and his talks with Xi Jinping.

2018 got off to a start with the first negotiations between the two Koreas in more than two years, the resumption of direct communication and an agreement on 9 January for North Korea to take part in the Winter Olympics and to continue to ease the tension through subsequent negotiations.

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<sup>50</sup> SAHAGÚN, Felipe. «Introduction». *Strategic Panorama 2017*, pp. 9-47.



«All our weapons, including atomic bombs, hydrogen bombs and ballistic missiles are only aimed at the United States, not our brethren nor China and Russia», warned Pyongyang in a communiqué after the meeting. «This is not a matter between North and South Korea, and to bring up this issue would cause negative consequences and risks turning all of today's good achievement into nothing<sup>51</sup>.»

We have gone from a useless NATO to an indispensable NATO; from the desire for a privileged relationship with Putin's Russia to the tensest relationship witnessed since the Cold War. The serious threats levelled at China and Japan have stopped, though few rule out the possibility of a trade war with both countries in the coming months.

Trump's disdain for international trade has been concentrated on withdrawing from the TPP and on negotiations to modify NAFTA.

«These appeals to protection and isolation have had little effect», explained UCM professor of economics Francisco Cabrillo. «Granted, the project for the Transatlantic Trade and Investment Partnership (TTIP) is practically at a standstill, but I fear that much of European public opinion – from nationalist right to far left – is as reluctant as Trump is to sign a deal. Furthermore, the threats to both the Transpacific Agreement (TPP) and the North American Free Trade Agreement (NAFTA) have not materialised into anything substantial, at least not until now<sup>52</sup>.»

Trump's opposition to the climate agreement seems to be serious, though many cities and states have declared their opposition to Washington's official policy. They played an active role in the Bonn summit, intend to do so again in 2018 at the summit in Poland and remain hopeful that Trump's decisions do not become permanent.

2017's natural disasters, which according to the US National Oceanic and Atmospheric Administration caused 306 billion dollars' worth of damage – a record in the country's history – and were exacerbated, if not caused directly or indirectly, in the view of many scientists by climate change, have not caused Trump to budge the slightest from his position on this issue. Nearly all the damage in question was caused by hurricanes Harvey, Irma and Maria, as well as by the devastating fires in California<sup>53</sup>.

His unconditional support for Israel was proven by his withdrawal from UNESCO and, above all, his recognition of Jerusalem as the capital of Israel,

<sup>51</sup> «North Korea tells South it will not discuss nuclear arms in future talks». *Reuters* (8 January 2018). <https://uk.reuters.com/article/uk-northkorea-southkorea-talks/north-korea-tells-south-it-will-not-discuss-nuclear-arms-in-future-talks-idUKKBN1EX2D8>.

<sup>52</sup> CABRILLO, Francisco. «Un año con Trump». *Expansión* (7 January 2018), p. 38.

<sup>53</sup> MOONEY, Chris; DENNIS, Brady. «Extreme hurricanes and wildfires made 2017 the most costly U.S. disaster year on record». *The Washington Post* (8 January 2018). [https://www.washingtonpost.com/news/energy-environment/wp/2018/01/08/hurricanes-wildfires-made-2017-the-most-costly-u-s-disaster-year-on-record/?hpid=hp\\_hp-more-top-stories\\_ee-disastercost-1125am%3Ahomepage%2Fstory&utm\\_term=.f32714103f63](https://www.washingtonpost.com/news/energy-environment/wp/2018/01/08/hurricanes-wildfires-made-2017-the-most-costly-u-s-disaster-year-on-record/?hpid=hp_hp-more-top-stories_ee-disastercost-1125am%3Ahomepage%2Fstory&utm_term=.f32714103f63).

though at the time of writing, in mid-January, there was no date for moving the US embassy.

He has not yet dared break the nuclear deal of 2015 with Iran, though he has given Saudi Arabia the go-ahead to launch a general offensive (diplomatic above all) against the Tehran regime on the main Middle Eastern fronts and has openly supported the street demonstrations begun in many Iranian cities on 28 December. This new movement seems to stem from an initiative of the most orthodox sector of the Iranian regime in a power struggle that is possibly linked to the succession of Ali H. Khamenei, the only religious leader the country has had since Khomeini's death.

He has not broken off the established relations with Cuba, though he has put them on hold, leading to a toughening of the Castro regime. He has threatened to intervene in Venezuela and few analysts rule out the possibility of his taking a harder line with Mexico if the PRI (Institutional Revolutionary Party) returns to power in the presidential elections of 2018 or if the NAFTA review fails.

Until the end of 2017 at least, he handed Putin the initiative in the Syrian war, turned a blind eye to human rights and the defence of democracy on the US agenda and, as promised, upped the defence budget, which now accounts for one-third of all world defence expenditure. According to IHS Jane's, world spending will amount to 1.67 trillion dollars in 2018, 400 billion more than in 2010, the previous record year<sup>54</sup>.

### What historians think

*Político*, one of the most influential digital publications, turned to prestigious historians on 29 December to weigh up<sup>55</sup> and contextualise Trump's first year.

«2017 is certainly one of the most distressing years in American presidential history», replied Robert Dallek, a leading specialist on Franklin D. Roosevelt. «No president since opinion polling began in 1935 has had such poor numbers in his first year in office... Nor have we seen so unproductive an administration, with more unfulfilled campaign promises, than Trump's... Trump also has the unenviable distinction of being the only first-year president to have his administration under scrutiny by a special prosecutor.»

«2017 has looked more like 1919 than most Americans would like», stated Adriane Lentz-Smith, Woodrow Wilson's biographer. «White supremacy is again in fashion in the executive branch, and the president shows little interest in

<sup>54</sup> KECK, Zachary. «Report: in 2018, global defense spending will reach highest level since Cold War». *The National Interest* (23 December 2017). <http://nationalinterest.org/blog/the-buzz/report-2018-global-defense-spending-will-reach-highest-level-23763>.

<sup>55</sup> «Was 2017 the Craziest Year in U.S. Political History? A dozen historians weigh in». *Politico Magazine* (29 December 2017). <https://www.politico.com/magazine/story/2017/12/29/was-2017-the-craziest-year-in-us-political-history-216119>.

protecting the nation's most vulnerable citizens. This is disheartening but not unprecedented.»

«Several other first years have been crazier», pointed out H. W. Brands, a specialist on Truman. «In Lincoln's first year, the Union fell apart and the North and South went to war. In FDR's first year, the welfare state was born. In George H. W. Bush's first year, the Soviet empire started to crumble. In George W. Bush's first year, the 9/11 attacks introduced America to global terrorism... So far, the Trump presidency has been noisy but unproductive. A young conservative justice added to the Supreme Court, yes. And now a tax bill. But either of these would have happened under any Republican president with the current Congress. For Trump, the campaign circus continues; the presidency has hardly begun.»

After a brief survey of the disasters of the Civil War, 1877 and 1919, Leo Ribuffo, a specialist on the 1960s, compares 2017 with 1968 and the nearly 17,000 deaths in Vietnam, the assassinations of Robert Kennedy and Martin Luther King Jr, and the serious social turmoil that led to Richard Nixon's election.

«2017 could go toe-to-toe with the last year of the Nixon White House in terms of political sensationalism», commented Vanessa Walker, professor of Diplomatic History at Amherst. «Nixon started the last year of his presidency with covert support for the coup in Chile... This was followed quickly by the Yom Kippur War in October, resulting in the OPEC embargo and oil crisis. And humming away in the background was the final withdrawal of US troops from Vietnam... And then there was the Watergate scandal. . . Facing impending impeachment, in August 1974 Nixon became the first and only president to resign the office... So, what gives 1973-74 the edge? Amid our very real political turmoil this year, we have been spared the miseries of that unfortunate 1970s malaise of stagflation... serious stock market double digit inflation, and cars lined up around the block waiting for gas. The current booming economy has clearly tempered public impatience.»

David Greenberg, a professor of history and media at Rutgers University, also chose 1968 and Jack Rakove of Stanford finds no worse president than Trump in terms of *craziness* – not so much because of his day-to-day handling of affairs as for the threat he poses to constitutional stability.

In his survey for *El País* based on the main analyses of governments, financial institutions, consultancies and think tanks, Lluís Bassets agreed with the more pessimistic of the abovementioned historians: «There seem to be few doubts that Trump directly is the main world risk factor, as has been seen recently with his unbridled exhibition in the social media at the start of the year, intervening with his characteristic irresponsible style precisely in the planet's hotspots», he wrote<sup>56</sup>. «Among the forecasts for the year there are abundant speculations on the institution of impeachment proceedings, which would require the approval of the Republican congressmen, or – the most likely alternative – that the Democrats will take

<sup>56</sup> BASSETS, Lluís. «El mayor factor de riesgo para 2018 se llama Trump». *El País* (7 January 2018). [https://elpais.com/internacional/2018/01/05/actualidad/1515168499\\_170556.html](https://elpais.com/internacional/2018/01/05/actualidad/1515168499_170556.html).

control of the House of Representatives and even of the Senate in the half-term elections in November and may attempt impeachment then», he concluded.

### The best and the worst

For his supporters and more neutral critics, the best of Trump's first year in the White House can be summed up in the following decalogue:

- Unlike Barack Obama in similar circumstances, following another chemical attack by Bashar al-Assad's regime in Syria, in April 2017 Trump gave orders for 59 missiles to be launched from two destroyers in the eastern Mediterranean against the Syrian air force base of Shayrat, from which the planes used in the chemical attack operated<sup>57</sup>.
- Perhaps forced to demonstrate his independence from Russia owing to the suspicions of connivance in the campaign of 2016, he authorised the sale of 47 million dollars' worth of arms to Ukraine<sup>58</sup>, sent troops to the Polish border with Russia, imposed new sanctions on Moscow for violating the Intermediate-Range Nuclear Forces Treaty<sup>59</sup> and, on 17 January, he first accused Putin's Russia of «helping North Korea evade the sanctions»<sup>60</sup>.
- Although he waited nearly 11 months to keep a promise made no sooner than he moved into the oval office did he recognise Jerusalem as the capital de Israel, as pointed out triggering the almost unanimous condemnation of the international community and seriously undermining the US's possibility of continuing to mediate in the Palestinian-Israeli conflict.
- As promised, he ordered the US to pull out of the Paris Climate Change Agreement<sup>61</sup>, approved the Keystone XL gas pipeline with Canada<sup>62</sup> and authorised the exploitation of the Arctic and the whole continental platform

<sup>57</sup> «U.S. launches cruise missile strike on Syria». *USA Today* (8 April 2017). <https://www.usatoday.com/story/news/politics/2017/04/06/us-launches-cruise-missile-strike-syria-after-chemical-weapons-attack/100142330/>.

<sup>58</sup> «Trump to be presented with \$47M deal to arm Ukraine against Russia». *ABC News* (17 Nov. 2017). <http://abcnews.go.com/Politics/trump-presented-47m-deal-arm-ukraine-russia/story?id=51235203>.

<sup>59</sup> HELLMAN, Gregory, «Trump approves new Russia sanctions for violating Cold War arms pact». *Politico* (12 August 2017). <https://www.politico.com/story/2017/12/08/trump-russia-sanctions-cold-war-arms-pact-215837>.

<sup>60</sup> «Exclusive: Trump accuses Russia of helping North Korea evade sanctions...» *Reuters* (17 January 2018). <https://www.reuters.com/article/us-usa-trump-exclusive/exclusive-trump-accuses-russia-of-helping-north-korea-evade-sanctions-says-u-s-needs-more-missile-defense-idUSKBN1F62KO>.

<sup>61</sup> «Trump announces U.S. will exit Paris climate deal, sparking criticism at home and abroad». *The Washington Post* (1 June 2017). [https://www.washingtonpost.com/politics/trump-to-announce-us-will-exit-paris-climate-deal/2017/06/01/fbcb0196-46da-11e7-bc-de-624ad94170ab\\_story.html?tid=a\\_inl&utm\\_term=.dc30f840224](https://www.washingtonpost.com/politics/trump-to-announce-us-will-exit-paris-climate-deal/2017/06/01/fbcb0196-46da-11e7-bc-de-624ad94170ab_story.html?tid=a_inl&utm_term=.dc30f840224).

<sup>62</sup> «As Trump administration grants approval for Keystone XL pipeline, an old fight is re-ignited». *The Washington Post* (24 March 2017). <https://www.washingtonpost.com/news/>

- (with the exception of Florida following the protests) – news that was disastrous for the environment but went down well with the energy industry.
- After Trump repeatedly scolded NATO allies for failing to meet their defence spending commitments, the organisation's secretary general Jens Stoltenberg announced on 28 June that 25 of the Alliance's 29 members had agreed to spend about 12 billion dollars more on defence in 2017<sup>63</sup>.
  - Delegating decisions on the ground almost completely to the military commanders, Trump speeded up Daesh's defeat in Syria and Iraq. This was not the only reason why Daesh lost control of most of the territory it occupied in both countries, but it undoubtedly helped<sup>64</sup>.
  - In one of his few confessed errors, he admitted having been mistaken about Afghanistan and instead of speeding up the withdrawal of US troops as previously promised, he increased them moderately (by about 3,900) to avoid leaving a vacuum for terrorists to fill<sup>65</sup>.
  - By nominating Neil M. Gorsuch to the Supreme Court during the first weeks of his term in office, he achieved a Conservative majority on America's most important court, and during the following months he filled the federal appeal courts with young judges with strong conservative leanings<sup>66</sup>.
  - In the view of the millions of Americans who were wary of the Clintons' political apparatus, Trump's victory dealt a coup de grace to the last of the country's leading political clans, after the Bushes were defeated in the primary elections.
  - Trump ended his first year in office with the tax reform signed on 22 December, the most important of the past 30 years<sup>67</sup>, though its failure to win any Democrats' votes underlined the political polarisation in the country and, worse still, could have seriously damaged the Republicans' chances in the November 2018 legislative elections.

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energy-environment/wp/2017/03/24/trump-administration-grants-approval-for-key-stone-xl-pipeline/?tid=a\_inl&utm\_term=.8ff4c9607262.

<sup>63</sup> «NATO chief: US allies to spend \$12 billion more this year». *AP* (28 June 2017). [https://www.apnews.com/dbae196fc9044d9aa4126227cbd912b6/NATO-chief-US-allies-to-spend-\\$12-billion-more-this-year](https://www.apnews.com/dbae196fc9044d9aa4126227cbd912b6/NATO-chief-US-allies-to-spend-$12-billion-more-this-year).

<sup>64</sup> De Young, Karen. «Under Trump, gains against ISIS have 'dramatically accelerated'». *The Washington Post* (4 August 2017). [https://www.washingtonpost.com/world/national-security/under-trump-gains-against-isis-have-dramatically-accelerated/2017/08/04/8ad29d40-7958-11e7-8f39-eeb7d3a2d304\\_story.html?tid=a\\_inl&utm\\_term=.d5ce884c3a39](https://www.washingtonpost.com/world/national-security/under-trump-gains-against-isis-have-dramatically-accelerated/2017/08/04/8ad29d40-7958-11e7-8f39-eeb7d3a2d304_story.html?tid=a_inl&utm_term=.d5ce884c3a39).

<sup>65</sup> «It's a hard problem: Inside Trump's decision to send more troops to Afghanistan». *The Washington Post* (21 August 2017). [https://www.washingtonpost.com/politics/its-a-hard-problem-inside-trumps-decision-to-send-more-troops-to-afghanistan/2017/08/21/14d-cb126-868b-11e7-a94f-3139abce39f5\\_story.html?tid=a\\_inl&utm\\_term=.367e870c9a3e](https://www.washingtonpost.com/politics/its-a-hard-problem-inside-trumps-decision-to-send-more-troops-to-afghanistan/2017/08/21/14d-cb126-868b-11e7-a94f-3139abce39f5_story.html?tid=a_inl&utm_term=.367e870c9a3e).

<sup>66</sup> SAVAGE, Charlie. «Trump Is Rapidly Reshaping the Judiciary. Here's How». *The New York Times* (11 November 2017). [https://www.nytimes.com/2017/11/11/us/politics/trump-judiciary-ap-peals-courts-conservatives.html?\\_r=0](https://www.nytimes.com/2017/11/11/us/politics/trump-judiciary-ap-peals-courts-conservatives.html?_r=0)  
[https://www.washingtonpost.com/news/post-politics/wp/2017/12/22/trump-signs-sweeping-tax-bill-into-law/?tid=a\\_inl&utm\\_term=.703f29d2f800](https://www.washingtonpost.com/news/post-politics/wp/2017/12/22/trump-signs-sweeping-tax-bill-into-law/?tid=a_inl&utm_term=.703f29d2f800).

<sup>67</sup> WAGNER, John. «Trump signs sweeping tax bill into law». *The Washington Post* (22 December 2017).

The same author who compiled this list of positive aspects, Marc A. Thiessen, former chief speechwriter for George W. Bush and a fellow at the American Enterprise Institute, also stressed the worst things about the new president<sup>68</sup>:

- His lack of efforts – quite the opposite – to reduce the ideological gap that is dividing America and its political class.
- His attempt to excuse the alt-right for the racist attack by a neo-Nazi or white supremacist on protesters in Charlottesville (Virginia) in August using a vehicle.
- His electoral support for Roy Moore, an alleged sexual predator who stood for senator for Alabama in December.
- The increased support for Al Qaeda among Sunni Arabs as a result of the de facto alliance against Daesh between the US, Russia and Iran.
- The same ambiguity and indecision as Obama towards the treatment of terrorists held in and outside Guantanamo.
- The weakening of security, democracy and the rule of law with harsh criticisms of the espionage community, James Comey's sudden dismissal as director of the FBI in May and his rantings against the Justice Department and all those who are attempting to clarify his companies' and election campaign team's connections with Russia.
- The major cuts in foreign aid and in the State Department's budget (31 percent), his slowness in appointing senior officials and the chaos among his advisors during the first six months, which saw the replacement of his first chiefs of National Security (Michael Flynn), Staff (Reince Priebus), Communication (Sean Spicer) and Strategy (Steve Bannon) but no improvement in the president's relationship with the media.

## 2017

According to the Council on Foreign Relations (CFR), the ten most significant events of 2017 were<sup>69</sup>:

- The ousting of Zimbabwe's 93-year-old Robert Mugabe after 37 years in power in an army coup following his dismissal of his vice-president Emmerson Mnangagwa, who became the new president despite sharing responsibility for many of Mugabe's crimes;
- Britain's triggering of article 50 of the Treaty of Lisbon on 30 March to begin its divorce negotiations with the EU;
- The thousands of deaths and the expulsion of hundreds of thousands of people belonging to the Rohingya Muslim minority of Myanmar;

<sup>68</sup> THIESSEN, Marc. «The 10 worst things Trump has done in his first year in office». *The Washington Post* (29 December 2017). [https://www.washingtonpost.com/opinions/the-10-worst-things-trump-has-done-in-his-first-year-in-office/2017/12/29/2446d9f6-eca8-11e7-b698-91d4e35920a3\\_story.html?utm\\_term=.9d1c15971017](https://www.washingtonpost.com/opinions/the-10-worst-things-trump-has-done-in-his-first-year-in-office/2017/12/29/2446d9f6-eca8-11e7-b698-91d4e35920a3_story.html?utm_term=.9d1c15971017).

<sup>69</sup> LINDSAY, James. «Ten most significant world events in 2017». *Council On Foreign Relations* (CFR), 15 December 2017. <https://www.cfr.org/blog/ten-most-significant-world-events-2017>.

- The Islamic State's military defeat in Iraq in June and in Syria in October, which, far from reducing terrorist attacks originating from or inspired by Daesh, Al Qaeda or its franchises, coincided with an increase in attacks causing dozens of deaths in Istanbul, Barcelona, New York, Stockholm, London and Manchester and hundreds of victims in Egypt, Somalia and Afghanistan<sup>70</sup>;
- The deep changes in Saudi Arabia's domestic and foreign policy after the 32-year-old Mohammad bin Salman was made crown prince;
- Global economic growth and market recovery, with stock markets hitting record levels;
- The decision of America's president, Donald Trump, to withdraw the country from the Paris Climate Agreement, even though the warmest years since measures have been taken were 2017, 2016 and 2015;
- Intensification of the abovementioned North Korean nuclear and missile threat;
- The strengthening of Xi Jinping's foothold on the Chinese presidency at the 19th Communist Party congress in October which attested to his stated ambition of making his country a *great power* and *strong power* (he used these terms 26 times in his 205-minute speech to the party congress);
- Trump's many actions – many of them failures, some, such as the tax bill, successes – designed to implement his inaugural America

First programme, and the mistrust his public and private behaviour arouse both within and outside America.

A further ten pieces of news not mentioned in the decalogue, but with far-reaching repercussions, should be added to the list:

- The election of the new UN secretary-general, Portuguese António Guterres, in January;
- Israel's decision in February to build a new settlement on the West Bank for the first time in more than 20 years;
- The deployment of the American THAAD (terminal high-altitude area defense) system in South Korea, which China and Russia have always regarded as a threat against them;
- The demonstrations in which more than 100 people were killed in Venezuela in the spring;
- Emmanuel Macron's victory in the French presidential elections of May;
- The loss of the British conservative party's absolute majority and Montenegro's accession to the Atlantic Alliance as the 29th member in June;
- The failure of the June G-20 summit in Hamburg owing to Trump's attitude to climate change;

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<sup>70</sup> «The world this year». *The Economist* (23 December 2017). <https://www.economist.com/news/world-week/21732857-world-year>.



- More than a million refugees from South Sudan displaced to Uganda fleeing from war in their young country and others to Ethiopia, Sudan and the Democratic Republic of the Congo in August;
- The weakened position of Angela Merkel in the German elections and the Zapad military exercises in Russia and Belarus in September, the most important in 27 years;
- The challenge of Catalan independence in October and the growth of populist and far-right parties in Europe, though they have only managed to secure a place in government in Austria.

### Challenges in 2018

«Brexit is not written on stone», Lord John Kerr, the Scottish diplomat who wrote the 262 words of article 50 of the Treaty of Lisbon, told *El Mundo* on 7 January. «Nowhere does it state that Brexit is irreversible. It is therefore not inconceivable that in 2018 or 2019, when the economic effects are more visible, the British might decide it is better to remain.»

When reminded that Brexit secretary David Davis described the decision as *irrevocable*, Lord Kerr offered a Davis quote dated five years earlier: «A democracy that has lost the right to change its mind has ceased to be a democracy<sup>71</sup>.»

«I am not from the UK, but I worked there for 6 years and disagree with Brexit. However I think the idea of trying to reverse it is wrong, at least in short term, from a democratic viewpoint. I have a feeling the UK will take 10 years to leave, 10 years outside, and 10 years rejoining», wrote the international relations expert Daniel Keohane<sup>72</sup>.

French professor François Heisbourg agreed with him essentially but pointed out that in 20 years' time the EU will probably have changed to the point of being unrecognisable, having split into parts or forming a closely integrated core which it would be difficult to enter<sup>73</sup>.

According to the European Commission's *White paper on the future of Europe*, with a foreword by Jean-Claude Juncker, the continent's main problem in the short, medium and long term has little to do with Brexit, today's populism, new avalanches of refugees, new threats from the East or serious challenges to

<sup>71</sup> Interview with Carlos Fresneda. «John Kerr, artífice del artículo 50: La salida de la UE no está escrita en Piedra». *El Mundo* (7 January 2018). <http://www.elmundo.es/internacional/2018/01/07/5a50bcdde5fdead9118b468f.html>.

<sup>72</sup> Message tweeted on 7 January 2018 in reply to an article by Dia Chakravarty published in *The Telegraph* whose title spoke for itself: «Ignore Tony Blair and Nick Clegg's warnings about Brexit». <http://www.telegraph.co.uk/news/2018/01/06/ignore-tony-blair-nick-cleggs-warnings-brexit-yesterdays-men/>.

<sup>73</sup> Tweet sent on 7 January 2018 at 9:48.

achieving a truly integrated space in a position to compete effectively with the non-European superpowers and major powers.

The main threat is its uncontrolled population shrinkage, which will be difficult to stem without opening the doors to immigrants from the rest of the world, a new technological revolution or a combination of both.

«According to Rand Europe, the average age of the population is 33 worldwide and 45 in Europe, 40 in America, 35 in Asia and Oceania, 34 in Latin America and the Caribbean, and 21 in Africa», points out Guillermo de la Dehesa, honorary chairman of the CEPR (Centre for Economic Policy Research) in London.<sup>74</sup> The UN world population prospects up to 2100 show that the 51 European countries will go from having 738 million inhabitants in 2015 to 707 million in 2050 and 646 million in 2100; in other words, they will lose 88 million over the next 85 years, he adds. In contrast, Africa, the continent closest to Europe, will see an increase in its population from 1,186 million in 2015 to 2,478 million in 2050 and 4,889 million in 2100. That is, Africa will have a population 7.56 times that of Europe, and Nigeria alone, with 752 million inhabitants, will have a larger population than the whole of Europe (including Russia), with only 646 million. Asia will go from having 4,393 million people in 2015 to 5,267 million in 2050 and 4,889 million in 2100. America will go from 992 million in 2015 to 1,217 million in 2050 and 1,221 million in 2100».

If in addition to demographic forecasts we also consider the changes in the significance of the four most global currencies (US dollar, euro, pound sterling and yen), relative defence expenditure, humanitarian aid and development, level of inequality, peace and violence, level of confidence and legitimacy, employment rates and world growth estimates, we would be better off toning down the optimism with which the editor of *The Economist's* yearbook greeted 2018<sup>75</sup>.

Daniel Franklin pointed out that 2008 «will be a critical year on many fronts, including North Korea's nuclear challenge, the Brexit negotiations, China's economic reforms and America's mid-term elections as well as the presidential polls in Brazil and Mexico» and Colombia. Few surprises are expected in those of Russia and Venezuela<sup>76</sup>.

The global challenges for the new year will be as follows (the question marks are ours):

1. Will Trumpism (renationalisation) or Macronisme (a new pro-globalisation social contract) prevail?
2. Will renewal or continuity prevail in the above elections, to which should be added those slated for March in Italy?
3. Will the Winter Olympics in South Korea and the FIFA World Cup in Russia help defuse tension, or will they intensify it?

<sup>74</sup> DELADEHESA, Guillermo. «El futuro de Europa a medio y largo plazo». *El País* (31 December 2017). [https://elpais.com/economia/2017/12/28/actualidad/1514461025\\_696521.html](https://elpais.com/economia/2017/12/28/actualidad/1514461025_696521.html).

<sup>75</sup> «The World in 2018». <https://www.prnewswire.com/news-releases/the-world-in-2018-from-the-economist-highlights-key-global-themes-to-watch-for-next-year-300558659.html>.

<sup>76</sup> *Ibid.*

4. If all transitions are a challenge to stability, Raúl Castro's stepping down as president of Cuba, the possible abdication of King Salman of Saudi Arabia and the announced abdication of Japan's Emperor Akihito (for 30 April 2019) add to the uncertainty.
5. Are the widespread positive economic figures a decade after the Great Recession sufficient grounds for a sense of short- and medium-term wellness or, bearing in mind that recessions are repeated every eight or ten years and the last one ended in 2009, are they a sign a new one that is just as bad or even worse is approaching if central banks tighten policy too much, too quickly?
6. Will it be possible to end Brexit negotiations by the autumn so that there is time, unless the EU Members unanimously agree to extend the deadline, for the settlement to be ratified by parliaments by 30 March 2019?

By that date, warns Salvador Llaudes of the Real Instituto Elcano, it will be necessary to have prepared a «legally binding treaty that likewise includes a transition agreement (requested by the British prime minister to avoid the so-called *cliff edge*)»<sup>77</sup>.

«The EU wants this transition agreement to be of short duration, concluding no later than 2020 so that it coincides with the current Multiyear Financial Framework, and not with the next one, so as to avoid more significant complications. But to conclude both the divorce agreement and the transition accord within such a short time will frankly be difficult, among other things because there are certain questions which could become confrontational, like Gibraltar, to start with.»

«And then there will be the future agreement, about which discussions will only begin in the spring.» Whereas the CETA contains more than 1,500 pages and took seven years to negotiate, by the start of 2018 all we had to show for a year of talks with the United Kingdom was the 15 pages of the 15 December agreement that made it possible to progress to the second phase after Britain made its first concessions on citizens' rights, London's financial obligations and the (provisional and ambiguous) solution to the border between the Republic of Ireland and Northern Ireland.

«The good news, however, is that such an agreement has been reached», concludes Llaudes. «The bad news is that what remains to be done is as difficult as what has been achieved (and more)»<sup>78</sup>.

7. Will NAFTA survive Trump's protectionist push? And, perhaps the most difficult question, is it possible to deter or contain North Korea without resorting to

<sup>77</sup> LLAUDES, Salvador. *Brexit: de renuncia en renuncia hasta el progreso suficiente por ahora*. Real Instituto Elcano. Comentario 54/2017 (21 December 2017). [http://www.realinstitutoelcano.org/wps/portal/rielcano\\_es/contenido?WCM\\_GLOBAL\\_CONTEXT=/elcano/elcano\\_es/zonas\\_es/comentario-llaudes-brexit-renuncia-hasta-el-progreso-suficiente-por-ahora](http://www.realinstitutoelcano.org/wps/portal/rielcano_es/contenido?WCM_GLOBAL_CONTEXT=/elcano/elcano_es/zonas_es/comentario-llaudes-brexit-renuncia-hasta-el-progreso-suficiente-por-ahora).

<sup>78</sup> *Ibid.*

military force following the progress it has proven to have made in its nuclear and missile programme in 2017?

8. How long will Abu Bakr al-Baghdadi and the remnants of Daesh survive in the Euphrates valley and the border between Syria and Iraq following their expulsion from Mosul, Raqqa and their other strongholds in the so-called *caliphate*? Will Assad gain a foothold in Syria and al-Abadi in Iraq? How is it possible to prevent old rifts (Kurds, Palestinians, Arab-Israeli, Hezbollah, Sunni-Shia, Saudi-Iranian...), exacerbated by a common enemy, Daesh, from re-emerging now with greater force in the Middle East?

### Risks and threats

«Unfortunately – in fundamental ways, the world has gone in reverse», stated the UN secretary-general, António Guterres, in his New Year message. «I am issuing an alert – a red alert for our world. Conflicts have deepened and new dangers have emerged. Global anxieties about nuclear weapons are the highest since the Cold War.»

The false alarm of a missile attack on Hawaii on the morning of 13 January due to another human error once again revealed the fears President Trump's threats and decisions have aroused after decades of efforts by the major powers to improve the security of the world's nuclear arsenals.

«[The president] is moving ahead with plans to develop new nuclear weapons [though America already has some 4,000 warheads] and expanding the circumstances in which they'd be used», warned *The New York Times* in its editorial column that day. «Such actions break with years of American nuclear policy. They also make it harder to persuade other nations to curb their nuclear ambitions or forgo them entirely.»

Robert Litwak of the Woodrow Wilson International Center described the current confrontation with North Korea as «the Cuban missile crisis being played out in slow motion».

Professor Scott D. Sagan of Stanford sees significant differences that make the Korean crisis more dangerous – more volatile leaders, incomparable nuclear arsenals, leaders prepared to attack first, more intense rhetoric thanks to the social media – but also a few similarities.

In Korea, as in Cuba, the unacceptable price of a nuclear war is often underestimated, the effectiveness of weapons is exaggerated and there is a considerable shortage of information on the adversary's intentions, capabilities and will in the worst of scenarios.

With between 40 and 60 nuclear bombs, 12 more every year, and very close to being able to start fitting them onto already tested intercontinental missiles, the only way of avoiding mass suicide – due to accident, miscalculation or a black swan of the sort defined by American-Canadian political scientist Philip Tetlock

– is to accept the reality, for the countries directly involved to renounce first-use-first-strike, to guarantee everyone minimum assurances that nobody will be attacked, invaded or blackmailed, and to begin serious disarmament and reconciliation talks, as proposed on several occasions in 2017 by the US secretary of state Rex Tillerson.

If the pace of the past months continues there will be a growing risk of a clash whose circumstances and consequences are calculated by General Staffs and by models such as Professor Alex Wellers' NUKEMAP based on data since Hiroshima on the many times when, apart from Cuba, the world has been on the brink of disaster – owing to human error or misinterpretation such as the case of Hawaii more than real causes – and on studies such as that published by the Nautilus Institute of California in 2012.

If we survey the past year's warnings of risks and threats of President Trump, his National Security advisor Herbert R. McMaster, his ambassador to the UN Nikki Haley, and other senior officials, we find that the main twenty-first century wars have been overshadowed by the threat of nuclear war with North Korea, which almost completely eclipsed everything else on the international agenda in 2017.

With its actions and abstentions, the US has convinced North Korea that only by speeding up its programmes for weapons of mass destruction (nuclear, chemical and biological) and missiles until it has sufficient deterrent force will it avoid suffering the same fate as Saddam and Gaddafi.

In its last issue of 2017, *Foreign Affairs*, the most prestigious American magazine on international relations, summed up in six chapters today's *forgotten wars*, to which should be added those of Yemen, Libya, Ukraine, the eternal Palestinian-Israeli conflict and a dozen festering conflicts in Africa:

- The Afghan graveyard of so many empires, very far from peace after an armed conflict that lasted longer than any of those of the past century.
- The broken state of Iraq after the challenges put off for years by the priority of defeating a common enemy (the Islamic State).
- A new phase of war in Syria which could be even worse than the previous ones unless it is handled better than them.
- The war on jihadi terrorism begun after 9/11 and with no foreseeable end in sight against a Daesh with at least eight branches in other countries, an Al Qaeda that is rejuvenated and strengthened under one of Bin Laden's sons, Hamza, active or dormant cells in dozens of countries and many lone wolves who almost never act alone.
- An equally or more serious threat in the East, as the new US National Security Strategy presented on 18 December warns, than that of the Cold War, which no country can address on its own.
- An increasingly vulnerable cyberspace full of guerrillas and technological warlords, traditional and new actors hidden in the forest of networks

interfering in and manipulating elections, doing business or stirring up conflicts to topple governments or destroy countries.

The abovementioned list essentially coincides with the priority risks selected by the Center for Preventive Action of the Council on Foreign Relations in New York for 2018. The CPA's list is headed by the danger of military conflict or armed confrontation between the US and North Korea or Iran, between Russia and NATO, in the South China Sea between China and one or more claimants to disputed maritime areas, and increased violence and instability in Afghanistan due to the pressure of the Taliban insurgency and the possible collapse of the government.

Twenty-two of the thirty most dangerous focal points of 2018 were already on the 2017 map of the most serious risks – in terms of likelihood or impact, the two variables measured in the three categories included in this study. The eight new contingencies featured in this year's report include the risk of new clashes between Israel and Hezbollah, increased violence and political instability in the Sahel and escalating tensions in the Balkans.

Two contingencies surveyed last year received a higher priority ranking, moving up from a Tier II to Tier I concern: the likelihood of confrontation between Iran and the United States or its allies and the danger of military clashes in the South China Sea. Two that have been downgraded as to priority, in the opinion of the thousands of experts consulted, are confrontation between Turkey and the various Kurdish armed groups and war in Libya.

At the start of the year the Turkish army increased its attacks on the Kurds and threatened to invade northern Syria after America's plans to form a 30,000-strong Kurdish force to watch over the border between Syria and Iraq became known.

As the scene of the great African war, the conflict with the highest death toll since the Second World War, which falsely ended in 2003, the Democratic Republic of the Congo should be a priority concern. The presidential elections have been postponed several times, corruption and sliding commodity prices have ravaged its economy and we cannot rule out the possibility of coups being staged in 2018 as in Zimbabwe, major street demonstrations or a return to the past wars.

Bordering on nine countries, with dozens of guerrillas, more than 250 ethnic groups and a recent past marked by violence and chaos, it is easy to imagine the consequences unless the escalation is halted in time.

Bearing in mind the likelihood and impact of the risks, like the CFR, the Davis Forum recognises in its 2018 report that, despite the global economic recovery, «the urgency of facing up to systematic challenges has, if anything, intensified amid proliferating indications of uncertainty, instability and fragility»<sup>79</sup>.

The most serious risks of the next 10 years in terms of impact are, in this order, use of weapons of mass destruction, extreme weather events, natural disasters, failure of efforts to stem climate change and water crises (chart 6).

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<sup>79</sup> *The Global Risks Report 2018*. World Economic Forum. [http://www3.weforum.org/docs/WEF\\_GRR18\\_Report.pdf](http://www3.weforum.org/docs/WEF_GRR18_Report.pdf).

The order of the five most likely risks has changed and two different ones – cyber-attacks and data theft/fraud – replace weapons of mass destruction and water wars (chart 7). Cyberattacks are particularly worrying in East Asia/Pacific, Europe and North America. The greatest concerns in the Middle East are, in this order, tax crises, energy prices, unemployment/ underemployment, terrorism and interstate conflicts<sup>80</sup>.

«Cybersecurity risks are also growing, both in their prevalence and in their disruptive potential», states the report. «Attacks against businesses have almost doubled in five years... and some of the largest costs in 2017 related to ransomware attacks, which accounted for 64% of all malicious emails. Notable exam-

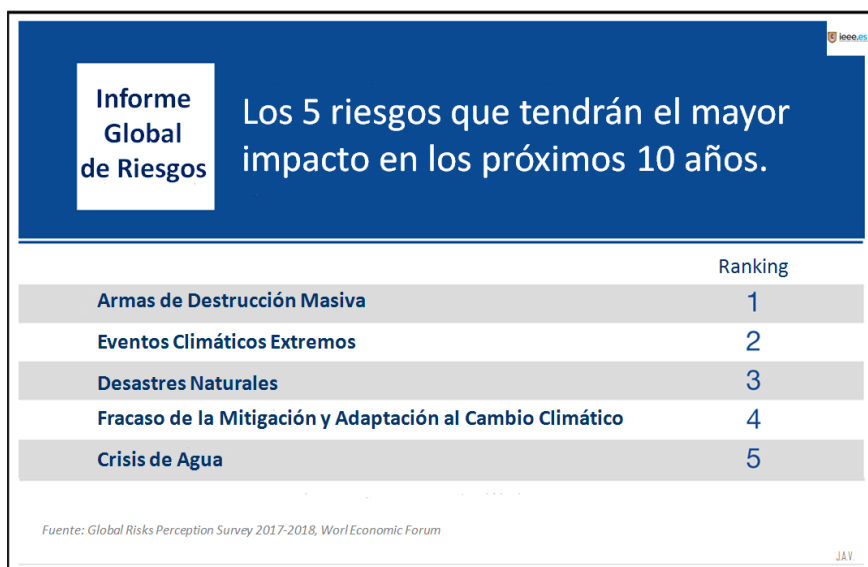


Chart 6: Top risks in terms of impact in the next 10 years.

ples included the WannaCry attack – which affected 300 computers across 150 countries – and NotPetya, which caused quarterly losses of US\$300 million for a number of affected businesses. Another growing trend is the use of cyber-attacks to target critical infrastructure and strategic industrial sectors, raising fears that, in a worst-case scenario, attackers could trigger a breakdown in the systems that keep societies functioning<sup>81</sup>.»

The Davos report is notable for pointing out the different perceptions of risks by regions and of risks in general and business and investment risks.

According to the Real Instituto Elcano's first opinion poll of 2018, nearly three out of every four Spaniards interviewed stated that climate change should be a

<sup>80</sup> *Ibid.* Graphs at <http://reports.weforum.org/global-risks-2018/shareable-infographics/>.

<sup>81</sup> *Ibid.* Executive Summary <http://reports.weforum.org/global-risks-2018/executive-summary/>.



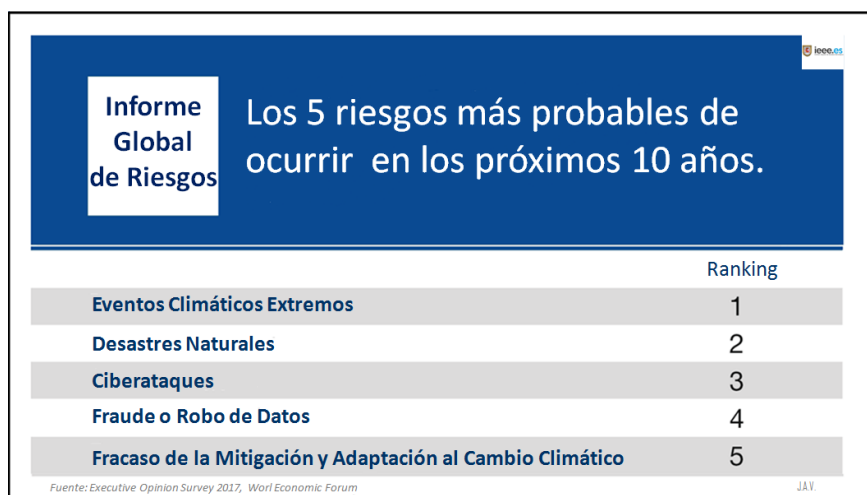
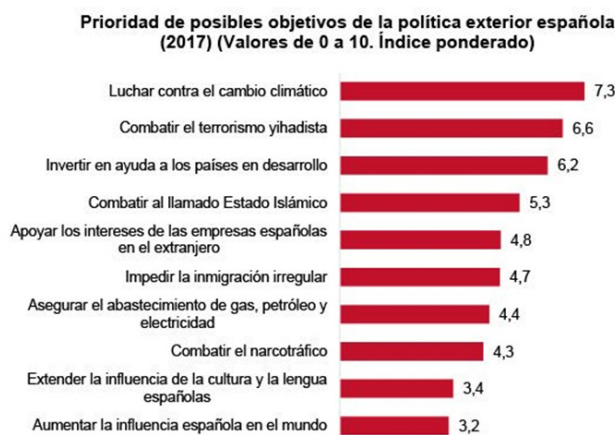


Chart 7: Most likely risks in the next 10 years.

main priority of Spain's external action, followed by combating terrorism, development assistance, combating Daesh, supporting Spanish companies overseas and the security of energy supplies (chart 8)<sup>82</sup>.



Fuente: 39 Barómetro del Real Instituto Elcano / [www.realinstitutoelcano.org](http://www.realinstitutoelcano.org)

Chart 8: Spaniards' foreign-policy priorities.

<sup>82</sup> Barómetro del Real Instituto Elcano (BRIE). 39th wave, January 2018. [http://www.realinstitutoelcano.org/wps/portal/rielcano\\_es/encuesta?WCM\\_GLOBAL\\_CONTEXT=/elcano/elcano\\_es/barometro/oleadabrie39](http://www.realinstitutoelcano.org/wps/portal/rielcano_es/encuesta?WCM_GLOBAL_CONTEXT=/elcano/elcano_es/barometro/oleadabrie39).

According to the same survey, 65 percent of Spaniards claimed to be against sending Spanish troops overseas to combat terrorism, though this seems to be a blatant contradiction.

Their top concerns, in order of importance, are employment, the future of pensions, climate change, Spain's unity, terrorism, immigration, globalisation and corruption.

### Strategic Panorama 2018

For the eighth year running, following the guidelines of the Spanish Institute for Strategic Studies directed by General Miguel Ángel Ballesteros, in this new edition of the *Strategic Panorama*, the twenty-second since it was first published, we analyse the most recent international events in search of trends that help discern short- and medium-term risks to facilitate decision making.

In a world that depends increasingly on machines, computers, robots, artificial intelligence and algorithms for any diagnosis, it is appropriate to reread Fyodor Dostoyevsky's novel *Notes from Underground* (1864), which berates theories of utopian materialism that reduce the universe to cogwheels moving in obedience to verifiable physical laws.

Addressing the reader from the depths of a tortured imagination that is still beyond the capacity of Google's algorithms and Twitter statements, Dostoyevsky urges us, without forsaking new technologies, to preserve and always cherish humans' ability to create and learn with analogies, sensations and compared experiences. For, as he writes, «twice two makes four is an excellent thing, but if we are to give everything its due, twice two makes five is sometimes a very charming thing too»<sup>83</sup>.

On this basis, each year we bring together five or six prestigious specialists on the main geographical areas or on international issues who, in accordance with the IEEE guidelines and with utmost scientific rigour but also great freedom, shed a little light on the most recent past and on what we can expect in the coming months.

If you take a look at previous editions, all of which can be accessed on the IEEE website<sup>84</sup>, you will find contributions that offer broader perspectives. You will also see that rarely are the judgements wrong. The simplest explanation is that we endeavour to offer analyses as opposed to predictions. We are more interested in structural than circumstantial variables.

The authors chosen for this year's edition are Admiral José Luis Urcelay Verdugo and his team of collaborators who make up the Spanish military representation

<sup>83</sup> BEHR, Raphael. «Algorithms outdo us...». *The Guardian* (23 August 2017) <https://www.theguardian.com/commentisfree/2017/aug/23/algorithms-human-fallibility-technology-machines>.

<sup>84</sup> <http://www.ieee.es/>.

to the EU and NATO<sup>85</sup>; Pere Vilanova, head of the Department of Political Science at the Universitat de Barcelona; Rafael Bueno, director of Politics and Society at Casa Asia; Carlos Malamud, professor of the History of America at the UNED and senior analyst at the Real Instituto Elcano; and Colonel Ignacio Fuente Cobo, who also coordinates and helps edit the publication.

The themes chosen for this year's edition are, in order of the authors cited: the European Union after the Global Strategy and the future of the permanent structured cooperation adopted in 2017; the situation in the Middle East following the expulsion of Daesh from most of the territory it came to control in Iraq and Syria; instability in the Maghreb seven years on from the Arab Springs; the political changes and main sources of tension in Asia, beginning with Xi Jinping's China and North Korea; and the impact of the elections slated for 2017 to 2019 in Latin America.

Given its significance and influence on all the previous issues, this year's introduction includes a detailed analysis of Donald Trump's first year in the White House, as well as of events which have been left out owing to limitations of space, despite their importance.

### **The EU after the Global Strategy and the future of the CSDP**

In his chapter on Europe, Admiral José Luis Urcelay Verdugo, Spain's military representative to the Military Committees of NATO and the EU, and his magnificent team of collaborators examine the conditions and background to the Global Strategy for the EU's Foreign and Security Policy and the progress achieved during its first year – which according to high representative Federica Mogherini is greater than that made in the previous ten years.

They compare the risks and threats that have given rise to this new strategy with those that inspired the so-called *Solana strategy* in 2003, the optimism that prevailed back then and today's pessimism stemming from the crisis, Brexit and changes in Washington.

The initial uncertainty is being overcome with initiatives such as PESCO, the review of the defence funding system and the setting up of an embryonic command and control capability within the EU Military Staff. «Now it is a question of ensuring that all this progress materialises with the backing of the twenty-seven», they point out.

Despite the criticism and initial doubts, which were an inevitable source of uncertainty, the new US administration «is keeping up its major effort through NATO in relation to European security, is leading the International coalition in Iraq, and

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<sup>85</sup> They are CN Pedro Sánchez Arancón, TCOL Carlos Sánchez Ledesma, TCOL Jesús Díez Alcalde, TCOL Francisco Matas Montañez, CF Pedro Cardona Suanzes, TCOL Francisco Rodríguez-Berbel López, TCOL Manuel Colino García and TCOL Sebastián Puig Soler.

has strengthened its cooperation with the European Union in Africa. . . as well as stepping up its campaign to combat jihadi terrorism on all fronts», they add.

They recall Russia's interventions in its near abroad in recent years, the jihadist attacks carried out in Europe since 2015 and the tension in the Middle East and Africa and explain the 17 active missions and operations at the beginning of 2018. «Despite the substantial progress achieved. . . they still suffer from various limitations», they point out. «The three main limitations are: deficient command and control structures; problems of funding deployments... and the legal constraints derived from. . . the Lisbon Treaty.»

«Spain», they add, «is one of Member States that are most committed to CSDP military operations and practically the only one that contributes personnel to all of them.»

With the new capabilities plan, which is expected to be adopted in 2018, the *comprehensive approach* of recent years is due to give way to an *integrated approach*, which calls for broadening the scope of action, acting in all stages of the conflict and collaborating at all levels and with all the actors.

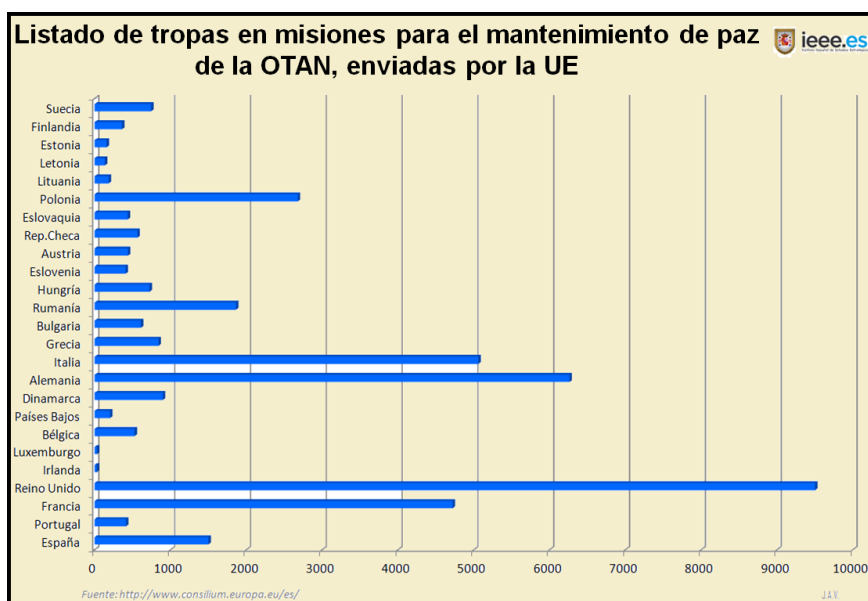


Chart 9: List of EU troops deployed to NATO peacekeeping missions. Compiled by the author.

The first evidence of the new strategy was the projects announced by the Foreign Affairs Council on 7 December, around the time that Permanent Structured Cooperation was launched. «In addition to stepping up comprehensive cooperation with the countries on the southern shore of the Mediterranean, it is particularly important to carry on developing, improving and giving impetus to the European Union's two strategies for the sub-Saharan region», they write.

The authors consider it is risky, at the least, to regard this progress as an inevitable or sure path to a Europe of defence but they offer enough information to suggest that «the initiative will be strengthened» provided we are capable of striking a balance between industrial interests and operational issues.

The Europe of defence, they warn, does not amount to creating European armed forces or duplicating NATO's role, but to «reinforcing the EU's strategic autonomy».

### The Middle East after the caliphate

According to Pere Vilanova, head of Political Science at the Universitat de Barcelona, the Middle East can be considered «a sort of concentrated paradigm of the international system» with its manifold elements and complexities. To shed light on them, he makes use of the concept of *regional conflict complex* coined by the Oslo Peace Research Institute in the 1990s.

Starting with the United Nations Partition Plan of 1947 and the main parties to the conflicts in the region, he focuses his analysis on the lessons learnt from the Arab Springs, the triumph of Assad's dictatorial regime in the Syrian war, the ultimate root of tension in the area (the Palestinian-Israeli conflict) in its local, regional and global dimensions, the internal and external challenges of the Iran-Turkey-Saudi Arabia triangle, and two European derivatives: the refugee problem and jihadi terrorism.

He underlines the unpredictability of the so-called Arab Springs, the spectacular reaffirmation of the autonomy of politics, the political and secular nature of all the movements that triggered them, the structural and organisational simplicity of the latter and the different backward turns each country has taken since 2011.

He attributes the standstill that has been reached after six years of war and nearly 300,000 deaths in Syria and is favourable to Assad to several factors, including the failure of the strategy of territorialising the caliphate, the division of the rebel forces, the sectarian or intercommunity nature of the conflict, Obama's rashness when he drew the famous *red line* and the Russian intervention.

Vilanova states of the Palestinian-Iranian dispute that it «has changed radically. It is not that its importance has dwindled; rather, Israel and its allies have succeeded in steering it towards isolation and planned marginalisation...and diplomatic and military extinction. Trump's presidency merely marks the culmination (a caricature version to some degree) of a course that began during Bush's second term and continued throughout Obama's presidency and to this day.»

The recognition of Jerusalem as the capital of Israel at the end of 2017, states the professor, «broke a taboo» though «as it turned out, the enraged

reactions all over the Muslim world were greatly mitigated and above all limited».

Vilanova explains in detail Israel's strategy for diminishing Jerusalem's Palestinian identity, which has reaped varying results, and warns of the contradictory effects that giving up on the two-state solution will have.

«The crown prince of Saudi Arabia will continue to upset the balance in his country [and] in the whole of the region», he points out, and «Riyadh may target Hezbollah, which is weakened after the war effort in Syria», for which it will «need the support of Israel», though this «has been compromised by President Trump's decision» on Jerusalem.

Vilanova sees no incentive for Iran to lower its profile of a rising power in the Middle East, though in the light of the protests begun on 28 December in the country's second most important city, he warns of possible internal consequences.

He harshly criticises the legal regulations – national and dating from last century – with which Europe is responding to the refugee problem and muses that surely the EU heads of state and government knew «that international laws ban mass deportations without judicial control».

As for state-of-the-art jihadi terrorism, the second European derivative of the Middle East conflicts he analyses, he recommends not allowing ourselves to be «caught up in the logic of *efficiency* as compensation for a few breaches of the law», calls for prudence in defining and classifying terrorist groups, warns of the potential strategic danger of these groups boosting their technology capacity and advises not losing sight of the fact that we are facing «a lengthy campaign».

«Fighting terrorism should not be the sole responsibility of governments», he concludes, or «a matter of electoral... confrontation».

### **The Maghreb: challenges for a region with low integration**

It is «one of the least integrated regions in the world. It lacks a common project», writes Colonel Ignacio Fuente Cobo, senior analyst at the IEEE, in the introduction to his chapter on the Maghreb.

Interregional trade accounts for less than 3 percent, relations between the two regional powers, Algeria and Morocco, are frozen and their border has been closed since 1994, and the Arab Maghreb Union, established in 1989, is on its last legs. The Western Sahara conflict is the main cause of this quarrel and, as Fuente Cobo writes, the most visible expression of «the struggle the two states have been waging for regional supremacy since they gained their independence».

Despite its seriousness, for years the Sahara issue has been ignored by most of the international community, which is currently much more concerned about the situation in Tunisia (the country is considered the only Arab Spring with positive results), the Libyan war and the threat of violent jihadism.

The December and January protests in Tunisia, which coincided with the seventh anniversary of the popular uprising against Ben Ali's dictatorship, indicate growing social unrest over the austerity measures, rising taxes and prices and many Tunisians' disenchantment with the structural problems democracy seems incapable of solving.

«Tunisia's main security problem is the possible return of hundreds of jihadis recruited by foreign militias», writes the author. This fear and the attacks suffered since 2015 explain the state of emergency and toughening of the penal code.

After thoroughly surveying the rival actors and power centres involved in the Libyan war and the internal and external support each receives, he describes the anti-Islamist General Jalifa Haftar as «Libya's strongman» and considers that Saif Gaddafi, the son of the last dictator who was granted an amnesty in May 2017, has little chance of gaining power.

«Libya has become a breeding ground for confrontation between the various ideological currents that rocked the Arab world. The support lent by Qatar and Turkey to the Government of National Accord (GNA) and by Egypt and the United Arab Emirates to the House of Representatives (HoR)<sup>89</sup> has merely served to exacerbate domestic tensions, making the country yet another theatre in the proxy wars being waged» in the area, he warns.

The power struggle has blurred responsibility for the tragedy suffered by the thousands of refugees who arrived in Libya as a country of transit and were held as slaves by the human trafficking organisations and find it increasingly difficult to cross to Europe.

The high abstention in last year's local elections in Algeria, in which fewer than 47 percent of people voted, and the serious illness of the 80-year-old President Bouteflika, who is very weak following a stroke in 2013, added to the uncertainty. However, the most serious challenge is the country's precarious economic situation, especially the deterioration of public finances, exacerbated in recent years by falling hydrocarbon prices and a budgetary deficit higher than Greece's at the peak of the crisis. Its reserves – some 110 billion dollars – afford it some room for manoeuvre, but unless the imbalance is corrected it risks sliding into insolvency from 2020 onwards, writes the author.

Morocco's return to the African Union in 2017 and failure to recognise the SADR, as Algeria and other African countries demanded, was viewed as a major diplomatic victory for Mohammed VI.

With the change of government in March, the dismissal of four ministers on 24 October – a further five former ministers were stripped of all future official responsibilities – and the partial amnesty granted to those arrested for taking part in the protest movement in the Rif, the king asserted the royal household's growing control over the political class, which he blamed for all the country's evils in his Throne Day speech in July.

«The lingering protest movement largely reflects Morocco's structural weaknesses», which, according to Fuente Cobo, «are caused by the feeling of social injustice among the lower classes owing to the lack of prospects» and the scant representativity of the elected institutions.

### Asia-Pacific: significant elections and perpetual conflicts

In his chapter on Asia, Rafael Bueno, director of Politics and Society at Casa Asia, analyses the consolidation of Xi Jinping at the 18th congress of the Chinese Communist Party (CCP) and the efforts of Japan's prime minister, Shinzo Abe, to act as a credible counterweight to China with Washington's help by bringing forward elections, reinforcing the alliance with the US and seeking closer relations with India and the Philippines.

«Xi Jinping Xi was not only 'elected' for a second five-year term as China's president», he points out, quoting Professor Graham Allison. «He was 'crowned' as the 21st-century version of the emperors who ruled the country in earlier millennia. . . he has succeeded in truly embarking on the *Xi Jinping era*, as if a new emperor.»

Following the strategic gift received from Trump when the latter pulled out of the Transpacific Association, he adds, China gathered together the regional leaders in Beijing on 14 and 15 May 2017 to present the *new silk road*, the plan devised in 2013 to recover the hegemony that was lost on the continent two centuries ago, resume its former role as a model civilisation, find a more strategically profitable outlet for its foreign currencies and, if successful, lay the foundations for a new economic, diplomatic and security order in Eurasia that is favourable to its interests.

Twenty-eight heads of state and government and more than a hundred ministers and senior officials from all over the world attended the event – a symbol of China's new ambitions, backed by an initial fund of nearly 300 billion dollars for projects.

Around the same time, China opened its first overseas naval base (in Djibouti) and, on 26 April, presented its second aircraft carrier, the Shandong CV-17, the first to be built in the country, coinciding with the 68th anniversary of its navy.

Beijing aims to «revive the Chinese dream... and to regain control of its former empire», writes Bueno, «not only Xinjiang, Tibet, Macao and Hong Kong, which it already has, but also of Taiwan».

With the election of Carrie Lam, Beijing's candidate as *chief executive* of Hong Kong, the former British colony remains strongly divided between independence and full submission to China, with no prospects of a solution in the short and medium term.

In the first part of his report, Bueno also analyses the political and social effects of the recent elections in India, the impeachment of the South Korean president



for her connection with a corruption scandal and Trump's twelve-day trip to five countries of the region in November.

From day one Trump distanced himself from his predecessor's strategy – the so-called *pivot to Asia* – and adopted a new definition, Asia-Pacific or Indo-Pacific, to facilitate cooperation between Japan and India to help «hold the stirring Chinese dragon in check».

In the second part the author presents the keys to the main armed conflicts still being waged in Asia, which accounts for «nearly 40 percent of all the world disputes», among them the Afghan war, with no solution in sight, India's and Pakistan's historic claims to Kashmir, and the persecution and expulsion of the Rohingya minority of Myanmar.

Why have none of these conflicts developed into an interstate war since 1979?» he asks. Because of «the balance between the regional powers and their military alliances», «regional institutions providing forums for dialogue», and, possibly the main reason, «the economic interdependence of all the actors», he answers.

Will we soon have to recognise North Korea as a nuclear state? Are there any remaining options other than military? Would an attitude more open to dialogue on Pyongyang's part facilitate recognition? Bueno discusses the different sides, points out the risks of each option and concludes that «all that is clear is that this drama... can only be solved with the agreement of the two Koreas and the blessing of the countries which have so far contributed to maintaining the tension, particularly China and the United States».

As for tension in the South China Sea, the author fears that by remaining silent about Beijing's intense activity in the area, Trump may in practice be handing China control over this two and a half million km<sup>2</sup> of territory, five times the size of Spain. «This is even more paradoxical», he points out, «bearing in mind that China is presented as America's main rival... as he made clear in November during his visit to Vietnam.»

### América Latina, at a critical juncture

What will the political impact of the elections of 2018 and 2019 be on the main Latin American countries? Now that the so-called commodities super-cycle is over, how can the expectations it aroused continue to be met? What will become of Bolivarian populism and the foremost regional institutions? How can they influence the EU, Spain and the major powers?

Carlos Malamud, professor of the History of America at the UNED and senior analyst at the Real Instituto Elcano, answers these questions, shunning generalisations. He analyses the elections that took place in Chile and Honduras in 2017, the six due to be held in the continent in 2018 (especially in Mexico, Colombia, Brazil and Venezuela) and the further six slated for 2019, especially those of Argentina.

«The political course not only of each of the countries involved but also of the continent as a whole will hinge on the outcome of all these elections, given the size of the alignments that may take shape», he writes. «The region will not be rid of populism», he warns, because «it is a phenomenon with deep, longstanding roots», because populist parties continue to govern Nicaragua and Venezuela and there are also right-wing populists.

With less money available for public spending, discredited political institutions, more fragmented congresses or parliaments and growing concern about corruption, insecurity and unemployment, according to the data of the latest Latinobarómetro poll, continuity or dramatic changes are at stake in some countries. Elections are becoming increasingly «competitive with much tighter results», he states.

The elections in Honduras and Chile in 2017 showed that «being in control of power is no guarantee of holding onto it in unrigged elections».

The main shadow hovering over the main elections in 2018 is the future of peace with the FARC and the ELN, and the economic reforms in Colombia; the left's possibilities of winning back the presidency and the trial of strength with Trump's America in Mexico; and Lula's return in Brazil if permitted by the courts.

Malamud believes it is unlikely that hostilities will be resumed with the FARC in Colombia even though some political forces reject the peace deal, but warns that negotiations with the ELN are more difficult.

The growth envisaged by ECLAC – 1.2 percent in 2017 and 2.2 percent in 2018 – confirms that all the countries in the hemisphere are emerging from the recession except for Venezuela, whose aggregate GDP has fallen by 32 percent over the past four years and which has a constituent assembly that has not passed a single constitutional law and a regime that is more authoritarian by the day.

«Regional integration is in the grip of crisis», he states. «It is not a region divided into two opposed blocs; rather, it consists of countries with significant contradictions that make regional consensus and progressing with a common regional agenda difficult.»

ALBA, UNASUR, CELAC, SICA, Mercosur... All of them except for the Pacific Alliance are declining and this is hindering the EU's efforts, which Spain actively supports, to finally reach an agreement with Mercosur this year.



## Chapter one

### The EU after the Global Strategy. The future of the CSDP

José Luis Urcelay Verdugo<sup>1</sup>

#### Abstract

In June 2016, the high representative of the European Union for foreign affairs and security policy presented the Global Strategy for the European Union's Foreign and Security Policy to the European Council. It was a convulsive and uncertain moment for our old continent, when – as this document, crucial to the Common Security and Defence Policy (CSDP), emphasises – «the purpose, even existence, of our Union is being questioned. Our wider region has become more unstable and more insecure». In this troubling landscape, facing the growing social demand to put more effort into their security and defence, the national and European authorities have decided to advance steadily towards a European Defence: a nascent reality that will have to address many challenges but, as of today, is an undeniable fact.

This decisive and positive turn taken by the CSDP attests to the EU's determination to respond to the demands of the changing strategic landscape which in itself would have justified the adoption of the Global Strategy. One year after its presentation, it is appropriate to highlight two key events in its implementation: the Joint NATO-EU Declaration of 2016 and the launch of permanent structured cooperation (PESCO). However, we must also acknowledge the sense of urgency with which other chal-

<sup>1</sup> Note: CN Pedro Sánchez Arancón, TCOL Carlos Sánchez Ledesma, TCOL Jesús Díez Alcalde, TCOL Francisco Matas Montañez, CF Pedro Cardona Suanzes, TCOL Francisco Rodríguez-Berbel López, TCOL Manuel Colino García and TCOL Sebastián Puig Soler collaborated on this essay.

lenges need to be addressed: among others, establishing the level of ambition for our common response and consolidating a permanent structure to command and control our military operations and missions, so as to achieve the desired strategic autonomy, and continue to fulfil our commitment to the security and defence of European citizens. With all these ideas in mind, it seems appropriate to engage in a prospective exercise on the evolution of European security and defence, based on the conviction that we have all embarked on a new journey which will lead us towards a safer, more prosperous and stronger Europe.

#### **Keywords**

Global Strategy, CSDP, security and defence, missions and operations, strategic autonomy, level of ambition, PESCO, NATO-EU cooperation

## Introduction: towards a stronger and safer European Union

A broad consensus has taken shape in recent years in the political and military environments of the European Union on the need to bolster the common security and defence policy (CSDP). This consensus is based on the conviction that the global strategic landscape surrounding our continent is increasingly complex. Above all, as the latest European opinion polls state<sup>2</sup>, it stems from growing social demands for the EU to put greater effort into security and defence within and beyond our borders.

Despite the fact that Member States are primarily responsible for ensuring their citizens a threat-free existence, none can address this task on its own. Although the economic recession has hindered its internal and external action for several years, the Union is determined to guarantee Europe's peace, stability and progress in a context of threats and challenges, but also of opportunities.

During this time debates at various decision-making levels have focused chiefly on three issues: the security of EU citizens in a tumultuous and unpredictable world; conviction of the need to centre efforts on neighbouring regions to the east and south of Europe; and the firm will to integrate the internal and external aspects of European policies. These elements have crystallised into the Global Strategy for the European Union's Foreign and Security Policy<sup>3</sup>, which was presented by the high representative of the European External Action Service, Federica Mogherini, at the June 2016 European Council practically around the same time that the results of the British referendum on leaving the European Union became known.

With the strategy about to complete its first year of existence, there is a broad consensus – despite the disparity of opinions aroused by its implementation – that the CSDP has made unquestionable headway. Indeed, as Federica Mogherini stated categorically in her first report on the implementation of the nascent strategy: «In this field, more has been achieved in the last ten months than in the last ten years<sup>4</sup>.» Naturally there will be many hurdles to clear, but at least we are heading in the right direction.

At this stage in the game nobody can question the need to improve on Javier Solana's Security Strategy published in 2003 and partially extended in 2008. As had been highlighted at the December 2013 European Council, the first to hold a debate on defence since the entry into force of the Lisbon Treaty, Europe's strategic and geopolitical environment had undergone radical changes since then. The high representative at the time, Briton Catherine Ashton, was therefore entrusted with working in close collaboration with the Commission and with consulting the Member

<sup>2</sup> Eurobarometer 2016. <http://www.europarl.europa.eu/news/en/headlines/eu-affairs/20160630STO34203/survey-people-reveal-their-priorities-for-the-eu>.

<sup>3</sup> Hereafter referred to as Global Strategy.

<sup>4</sup> «From Shared Vision to Common Action: Implementing the EU Global Strategy». EEAS (June 2017). Available at [http://europa.eu/globalstrategy/sites/globalstrategy/files/full\\_brochure\\_year\\_1.pdf](http://europa.eu/globalstrategy/sites/globalstrategy/files/full_brochure_year_1.pdf) [Accessed 31/6/17].

States to assess the influence of the new strategic situation on the European Union's role with respect to safeguarding world peace and security and guaranteeing more fruitful collaboration in this field with other international organisations such as the United Nations and NATO<sup>5</sup>. Three years later, as stated earlier, this assessment gave rise to the Global Strategy.

The analysis was by no means encouraging. In stark contrast to Solana's strategy, which was based on the idea that «Europe has never been so prosperous, so secure nor so free. The violence of the first half of the twentieth century has given rise to a period of peace and stability unprecedented in European history»<sup>6</sup>, the new document begins on an entirely different note:

«Our Union is under threat. Our European project, which has brought unprecedented peace, prosperity and democracy, is being questioned. To the east, the European security order has been violated, while terrorism and violence plague North Africa and the Middle East, as well as Europe itself. Economic growth is yet to outpace demography in parts of Africa, security tensions in Asia are mounting, while climate change causes further disruption.»

Therefore, in reaction to these evident facts:

«As Europeans we must take greater responsibility for our security. We must be ready and able to deter, respond to, and protect ourselves against external threats. While NATO exists to defend its members – most of which are European – from external attack, Europeans must be better equipped trained and organised to contribute decisively to such collective efforts, as well as to act autonomously if and when necessary<sup>7</sup>.» But external and internal threats to Europeans' security are not the only parameter that has marked the Global Strategy. Other factors which influence the action of the European Union have also acted as catalysts and drivers of its future. A few examples, which we will examine in greater detail, are the UK's decision to leave the EU and Donald Trump's advent to the US presidency. Both events have had an undeniably unsettling effect on Europe owing to their evident repercussions on its security and defence.

Nevertheless, far from undermining European leaders' determination, these factors, together with the beginning of economic recovery, have spurred them to reach a collective commitment through the strengthening of the CSDP, whose roadmap was agreed on at the Bratislava summit in September 2016<sup>8</sup>.

<sup>5</sup> European Council Conclusions (19 and 20 December 2013). Available at <http://data.consilium.europa.eu/doc/document/ST-217-2013-INIT/es/pdf>. [Accessed 07/11/17].

<sup>6</sup> *A More Secure Europe in a Better World. European Security Strategy*. Brussels, 12 December 2003. Available at <http://www.consilium.europa.eu/media/30808/qc7809568esc.pdf> [Accessed 14/12/17].

<sup>7</sup> *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign Policy*. European External Action Service, 2016. Available at [https://europa.eu/globalstrategy/sites/globalstrategy/files/eugs\\_es\\_version.pdf](https://europa.eu/globalstrategy/sites/globalstrategy/files/eugs_es_version.pdf) [Accessed 12/10/17].

<sup>8</sup> *Bratislava Declaration* (16 September 2017). Available at <http://www.consilium.europa.eu/media/21234/160916-bratislava-declaration-and-road-map-es.pdf>. [Accessed 15/07/17].

The commitment was enshrined in the declaration commemorating the sixtieth anniversary of the Treaties of Rome: «a Union where all citizens feel safe and can move freely, where our external borders are secured, with an efficient, responsible and sustainable migration policy, respecting international norms; a Europe determined to fight terrorism and organised crime<sup>9</sup>.»

As for the materialisation of the Global Strategy, its first year of existence was marked by two major events. The first was the Joint NATO-EU Declaration signed at the Warsaw summit in July 2016 by the presidents of the European Council and European Commission and NATO's secretary-general. Its main purpose is to reflect the intention to deepen the transatlantic link and collaboration between the two organisations «in complementarity, synergy, and full respect for the institutional framework, inclusiveness and decision-making autonomy of the two<sup>10</sup>.» The second, and possibly the more significant, was the signing by 23 Member States<sup>11</sup> of the notification on permanent structured cooperation (PESCO) – Portugal and Ireland followed suit on 7 December, proving the collective intention to explore the full potential of the Treaty of Lisbon to make Europe better equipped to manage crises faster and more effectively.

All these indicators are taken into account in this chapter, which sets out to analyse from a chiefly military perspective the background and conditioning factors that led to the adoption of the Global Strategy. It also examines the processes, completed or still underway, which have strengthened European defence in only a year to make it increasingly effective as a provider of security within and beyond our borders.

We will analyse the difficulties faced by the CSDP civilian and military operations started up since 2003, and the European style of projecting security: the comprehensive approach, which represents the synergic sum of all the tools of the European Union's external action in the field of crisis management.

Finally, we will attempt to carry out a medium- and long-term prospective analysis of the evolution of European security and defence, consciously assuming the risk of being mistaken in our predictions but convinced that today, more than ever before, «a stronger and safer European Union is possible: together, we are making it happen»<sup>12</sup>.

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<sup>9</sup> *Rome Declaration of the Leaders of 27 Member States and of the European Council, the European Parliament and the European Commission* (25 March 2017). Available at <http://www.consilium.europa.eu/en/press/press-releases/2017/03/25/rome-declaration/pdf> [Accessed: 16/10/17].

<sup>10</sup> *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign Policy*. European External Action Service. *Op. cit.*

<sup>11</sup> All except Denmark – which did not adopt the CSDP – and the United Kingdom as it is shortly to leave the EU, and Malta. And, as pointed out, Ireland and Portugal did so subsequently.

<sup>12</sup> *From Shared Vision to Common Action: Implementing the EU Global Strategy*. *Op. cit.*



### Evolution of strategic thinking in the Union. From the *Solana strategy* to the Global Strategy

Although the formal beginnings of the current CSDP should be sought in the Maastricht and Amsterdam Treaties, which established the common foreign and security policy (CFSP), followed by the European security and defence policy (ESDP), its intellectual origin can be traced back to the European Security Strategy (ESS) of 2003 known as the *Solana strategy*.

To gain a correct understanding of the ESS, it is essential to set it in the context of the time. The CFSP and the ESDP sought to provide a response to the Union's evident inability to cope with a crisis in a geographically close area, the Balkans. In addition, at the time the European project was more vigorous and appealing than ever. The euro had come into operation the previous year and a few months later ten countries joined the Union, almost doubling the number of Member States from 15 to 25.

In 2003 the Union was thus an attractive project which conveyed optimism, and that optimism comes across in the ESS, the first sentence of which stated that «Europe has never been so prosperous, so secure nor so free»<sup>13</sup>. In a post-9/11 landscape this strategy identified the risks and threats the Union faced but, at the same time, conveyed a sensation of its determination to address them, chiefly by exporting the European model to the countries in the area, through the prospect of accession or with the aim of spreading European values and principles through the EU's neighbourhood policy and ultimately by mobilising all the civilian and military instruments of the crisis management system.

In line with the *comprehensive approach* and the stated wish to make the EU a «more active, more capable and more coherent» actor, the Union launched its first military operations: EUFOR Concordia<sup>14</sup>, which was immediately followed by EUFOR Artemis in the Democratic Republic of the Congo.

However, the environment in which the Global Strategy was drafted is radically different. Firstly, the risks and threats have grown in both number and intensity and are closer to the continent. There is no longer talk of a secure environment but of an *arc of instability* that extends from the Gulf of Guinea across the Sahel and the Horn of Africa to Afghanistan. The first Arab Springs triggered the Libyan crisis of 2011 (and its aftereffects on stability in the Sahel and migratory movements in the Mediterranean) and subsequently that of Syria, leading to the emergence of the Islamic State at Europe's gates. Coupled with this, the annexation of Crimea gave rise to a new form of conflict, *hybrid war*, which furthermore poses a risk of east-west confrontation in our continent. Lastly, the brutal outbreak of jihadi terrorism in the Union affects nations in central, northern,

<sup>13</sup> A Secure Europe in a Better World. *European Security Strategy*. Op.cit.

<sup>14</sup> The Former Yugoslav Republic of Macedonia, taking over from NATO's Allied Harmony operation.

## The EU after the Global Strategy. The future of the CSDP

southern and western Europe and, worryingly, is creating a growing sensation of insecurity among the population.

This landscape of new and growing risks and threats furthermore coincides with a pessimistic attitude towards the European project. The cracks appearing in European cohesion – between north south following the financial crisis and the east and the west as a result of the migratory crisis – have caused the Union to lose much of its appeal, a reality which culminated in the United Kingdom's decision to abandon the EU.

The Global Strategy reflects this environment, which led high representative Federica Mogherini to state in her foreword that «The purpose, even existence, of our Union is being questioned... Our wider region has become more unstable and more insecure.



Illustration 1: Federica Mogherini presenting the Global Strategy. Source: European Commission.

The crises within and beyond our borders are affecting directly our citizens' lives... This is even more true after the British referendum<sup>15</sup>.»

Consequently, it is only logical that the main priority of the Union's external action should be its own security. And it is therefore no coincidence that, following the publication of the Global Strategy, the first action undertaken by the Union in November 2016, only a few months after it was presented to the European Council, was to adopt the Implementation Plan on Security and Defence<sup>16</sup> setting in

<sup>15</sup> *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign Policy.* European External Action Service, 2016. *Op. cit.*

<sup>16</sup> *Implementation Plan on Security and Defence.* Available at <http://www.consilium.europa.eu/media/22460/eugs-implementation-plan-st14392en16.pdf>. [Accessed 1/12/2017].

motion all the initiatives described in this chapter for making the title of the Global Strategy, *A Stronger Europe*, a reality.

### **Catalysts of the evolution of the CSDP**

Above and beyond the security-related aspects that make up the international strategic landscape, the past years have witnessed the emergence of another group of factors that are set to become major catalysts of Europe's future. Although it is too soon to gauge their significance, they evidently have, and will continue to have, a major influence on the European Union's internal cohesion and policy as well as on its external action, especially with respect to the CSDP.

No doubt the first and most important event occurred in parallel to the development of the Global Strategy: the political campaign in the United Kingdom with respect to its continued membership of the Union. The campaign culminated in the referendum held on 23 June 2016, the results of which ratified the people's support for Brexit. Although everything will depend on the implementation of the agreement formalising the United Kingdom's divorce with the European organisation, adapting to this new post-Brexit scene will be a difficult and complex process. In the field of security and defence strictly speaking, the Union will lose a Member State with huge military potential in terms of both quantity and quality and with a nuclear capacity. The UK is furthermore a permanent member of the United Nations Security Council, a significant member of NATO and enjoys a special relationship with the United States.

For all the above reasons, the United Kingdom's decision to leave the EU poses many challenges and uncertainties, also with respect to the reconfiguration of international cooperation in the field of security and defence. In all fairness, however, although Britain's military capabilities are difficult to replace, it is equally true that its participation in the CSDP has been very limited and in most cases its interest in strengthening the role of the Atlantic Alliance and the US has prevailed over the EU's own interests in this field. Specifically, its participation in European military operations and missions amounts to little more than 2 percent of all military deployments and has never been consonant with its huge military might. Furthermore, it has proven to be against the progress of the CSDP as regards both ambition and funding and it has systematically opposed the establishment of a permanent command and control capability within the European Union.

Despite recognising that the United Kingdom's withdrawal from the European Union has come as a blow, the European Union seems determined to convert Brexit into an opportunity and a catalyst for greater integration. In this respect European security and defence has become a central issue of the EU's current narrative and development with various initiatives led by the four biggest members states: France, Germany, Italy and Spain, which make up the so-called QUAD. Prominent among these initiatives are the launch of PESCO, the review of the defence funding system and the first steps towards a command and control capability within

the European Union Military Staff (EUMS). Now it is a question of ensuring that all this progress materialises with the backing of the twenty-seven Member States and that Britain's exit, despite the loss of military capabilities it entails, leads to greater integration, the achievement of greater strategic autonomy and, ultimately, definitive impetus towards a Europe of defence.

Another factor that has aroused uncertainty in the European Union is the advent to the US presidency of Donald Trump, whose win in the November 2016 elections came as a surprise to many capitals, just as it did to the European Union. European leaders found the pro-Brexit and anti-EU stance he showed during the election campaign enormously unsettling.

Yet nearly a year after taking the helm of NATO's main diplomatic, economic and military power which, by extension, is a guarantor of European security, everything seems to indicate that President Trump's relationship with the European Union has settled into what can only be expected of a relationship between the two leading geopolitical powers of the western world. The United States is keeping up its major effort through NATO in relation to European security, is leading the international coalition in Iraq, and has strengthened its cooperation with the European Union in Africa, especially through the US Africa Command (AFRICOM), as well as stepping up its campaign to combat jihadi terrorism on all fronts.

Nevertheless, the occasional unpredictability of the US administration is not particularly conducive to re-establishing a close relationship between the EU and the United States. As the Global Strategy repeatedly states, the country is one of the Union's main partners in many areas, though it also stresses as another catalyst of the CSDP that «a more credible European defence is essential also for the sake of a healthy transatlantic partnership with the United States»<sup>17</sup>.

In addition, the spread of jihadi terrorism, apart from posing a huge threat to European citizens' security, has had direct repercussions on the CSDP and, accordingly, on the Global Strategy:

«Alongside external crisis management and capacity-building, the EU should also be able to assist in protecting its Members upon their request, and its institutions. This means living up to our commitments to mutual assistance and solidarity and includes addressing challenges with both an internal and external dimension, such as terrorism, hybrid threats, cyber and energy security, organised crime and external border management»<sup>18</sup>.

No doubt the increase in terrorist attacks inspired or carried out by Daesh on European soil since 2015 and the spread of the jihadist threat in Africa are a key factor in the European Union's firmer intention to join forces in the field of security and defence to protect Europe's citizens and territory. Judging from the Global Strategy, it aims to do so by means of two commitments laid down in

<sup>17</sup> *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign Policy. Op.cit.*

<sup>18</sup> *Ibid.*

the founding treaties of the European Union: the mutual assistance clause (article 42.7 of the Treaty on European Union/TEU<sup>19</sup>) and the solidarity clause (article 222 of the Treaty on the Functioning of the European Union/TFEU<sup>20</sup>).

Although we do not intend to enter the extensive legal debate raised by the implementation of these two instruments – which falls outside the scope of this essay – it is necessary to point out that including them in the Global Strategy has opened up new perspectives for a common defence, as well as confirming the commitment of European solidarity and, initially, Member States' willingness to contribute with their capabilities to act rapidly and jointly. However, as a result of the jihadist attacks carried out in Paris on 13 November 2015, France's invocation of article 42.7 gave definite impetus to including the mutual assistance and solidarity clauses in the draft Global Strategy.

France requested assistance in two specific areas: firstly, support in combating Daesh in Syria and Iraq, in the form of direct military involvement or logistic support; and secondly, military support for French forces taking part in national or international missions. In response to the invocation of article 42.7, the Member States expressed their political backing for France's demands, and their willingness to provide such assistance, which was finally arranged bilaterally at France's request.

In this respect, through a letter written by its military representation in March 2016<sup>21</sup>, France explained the reasons for resorting to article 42.7: because it is applicable when a Member State is the victim of an armed attack on its territory; because it furthermore explicitly refers to article 51 of the Charter of the United Nations as the legal basis of the principle of legitimate defence, and also to NATO, whose authority on military activities remains unchanged; and lastly, because it guarantees the Member State who invokes it great flexibility, allowing it to establish intergovernmental collaboration within the European Union. As for the support provided, the letter underlines that «seventeen Member States have undertaken to support France in the theatres of military operations», without specifying what that assistance consists of.

Nevertheless, by way of conclusion, as Professor Mariola Urrea Corres states:

«Above and beyond all the legal and political doubts raised by recourse to the mutual assistance clause under the terms proposed by France following the Paris attacks, which were accepted by the European Union and its Member States, it seems only fair to point out that providing for the mutual assistance and solidarity clause in the treaties on the Union is in any case an opportunity and a necessity, since, as the European

<sup>19</sup> *Treaty on European Union*. Consolidated version 26/10/12. Available at [http://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0005.02/DOC\\_1&format=PDF](http://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0005.02/DOC_1&format=PDF) [Accessed 21/10/17].

<sup>20</sup> *Treaty on the Functioning of the European Union*. Consolidated Version 26/10/12. Available at <http://eur-lex.europa.eu/legal-content/ES/TXT/PDF/?uri=CELEX:12012E/TXT&-from=ES> [Accessed 21/10/17].

<sup>21</sup> *Lettre de la Représentation militaire française*, no.64, March 2016. Représentation permanente de la France auprès de l'Union européenne. Available at <https://ue.delegfrance.org/lettre-de-la-representation-3387> [Accessed 21/10/17].

Parliament itself states, only with an autonomous security and defence capability will the EU be equipped and prepared to address the overwhelming threats and challenges that menace its internal and external security<sup>22</sup>.»

To end this brief analysis of the various catalysts of security and defence, it is necessary to underline the strategic about-turn made by both the EU and the NATO to become – with the firm intention of addressing threats regardless of their nature and geographical location – a 360-degree Union and a 360-degree Alliance.

These changes will enable NATO to make its efforts on the eastern flank – where Russia's annexation of Crimea, the war raging in Ukraine and pressure on the Baltic states have led it to reinforce its deterrent capability by deploying military forces in the allied countries in the region – compatible with paying greater attention to risks and threats from the southern flank, to the projection of stability and to fighting terrorism. The European Union is focusing its action on the African continent, where nine of the current CSDP civilian and military missions are being conducted, but without neglecting other areas of interest such as the West Balkans, the Middle East and Afghanistan.

At the same time, the EU is seeking to attain a civilian and military capability of its own in order to address the hybrid threat, especially defence from cyberattacks, as well as «to enhance the resilience of our eastern neighbours and uphold their right to determine freely their approach towards the EU» (as the Global Strategy points out), not forgetting that «the EU and Russia are interdependent. We will therefore engage Russia to discuss disagreements and cooperate if and when our interests overlap<sup>23</sup>.» Both organisations' agreement on their intention to act on all fronts and in response to all threats thus led to the implementation of the Joint EU-NATO Declaration of July 20 based on the realisation, expressed in all the areas of cooperation<sup>24</sup>, that it is essential to boost joint actions aimed among other things at countering hybrid threats, extending collaboration in cyberdefence and supporting efforts to enhance the capabilities of partners and allies to the east and south of Europe.

<sup>22</sup> URREA, M. «Una aproximación a la estrategia global para la Política Exterior y de Seguridad de la Unión Europea a partir de la respuesta de la Unión y sus Estados al terrorismo internacional». *Cuadernos de Estrategia* 184. *Una estrategia global de la Unión Europea para tiempos difíciles*. Instituto Español de Estudios Estratégicos/Observatorio Europeo de Seguridad y Defensa, February 2017. Available at [http://www.ieee.es/Galerias/fichero/cuadernos/CE\\_184.pdf](http://www.ieee.es/Galerias/fichero/cuadernos/CE_184.pdf). [Accessed 11/11/17].

<sup>23</sup> *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign Policy*. Op.cit.

<sup>24</sup> In the Joint Declaration signed at the Warsaw Summit (July 2016), the EU and NATO strengthened their commitment to giving fresh impetus and greater substance to the strategic partnership between the two organisations. It was agreed that cooperation between the EU and NATO should be increased and improved in seven specific areas: Countering hybrid threats; 2. Operational cooperation at sea and in migration matters; 3. Coordination in cybersecurity and cyberdefence matters; 4. Development of coherent defence capabilities that are complementary and interoperable; 5. A stronger defence industry and more research; 6. coordination exercises; 7. Supporting capability-creating efforts of eastern and southern partners. *Joint EU-NATO Declaration*, 8 July 2016. Available at <http://www.consilium.europa.eu/media/21481/nato-eu-declaration-8-july-en-final.pdf> [Accessed: 11/10/17].

## The Union's response

### CSDP operations and missions

The European Union has progressively been taking responsibility for its defence. This change began at the Saint-Malo summit of 1998, where the Union recognised the need to equip itself with a military capability that had been absent during the collapse of the former Yugoslavia, and has continued with the entry into force of the CSDP through the Lisbon Treaty in 2009 and the current process of implementing the Global Strategy.

Unlike other areas where the European Union has gradually been collectively taking on greater responsibilities since its establishment, the defence policy has been influenced by the Member States' firm will to maintain their independence when it comes to making decisions that could affect their sovereignty or national interests.

These determining factors also come into play when attempting to agree on ways of projecting the EU's action beyond its borders, and more specifically on the performance of civilian and military operations which undoubtedly constitute the greatest economic, material and human effort of CSDP. In a strictly military sense, military operations and missions are classified as *executive* (currently EUFOR, EUNAVFOR), characterised by the fact that the European Union takes some of the responsibilities the states where they take place, and *non-executive* (such as the European Training Mission (EUTM)), aimed chiefly at supporting the respective national authorities in tasks of training, mentoring or military advice as part of their security sector reforms.

In Europe, the European Union is currently running Althea in Bosnia-Herzegovina, an operation aimed chiefly at capacity-building and training the local armed forces. Nevertheless, its mandate allows for the use of force in collaboration with the local armed and security forces in the event of significant deterioration in the security situation.

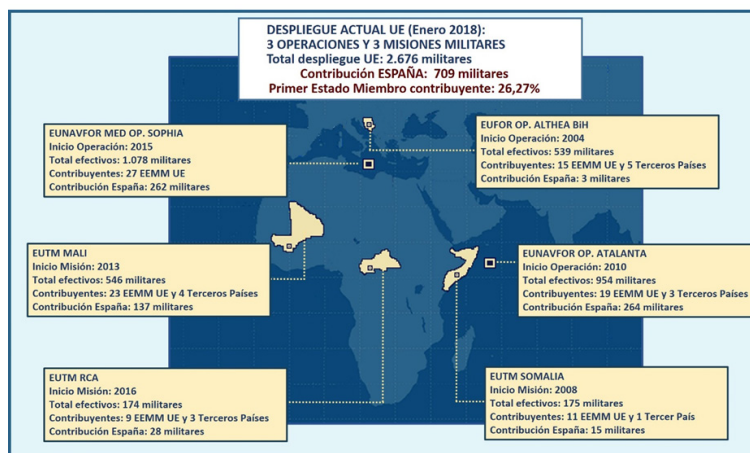


Illustration 2: Deployment of current CSDP operations and missions. Source: IEEE and compiled by the author.



Outside Europe, the Union is engaged in two maritime operations which are proving to be a success. In 2015, in response to the grave migratory crisis in the Central Mediterranean, EUNAVFOR Sophia was started up with the initial aim of stopping people trafficking to prevent deaths at sea and has evolved to take on responsibilities such as training the Libyan coastguards, verifying the United Nations' arms embargo on Libya and cracking down on other illegal maritime traffic. The Union is engaged in another maritime operation in the Horn of Africa region: EUNAVFOR Atalanta, which since 2009 has succeeded in drastically curbing piracy off the coasts of Somalia. However, it has a long way to go to achieve the desired final status, and the realisation that this international threat is still capable of seriously damaging shipping off the Gulf of Aden makes it advisable to continue with the operation.

Also in Africa, the European Union is involved in three training and advisory missions: in Mali (EUTM Mali, since 2013), the Central African Republic (EUTM RCA, since 2016) and Somalia (EUTM Somalia, since 2008). Although their specific tasks vary depending on the situation of the country, they all focus on reforming the respective national security sectors through providing military advice at the political and strategic levels, boosting the skills of armed forces units, and training officers. Even so, these European military missions aim for the governments of these three African countries to be capable of progressively taking responsibility for their citizens' security and defence. This challenge requires the sustained and coordinated effort of the various international actors involved and their continuation on the ground for as long is needed to achieve this difficult objective.

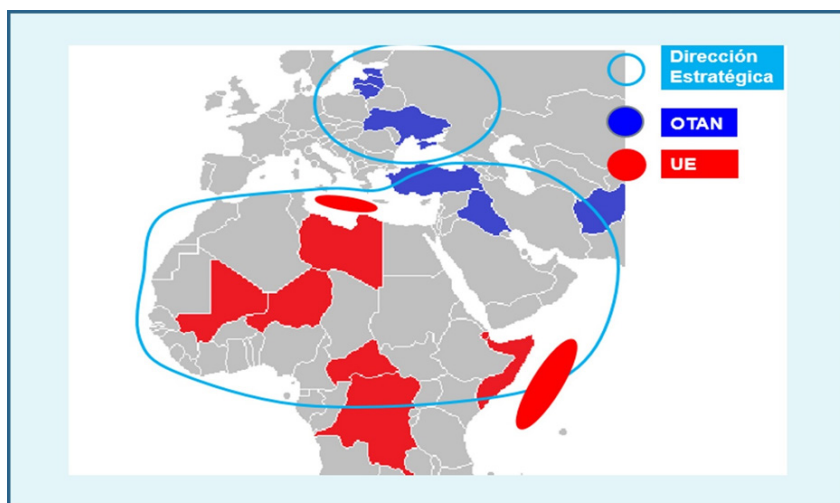


Illustration 3: Strategic Direction of NATO and the EU. Source: Compiled by the author.

However, despite the effort implementing all these military operations and missions entails, the European Union's response could be thought of as limited – in any case smaller in scale than the Lisbon Treaty permits. Indeed, the range of operations in-



cluded in the traditional Petersberg missions<sup>25</sup>, together with the abovementioned mutual assistance and solidarity clauses, offered a sufficiently broad range for the European Union to be able to aspire to a more important role on the international stage.

With respect to geographical area, as pointed out, the European Union's current military operations and missions are being conducted in its near neighbourhood. It might be inferred from a quick glance at the illustration showing the external deployments of the EU and NATO that the Union's attention is focused mainly on Africa, as five of its six CSDP military operations and missions take place in that continent. However, the fact that Europe's efforts give priority to the south does not mean that it is no longer concerned about the eastern flank, as hybrid threats are more likely to come from this strategic direction.

Furthermore, the factor that distinguishes the EU's military operations and missions from those of other organisations, specifically NATO, is that they are not limited to defence. The Union's external action thus incorporates – together with the military tool – political, financial, development assistance, state building and humanitarian assistance elements, among others. This global perspective has shaped a European style of projecting and generating security beyond our borders that is reflected today in the so-called *integrated approach*.



Illustration 4: EUTM-type missions. Source: Compiled by the author.

<sup>25</sup> Now commonly termed *Petersberg Plus* missions since the entry into force of the Lisbon Treaty (art.43.1.TEU: «joint disarmament operations, humanitarian and rescue tasks, military advice and assistance tasks, conflict prevention and peace-keeping tasks, tasks of combat forces in crisis management, including peace-making and post-conflict stabilisation. All these tasks may contribute to the fight against terrorism, including by supporting third countries in combating terrorism in their territories.»). *Treaty on European Union, op. cit.*

## The EU after the Global Strategy. The future of the CSDP

But despite the substantial progress achieved by these military operations and missions in terms of security within and outside the European Union, it should be recognised that they still suffer from various limitations which we will go on to analyse in greater detail.

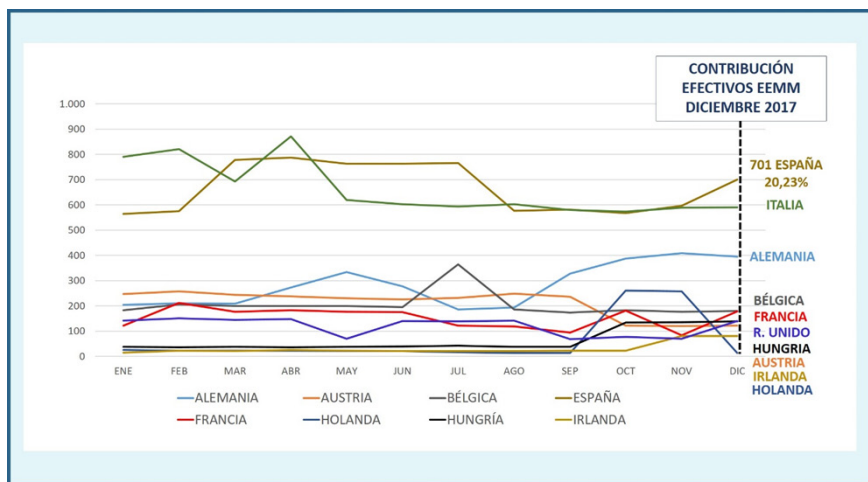


Illustration 5: Evolution of contributions to military operations and missions. Source: compiled by the author.

The three main limitations are: deficient command and control structures; problems of funding deployments, which hinder force generation; and, lastly, the legal constraints derived from the precepts enshrined in the Lisbon Treaty, especially those referring to the common funding of equipment for aiding the development of the military capabilities of the countries where the missions take place.

In this context, despite the challenges posed by overseas military deployments, Spain is one of the Member States that are most committed to CSDP military operations and missions and practically the only one that contributes personnel to all of them. Spain's commitment therefore implies a heavy involvement of personnel and resources in the two maritime operations and the three training missions in Africa. Spain has furthermore led the European military effort overseas on many occasions, either by providing Force Headquarters (FHQ) for operations Atalanta and Sophia, or by commanding EUTM-type missions. This leadership is set to continue in the future, as a Spanish general will again command EUTM Mali in January 2018.

### *The Lisbon Treaty and the Global Strategy Implementation Plan*

#### A renewed level of ambition

The European Union's wish to carve out a role as an actor with a capacity for global action is inseparably linked to its ability to operate autonomously.

Therefore, strategic autonomy is a decisive factor in the new level of ambition and must be taken to extend to two areas: achieving and developing military capabilities as well as the ability to be operationally self-sufficient. Although this concept is not explicitly laid down in the Global Strategy, it is stated in the abovementioned Implementation Plan on Security and Defence based on the strategic priorities listed in the Strategy. In this respect the Strategy establishes that the EU must be capable of acting in the following scenarios:

- In response to external crises: with the ability to intervene in all stages of conflicts or crises beyond the EU's borders, with a global scope, so as to perform all the types of missions provided for in the Treaty on European Union<sup>26</sup>.
- In capacity-building of partner countries: by performing CSDP operations and missions to foster the stabilisation and resilience of partner states and allies in the process of recovering from a conflict. The abovementioned EUTMs fall into this category.
- In protecting the EU and its citizens: by performing CSDP operations and missions beyond its borders which address risks and threats with an impact on the EU's internal security. This area underlines the close connection between the Union's internal and external security; therefore, the stabilisation and security of third countries will directly affect the Union's own security.

Evidently both the Global Strategy and the definition of level of ambition stem from the principle of close cooperation with other organisations, particularly NATO. The terms of this collaboration have shifted from the previous reliance on NATO's military capabilities to the current approach of a correct alignment between the two organisations. This strategic shift seeks to avoid unnecessary duplication and to optimise the provision and use of the resources that Member States make available to the respective organisations. These resources are the same for NATO and the EU in Member States which, like Spain, belong to both.

While the Global Strategy was taking shape, the need was identified to update the EU's defence capability requirements from both a purely military approach and with a view to developing industrial capabilities. It was essential to have a clear definition of the new level of ambition that would establish the final objective of this update.

The definition was finally put together by the Foreign Affairs Council of 14 November 2016<sup>27</sup> and has given rise to a process in which the first step was

<sup>26</sup> The abovementioned Petersberg Plus missions, according to art 43.1. TEU: «joint disarmament operations, humanitarian and rescue tasks, military advice and assistance tasks, conflict prevention and peace-keeping tasks, tasks of combat forces in crisis management, including peace-making and post-conflict stabilisation.» *Treaty on European Union, op. cit.*

<sup>27</sup> The European Union Foreign Affairs Council in a joint session of the Foreign Affairs and Defence ministers. The new level of ambition is established in the «annex to the annex» to

to define the military requirements establishing the capabilities the EU may need to perform CSDP operations and missions. The previous requisites, stemming directly from the ESS, dated from 2005 and remained in force until November 2017. The review carried out on the basis of the new level of ambition ended with the publication of the EU's *military requirements catalogue 2017*.

The second step will be to review the Capability Development Plan (CDP) of the European Defence Agency, which lays down the priorities the EU should establish for tackling its capability shortfalls taking as a basis both the previous military requirements and the prospect of long-term technological developments. In this case the priorities derived from the latest amendment to the CDP were established in 2014, whereas its new review, already under way, will end in 2018 with a new set of priorities.

Therefore, in an exercise of synergy and efficiency, the Union has succeeded in making a combined effort to develop all these processes, which initially started out separately. All this will lead to a sound and coherent definition of the EU's defence capabilities. The idea is for the European Union to have the military capabilities it needs to ensure autonomy and freedom of action for fulfilling the level of ambition it has set itself.

### From comprehensive approach to integrated approach

In 2013, the adoption of the Joint Communication from the Commission and the European External Action Service (EEAS) on *The EU's comprehensive approach to external conflict and crises*<sup>28</sup> marked the final definition of the Union's external action which, enshrined in the Lisbon Treaty of 1999, advocated coherence between the various policies and the use of its numerous resources and instruments to make it «more consistent, more effective and more strategic»<sup>29</sup>.

Although since the European Economic Community was founded in 1957 there has always been a *European way of doing things* based on cooperation, development and conflict prevention beyond Europe's borders, the abovementioned document backed the comprehensive approach as the cornerstone of the European Union's external action and, accordingly, Europe's willingness to coordinate its efforts in the fields of diplomacy, security, defence, finance, trade, development cooperation and humanitarian aid in order to «better define and defend its fundamental interests and values, promote its key political objectives and prevent crises

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the Council Conclusions. Available at <http://www.consilium.europa.eu/media/22459/eugs-conclusions-st14149en16.pdf> [Accessed 04/12/17].

<sup>28</sup> Joint Communication to the European Parliament and the Council, *The EU's comprehensive approach to external conflict and crises*. European Union, 11/12/13. Available at <http://eur-lex.europa.eu/legal-content/ES/TXT/PDF/?uri=CELEX:52013JC0030&from=ES> [Accessed 10/10/17].

<sup>29</sup> *Ibid.*

or help to restore stability»<sup>30</sup>. The Joint Communication further underlined that the connection between security and development – inseparable factors when addressing any crisis – was the main key to implementing the comprehensive approach, which furthermore required assuming a responsibility shared by the various European institutions and the Member States.

Nevertheless, in order to boost the effectiveness of Europe's external action, the Global Strategy has changed the concept of the comprehensive approach into one that is more global and ambitious: an integrated approach. With this new approach, the European Union is not only committed to making consistent use of all its policies for achieving peace and fostering security beyond its borders but also to acting at all the stages of the conflict cycle: «We will invest in prevention, resolution and stabilisation, and avoid premature disengagement when a new crisis erupts elsewhere<sup>31</sup>.»<sup>31</sup> This integrated approach likewise requires collaboration with the different levels of governance (international, regional, national and local) and a multi-lateral approach «engaging all players present in a conflict and necessary for its resolution. . . Greater cooperation will also be sought at the regional and international levels»<sup>32</sup>.

The adoption of the integrated approach undoubtedly marks an important qualitative improvement in Europe's determination to project stability and address and solve complex problems menacing its borders and with unquestionable internal security repercussions.

This approach is particularly important in the case of North Africa and the Sahel: a strategic area which, especially since the failed Arab uprisings and the fall of Gaddafi's regime in Libya, has witnessed a significant deterioration in its security and development that is highlighting the regional governments' inability to address threats such as terrorism, armed conflict and organised crime on their own.

Therefore, in addition to stepping up comprehensive cooperation with the countries on the southern shore of the Mediterranean, it is particularly important to carry on developing, improving and giving impetus to the European Union's two strategies for the sub-Saharan region (both adopted in 2011): the Strategy for Security and Development in the Sahel<sup>33</sup> and the Strategic Framework of the Horn of Africa<sup>34</sup>, both of which have the shared aim of collaborating on solving

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<sup>30</sup> *Ibid.*

<sup>31</sup> *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign Policy*, Op. cit.

<sup>32</sup> *Ibid.*

<sup>33</sup> *EU Strategy for Security and Development in the Sahel*. Foreign Affairs Council, 23/03/2011. Available at [http://www.eeas.europa.eu/africa/docs/sahel\\_strategy\\_en.pdf](http://www.eeas.europa.eu/africa/docs/sahel_strategy_en.pdf) [Accessed 16/10/17].

<sup>34</sup> *A Strategic Framework for the Horn of Africa*. EU Foreign Affairs Council Brussels, 14/11/11. Available at [http://consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/EN/foraff/126052.pdf](http://consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/126052.pdf) [Accessed 16/10/17].

the political, security and humanitarian crisis and encouraging the establishment or strengthening of democratic political structures capable of mitigating threats and preventing conflicts.

This is the current backdrop to the external action of the European Union, which, from an integrated approach, is cooperating with national authorities on capacity building and on security-sector reforms, especially through civilian and military missions, as well as on fostering governance, justice and development. It acts in close coordination with the regional and international organisations involved in settling crises and conflicts, especially the complex situations that arise in Africa's vast territory.

### Permanent structured cooperation (PESCO)

One of the most ambitious possibilities offered by the Lisbon Treaty in defence matters is undoubtedly PESCO<sup>35</sup>. The idea is for those Member

States that are most «able and willing» to cooperate more intensively in developing and employing capabilities through a number of common projects. PESCO therefore goes much further than *pooling & sharing* type of cooperation in capabilities as it entails economic, industrial, planning and force-use commitments and implications. The true added value of PESCO thus lies in bringing into line the Member States' planning processes to achieve jointly agreed capabilities objectives.

In order to take part in this initiative, Member States must prove they meet a number of very demanding commitments in various areas such as<sup>36</sup> investment, enhancement of capabilities, availability, interoperability, and deployability of their forces and make a greater contribution to the common funding of CSDP operations and missions. We are therefore dealing with an ambitious and large-scale project which unquestionably requires political support at the highest level.

The attempt made to implement PESCO in through the rotating presidencies (Belgium and Spain) proved fruitless as the EU was not in a position to do so, owing especially to the lack of a clear political impetus. However, as witnessed during the celebration of the 60th anniversary of the Rome Treaties (25 March 2017), the political and security situations have since evolved and it is necessary to make citizens aware of common security and defence scenarios as well as to provide for the possibility of a several-speed Europe if necessary: «We will act together, at different paces and intensity where necessary, while moving in

<sup>35</sup> Art. 42.6. EU «Those Member States whose military capabilities fulfil higher criteria and which have made more binding commitments to one another in this area with a view to the most demanding missions shall establish permanent structured cooperation within the Union framework».

<sup>36</sup> Art. 2, Protocol 10, of the Treaty on the Functioning of the European Union.

the same direction, as we have done in the past, in line with the Treaties and keeping the door open to those who want to join later. Our Union is undivided and indivisible<sup>37</sup>.»

Giving shape to PESCO has been an exercise in achieving a difficult political balance. On the one hand, it was deemed necessary for the largest possible number of Member States to take part in order to convey the message of a cohesive EU; on the other hand, in order for the initiative to mark real progress towards the Europe of defence, it was necessary not to loosen standards too much regarding the various commitments that its implementation entails. Bearing in mind these two aspects, the countries which led the development of PESCO (Germany, Spain, France and Italy) have made their initial approaches increasingly flexible in order to achieve an inclusive several-speed process. This means that the various projects to be set in motion in the framework of PESCO will be the tool for making its ambition compatible with its inclusive nature. Indeed, the Member States taking part will be able to involve themselves to a greater or lesser degree by choosing the projects in which they wish to participate.

Ideally, an initiative of such importance requires a top-down approach so that, first and foremost, the associated commitments and decision-making mechanisms are established. The next step would be to develop projects based on the previous conditions. Even so, given the political will to make rapid progress in this field, in practice the general framework of PESCO and the projects submitted by Member States have been discussed practically simultaneously. The result is a list of very different projects ranging from a few related to force structure to others centred on developing support capabilities (medical, logistic) and others that are more relevant to industry and R&D than to capabilities. With all these determining factors, a total of 17 projects were selected and were announced at the same time as PESCO was launched at the Foreign Affairs Council of December 2017<sup>38</sup> and are due to be formally adopted by means of a Council decision at the beginning of 2018. The projects adopted by the Council include one submitted by Spain, which the country is furthermore willing to lead: to equip the European Union strategically with the command and control assets needed to plan and lead military operations and missions.

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<sup>37</sup> Rome Declaration of the Leaders of 27 Member States and of the European Council, the European Parliament and the European Commission, 25 March 2017. Available at [http://europa.eu/rapid/press-release\\_STATEMENT-17-767\\_es.htm](http://europa.eu/rapid/press-release_STATEMENT-17-767_es.htm) [Accessed 21/10/17].

<sup>38</sup> *Declaration on PESCO projects*. Foreign Affairs Council of 13/12/17. Available at <http://www.consilium.europa.eu/media/32020/draft-pesco-declaration-clean-10122017.pdf> [Accessed 14/12/17].





Illustration 6: European Council, launch of PESCO. Source: EEAS and author.

These projects could ideally qualify for European Union funds, and this will inevitably boost Member States' interest. Indeed, an initiative like PESCO, which has a major industrial component, should be associated with economic incentives to make it attractive, and this is where the Commission comes into the picture: it should play a leading role in developing the Global Strategy. The Commission's Action Plan<sup>39</sup>, although not designed exclusively for PESCO projects, is perfectly consonant with its spirit as it aims to facilitate the development of collaborative projects that make gradual progress towards making the Europe of defence a reality.

Attempting to envisage the future context of an initiative that carries so much political weight so close to the Council that officially launched it is risky to say the least. Although the initiative will unquestionably be strengthened, as PESCO is developing thanks to the political backing of the defence ministers of the QUAD countries, its success will depend on its ability to strike a balance between developing defence capabilities (industrial) and operational issues, so that the processes of planning and using capabilities are brought into line in order for the first steps to be taken towards the Europe of defence.

The coordinated annual review on defence (CARD) is a process that is closely linked to PESCO. It was established to help the Member States develop their

<sup>39</sup> Commissioner Elżbieta Bieńkowska, responsible for Internal Market, Industry, Entrepreneurship and SMEs, stated: «Europe must become a security provider. The Fund will support collaborative research in defence and the joint development of defence capabilities. It will therefore be a game-changer for the EU's strategic autonomy and the competitiveness of Europe's defence industry – including the many SMEs and mid-cap companies forming the European defence supply chain». European Commission. Press Release 7 June 2017. Available at [http://europa.eu/rapid/press-release\\_IP-17-1508\\_es.htm](http://europa.eu/rapid/press-release_IP-17-1508_es.htm) [Accessed 21/10/17].



defence capabilities in a more structured and efficient manner by analysing Member States' contributions to the EU's military and national defence planning capabilities. In short, it is intended to give impetus to cooperation between Member States, address the shortfalls identified in capabilities development and optimise funding and States' obtention of the necessary resources. A trial run was recently set in motion and an initial analysis of its results will be released in the autumn of 2018. Drawing on the lessons learned from the trial run, the first CARD process will get off the ground in 2019, and is due to be carried out every two years. Given the voluntary nature of CARD for Member States, the keys to its success will be participation of the majority, successfully interrelating it to other initiatives such as PESCO and the Commission's Action Plan, and, above all, its coherence with national and international (NATO) processes for planning and developing military capabilities.

### **The Commission's Action Plan**

The economic situation of the past 12 years has led to a 12 percent reduction in Member States' defence expenditure which has not been offset by the economies of scale that could be achieved by stepping up international cooperation. Around 80 percent of state defence contracts are developed in an exclusively national context, leading to costly duplication of military capabilities<sup>40</sup>. It is reckoned that the cost of this lack of cooperation amounts to between 25 and 100 billion euros annually for the Member States as a whole. In addition, a basic and limiting characteristic of the EU's budgetary policy is that the budget cannot be used to develop or obtain defence capabilities.

This constraint called for seeking ways of bolstering the development of the EU's defence industry with the twofold aim of ensuring its competitiveness and, at the same time, allowing it to equip itself with the necessary defence capabilities as part of the effort to achieve the required strategic autonomy. For the first time, in December 2013, the European Council considered the possibility of using the EU budget to fund defence research and technology projects and asked the European Commission and European Defence Agency to study proposals focused on civil and military dual-use technologies<sup>41</sup>. In June 2015, the European Council urged the Union to deepen the development of civilian and military capabilities and to give impetus to the European defence industry, including small and medium-sized enterprises (SMEs). It expressly mentioned using EU funds to develop key capabilities through European cooperation in defence matters<sup>42</sup>.

<sup>40</sup> According to the SIPRI Military Expenditure database 2014, Military Database 2015. Stockholm International Peace Research Institute (SIPRI). Available at <https://www.sipri.org/databases/milex> [Accessed 25/10/17].

<sup>41</sup> EUCO 217/13. *European Council Conclusions* (20/12/13). Available at <http://data.consilium.europa.eu/doc/document/ST-217-2013-INIT/es/pdf> [Accessed 24/10/17].

<sup>42</sup> EUCO 22/15. *European Council Conclusions* (26/06/15). Available at [http://www.consilium.europa.eu/media/21701/euco-conclusions\\_26062015\\_es.pdf](http://www.consilium.europa.eu/media/21701/euco-conclusions_26062015_es.pdf) [Accessed 26/10/17].

With this background, in November 2015 the Commission launched its first roadmap for implementing a European Defence Action Plan (EDAP)<sup>43</sup> in order «to allow the defence industrial base to remain innovative and competitive and, ultimately, be able to deliver Europe's capability needs». The EDAP was adopted a year later<sup>44</sup> and proposed that the Commission act in three specific areas of defence, by:

*Setting up a European Defence Fund to support investment in collaborative research and the development of equipment and technology during the research and capabilities development stages.*

- Fostering investment in SMEs, start-ups, *midcaps*<sup>45</sup> and other defence industry suppliers and, in cooperation with the European Investment Bank, seeking to facilitate access to funding for supply chains.
- Strengthening a single, open and competitive market for the defence sector in Europe in order to provide Member States with optimum returns on their investments in public contracts. Without undervaluing other areas, the EDAP's true added value is the European Defence Fund in view of the substantial economic resources it intends to make available for industry and capabilities development. The European Defence Fund is structured into two *windows* or sections, which are complementary:

A Research Window to fund collaborative defence research projects. The Commission has set up an initial budget of 90 million euros between 2017 and 2019 for a project to prove its feasibility, called Preparatory Action, in which the European Defence Agency acts as the executive body. If the results of the Preparatory Action are satisfactory, funding will be granted to the abovementioned defence research programme as part of the *multinational financial framework* (MFF) 2021-27, with a maximum of 3.5 billion euros, through the inclusion of an annual budget of 500 million euros. This funding will not interfere with the funding of a civilian research programme in the MFF.

A Capabilities Window aimed at facilitating the joint development and acquisition of the strategic capabilities agreed by the Member States. It is centred on the technology development and acquisition. cycles, and of prototypes and products, which will become the property of the Member States. This programme was named European Defence Industrial Development Programme (EDIDP) and could have an annual budget of up to 5 billion euros. This budget will be provided by the Member States, though the Commission is prepared to contribute 20 percent and up to 30 percent for projects developed in the area of PESCO.

<sup>43</sup> Commonly called the Commission's Action Plan.

<sup>44</sup> *European Defence Action Plan: Towards a European Defence Fund*. European Commission. Press release (30 November 2016). Available at [http://europa.eu/rapid/press-release\\_IP-16-4088\\_es.htm](http://europa.eu/rapid/press-release_IP-16-4088_es.htm) [Accessed 25/10/17].

<sup>45</sup> Enterprises that employ a maximum of 3,000 workers.

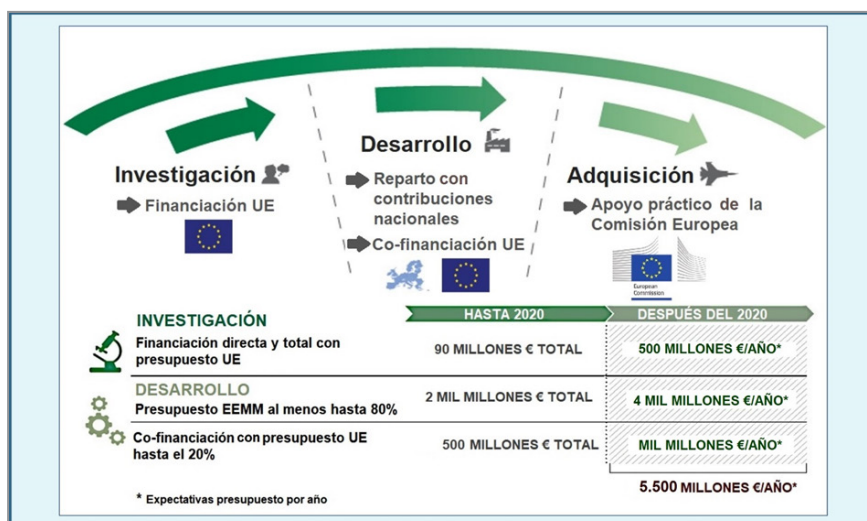


Illustration 7: The European Defence Fund. Source: European Commission and compiled by the author.

As outlined in the EDIDP, the EDAP establishes a cross-cutting relationship with other areas. We have already mentioned its direct link with PESCO, which means that some activities included in the PESCO project may be eligible for funding through the EDIDP. Similarly, the CARD will facilitate the generation of collaborative projects through comparison of the different Member States' defence plans. Defining the European Union's new military capabilities requirements and the CPD will help prioritise projects when the time comes to establish the EDIDP's working programme.

Therefore, if there is one term that defines the present moment, it is *opportunity*. All these initiatives are being devised in the same time period and this provides the Union with a unique chance to harmonise their development and, accordingly, optimise their results and the benefits for the Member States and the Union as a whole.

The involvement of the Commission marks a radical change on the European defence scene, as it opens the door to the common funding of capabilities and a substantial injection of funds available to the industry. In the current context this could be a decisive factor in the cycle of military capabilities acquisition and European defence technology and industrial base development – all in all, as the Global Strategy states, to progress towards the EU's strategic autonomy.

### Command and control capability

The European Union does not have a permanent command and control structure that allows it to react to crises as swiftly and effectively as any military response requires. To plan and conduct executive military operations it de-

depends on five *dormant*<sup>46</sup> headquarters which are activated if necessary by means of contributions of extra personnel from the Member States. The activation process evidently slows down and hinders the efficiency of military deployment.

In the case of non-executive military missions, this shortfall is being addressed by creating the Military Planning and Conduct Capability (MPCC), which is progressively taking over command functions related to military missions (EUTM).

Before the MPCC was created, non-executive missions were organised at Mission Headquarters<sup>47</sup>, which acted from the theatre of operations simultaneously on a strategic, operational and tactical level. The problems began as early as the planning stage, when it was necessary to set up headquarters *ex nihilo* in a process similar to that involving the activation of the OHQs. The interaction of this *embryonic* headquarters with the various bodies of the European External Action Service and the Commission was complicated to say the least, as it was not part of any official EU structure. All this constrained the use of synergies characteristic of the integrated approach.

Further hitches arose during the conduct of the mission. The first was the lack of a clear chain of command. The mission commander reported directly and exclusively to the Political and Security Committee (PSC), which, as a collegiate body, is not permanently available. In addition, the requirement that the force commander act simultaneously at the strategic, operational and tactical levels resulted in a permanent relationship with political authorities not collocated with in the mission and, consequently, the need to frequently leave the theatre or area of operations. Lastly, there was an obvious lack of a higher headquarters to which to report periodically and which could assess the work performed and reorient the mission if necessary.

Therefore – thanks in part to the determination and efforts of Spain – the Council Conclusions of 14 November 2016 urged the High Representative to offer options for establishing a Military Capability for planning and conducting non-executive missions, to be based on structures of the EU's External Action Service. This Capability was finally set in motion during the first half of 2017. It is part of the EUMS, and its director is the Director General of the EUMS (DGEUMS), who, with this new responsibil-

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<sup>46</sup> Called *OHQs*, and located in Germany, France, Greece, Italy and the United Kingdom. These five will soon be joined by a Spanish OHQ in Rota, which is expected to be fully established by 1 January 2019. Two are currently active: that of the United Kingdom, which commands operation Atalanta from Northwood; and the Italian HQ which commands operation Sophia from Rome. To these OHQs should be added the Supreme Headquarters Allied Powers Europe (SHAPE), which can be used to plan and conduct CSDP operations pursuant to the Berlin Plus accords. It is currently activated to conduct operation Althea. But it is very difficult to anticipate a new scenario in which this Headquarters can be activated unless the dispute between Cyprus (an EU Member States) and Turkey (a NATO ally) is settled.

<sup>47</sup> MHQ

ity, has assumed command of all military missions at the strategic level. The three commanders of the forces of the EUTMs currently underway (Somalia, Mali and the CAR) are therefore subordinate to him. The MPCC is also progressively coordinating military missions with similar civilian missions that report to the Civilian Planning and Conduct Capability (CPCC). Although these provisions are being implemented to some extent, they will all be reviewed during the second half of 2018.

Despite the difficulties, there is no doubt whatsoever that establishing the MPCC has been positive and that the shortfalls identified in the planning and con-

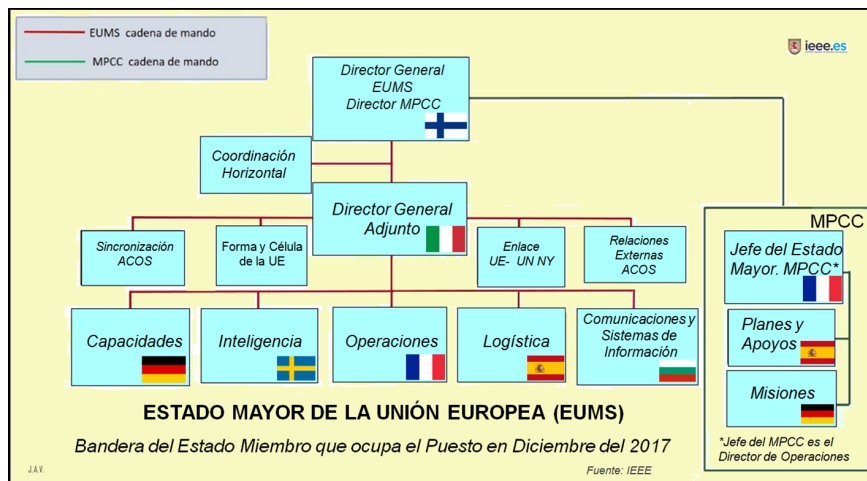


Illustration 8: European Union Military Staff (EUMS). Source: compiled by the author.

duct of non-executive missions have improved in many aspects. For example, the handling of the response to the terrorist attack on the tourist complex of Le Campement (Bamako, 18 June 2017) proved the added value of this Capability, as the tasks were clearly divided between the Director of the MPCC and the Force Commander, allowing the latter to concentrate on solving the crisis on the ground. In other words, the MPCC has enabled the various Force Commanders to concentrate on tactical tasks, and this has helped them accomplish the missions entrusted to them.

However, there is still a long way to go. Firstly, the MPCC has a major shortage of personnel that needs to be solved, as otherwise it will not be able to prove its complete usefulness owing to its current limitations on effectively supporting missions.

Furthermore, the MPCC was established around the time the United Kingdom decided to leave the EU. The UK has traditionally been opposed to any progress in defence matters – and specifically to the Union having its own command and control structure. It is therefore necessary to aim to evolve towards a single structure that assumes command of all CSDP military operations and missions, including those

considered to be executive. In addition to addressing the EU's shortfalls in this area, this will make it possible to take advantage of the EU's civilian military synergies and, accordingly, make the most of the integrated approach which, as we have underlined, is the main added value the Union can contribute to crisis management.

### Funding of CSDP military operations and missions

As has been stated previously, the European Union wishes to improve its tools for responding to conflicts and external crises, to collaborate on building its partners' and allies' capabilities, and to protect its territory, institutions and citizens. However, the budgetary support for such ambitious objectives is limited owing to the restrictions imposed by the TEU, article 41.2 of which establishes that «expenditure arising from operations having military or defence implications» cannot be charged to the Union budget, which can only be allocated to civilian operations. These constraints were recently pointed out in the Commission's *Reflection paper on the future of EU finances*<sup>48</sup>, which highlighted the need to examine how to bring EU finances into line with the new priorities laid down in the Global Strategy.

Indeed, the EU budget cannot currently cover all the types of actions the Union aims to carry out. This constraint leads to shortfalls in its financial architecture and undermines the effectiveness of its external action and its security and defence efforts. Three main areas are affected in this field:

- First, financial support for the EU's military operations and missions is limited. The so-called *common costs* of these operations (about 15-20 percent of their total cost) are funded outside the EU budget from Member States' contributions through the Athena mechanism which was set up in 2004 to overcome the constraints mentioned in article 31.2 of the TEU. The successive reviews of the mechanism have not amounted to any progress in adapting the scope of the common cost to the EU's greater ambition in the CSDP – a fact that reflects the very complex political equilibrium of the Union in intergovernmental issues. Nor are substantial changes expected of the last of these reviews, which is currently being carried out. Lastly, Brexit raises additional uncertainties as the United Kingdom currently contributes 16.75 percent of the mechanism's financial resources.
- The EU's economic contribution to the military operations of allies and friends is currently limited to the peace support operations directed by the African Union. This funding furthermore comes chiefly from outside the EU

<sup>48</sup> *Reflection paper on the future of EU finances*. European Commission (28 June 2017). Available at [https://ec.europa.eu/commission/publications/reflection-paper-future-eu-finances\\_en](https://ec.europa.eu/commission/publications/reflection-paper-future-eu-finances_en). Accessed 11/10/17.

budget through the African Peace Facility<sup>49</sup> (APF), an instrument belonging to the European Development Fund<sup>50</sup> (EDF) and, like the Athena mechanism, funded through contributions of the Member States. The APF has a special, temporary nature, with certain financial restrictions and a limited geographical scope as it only covers the African countries and the Caribbean and Pacific pursuant to the Cotonou Agreement. It is also limited to funding multilateral projects, and individual states can therefore not benefit directly from it. Lastly, its effectiveness is hampered by matters relating to the ownership of the programmes and certain political sensibilities. To get round all these limiting factors the EU needs to be capable of providing military or defence operational assistance to third states and international organisations directly on a much more global scale.

- Lastly, owing to the same restriction imposed by the abovementioned article 41.2, nor does it have the possibility of funding from its budget *capacity building in security for development* (CBSD), which includes training activities, the provision of non-lethal military equipment and infrastructure. In January 2016, the European External Action Service (EEAS) and the Commission agreed that the most feasible option for remedying this shortfall would be to amend the Instrument Contributing to Stability and Peace (IcSP)<sup>51</sup> in order to also include the so-called *military CBSD*, provided it remained linked to development and subject to strict conditions. This amendment, which has taken a long time to get through the European Council, Commission and Parliament, will allow needs to be partly met in this area. However, the financial limitation of the reform (100 million euros in three years), its timeframe (until 2020) and the restrictions on its application (only in exceptional cases) call for more ambitious initiatives.

The possibility of remedying or alleviating these financial shortcomings other than with the initiatives described above in connection with Athena and the IcSP is very limited in the current MFF. For this reason, the main effort is currently being centred on reforming extra-budgetary support for the furtherance of the EU's peace and security objectives.

First, it should be realised that budgetary support within and outside the EU can be coordinated in pursuit of the same objectives. Second, in accordance with this new approach, the new post-2020 MFF and the proposals for extrabudgetary funding should be submitted in parallel so that the Member States can gain an idea of the total extent of their financial commitments at

<sup>49</sup> *African Peace Facility*. European Commission. Available at [https://ec.europa.eu/euro-peaceid/regions/africa/continental-cooperation/african-peace-facility\\_en](https://ec.europa.eu/euro-peaceid/regions/africa/continental-cooperation/african-peace-facility_en). Accessed 11/10/17.

<sup>50</sup> *European Development Fund*. European Commission. Available at [http://ec.europa.eu/budget/biblio/documents/FED/fed\\_en.cfm](http://ec.europa.eu/budget/biblio/documents/FED/fed_en.cfm). Accessed 11/10/17.

<sup>51</sup> *Instrument contributing to Stability and Peace, preventing conflict around the world*. European Commission. Available at [http://ec.europa.eu/dgs/fpi/what-we-do/instrument\\_contributing\\_to\\_stability\\_and\\_peace\\_en.htm](http://ec.europa.eu/dgs/fpi/what-we-do/instrument_contributing_to_stability_and_peace_en.htm) [Accessed 12/10/17].

EU level. And this should be done with a broad vision of CDSP that incorporates the initiatives derived from PESCO and the Commission's Action Plan.

In this regard, the most ambitious solution envisaged would consist, from 2020 onwards, in setting up a single extrabudgetary fund to finance the three main areas of the CSDP previously mentioned on a totally fungible and programmable basis with a view to replacing the APF and the Athena mechanism. Generally speaking, the fund should be endowed with a sum similar to the combination of both mechanisms' current budgets. Ideally, the fund should be underpinned by a single decision-making structure and rules on implementation, and should preserve the prerogatives of the Member States. This is a broad political vision whose shaping, development and implementation are set to be long and complex, but it is worth considering and attempting to bring it to fruition in order to boost the efficiency of the EU's foreign action. The experience of past milestones indicates that political will has always been the decisive factor in each of these accomplishments. It will be no different this time around.

### The EU's intelligence structures

In the Union intelligence work is carried out chiefly through two bodies: the European Union Intelligence and Situation Centre (INTCEN) and the European Union Military Staff's Intelligence Directorate (EUMS-INT). They are both part of the EEAS, but belong to different departments, as the INTCEN is organisationally responsible to the General Secretariat for CDSP and Crisis Response, whereas the EUMS-INT belongs to the EUMS. Even so, cooperation between the two bodies is intense and has been in place for more than ten years pursuant to the Single Intelligence Analysis Capacity (SIAC), thanks to which the EU's products in this field are unique and provide the authorities of the EEAS with a joint intelligence analysis coordinated between both.

Although the INTCEN and the EUMS-INT are the EU's leading intelligence agencies, it should be stressed that the task of directing and defining intelligence efforts falls to the High Representative and the Deputy Secretaries General, who make up the Intelligence Steering Board (ISB), whose main responsibility is to ensure that this work is consistent with the objectives of CFSP. In addition, both provide appropriate intelligence advice to the authorities of the EEAS to back the decision-making process. Owing to the nature of the matters addressed, intelligence advice is chiefly in the fields of CSDP and crisis response; both structures provide parallel support to their respective authorities, that is, to the Deputy Secretary General for CDSP and Crisis Response in the case of the INTCEN, and to the Director General of the EUMS and the Military Committee in the case of the EUMS-INT.

The quality of the EU's intelligence products depends, as in all cases, on the quality of the sources. Herein lies the system's chief weakness, as in this respect the European Union depends on the Member States, which supply the European services the information they deem appropriate through the Cooperation



Framework Agreement for Intelligence Support (CFAIS). This mechanism provides a communication channel between EUMS-INT and Member States' military intelligence services, in Spain's case the Armed Forces Intelligence Centre (CIFAS). In order for this mechanism to function more effectively with respect to the timeliness and quality of its content, it will be necessary to create an environment of security and legality, as well as to pay attention to the achievement of its own procurement capabilities.

However, there are also markedly positive parameters that allow us to be optimistic about the development of intelligence in the EU, such as the impetus being given to geospatial and meteorological capabilities and the progressive integration of the EU's delegations into the system. These are valuable sources of information which belong organisationally to the Union and, accordingly, provide the system with greater autonomy in order to meet its needs in time and form.

### **The Union's Rapid Response**

The EU's Rapid Response for crisis management has its beginnings in the Helsinki European Council of 1999, where the Member States decided to create the capability to deploy Rapid Response forces with high readiness. This ended with the publication of the EU's first Military Rapid Response Concept.

At the request of the UN and in response to the crisis in the Democratic Republic of the Congo triggered by interethnic massacres in the Ituri region, in 2003 the EU launched the French-led operation Artemis, its first and, so far, only military Rapid Response operation. Following this success, in 2004 it was agreed to set up the EU Battlegroups (EUBGs): forces of approximately 1,500 troops with rapidly deployable combat and logistic support elements capable of performing independent operations or contributing to the initial phase of a larger-scale operation and able to sustain them for between 30 and 120 days.

Since then, although there have been various opportunities for deployment, the EUBGs have never been activated: this fact has been a topic of the constant debates on the validity of the concept. Indeed, the Global Strategy recognises that there are procedural, financial and political obstacles which hinder their deployment. Therefore – and also because there is broad consensus that the EU must not forgo having a rapid reaction capability if it is to continue to enjoy prominence on the international scene – the past year has seen many initiatives designed to overcome these obstacles. For example, progress is being made in improving the composition of the EUBGs to make them more versatile by being more modular; in the process of preparing, training and certifying; and, lastly, in exploring alternatives for financing with common funds, though results are still scant.

Nevertheless, it is generally agreed that the true impediments to their use in operations are none other than lack of political will and solidarity in their funding. This problem means that the nations which make their forces available to these combat groups pay the costs associated with their training, enlistment and certi-

fication as well as the expenses arising from their use in operations. Fortunately, a few measures to alleviate this fundamental problem are beginning to be put in place. Most (80 percent) of the total expenditure arising<sup>52</sup> from the use of an EUBG is associated with its deployment, a concept for which common funding has already been approved through the review of the Athena mechanism. This will ensure greater predictability of the available funding.

However, there are no serious force generation problems. Proof of this, as can be seen in the illustration, is that the table of EUBGs on alert is practically covered for the next three years, as the availability of at least one EUBG per six-month period is practically guaranteed, to be used if the related political decision is made.





































Previsión EUBG en alerta (2017-2020)			
Semestre	Nación Marco	Contribuyentes	OHQ preferido
2017-2			
			
2018-1			
			
2018-2	VACANTE		
			
2019-1			
			
2019-2			
			
2020-1			
	VACANTE		
2020-2			
			

Illustration 9: Table showing the EUBGs on alert, 2017-20. Source: compiled by the author.

Whatever the case, the current conceptual framework is considered sufficient and although it is evident that introducing capabilities such as those associated with action in emergency situations or work to maintain public order would

<sup>52</sup> Approximately 90 million euros for a standard EUBG for 120 days.

be very useful under certain circumstances, Member States have shown themselves to be in favour of maintaining national responsibility for the structure, composition, training and certification of the EUBGs, and this affords them a high degree of flexibility.

### *NATO-EU relations*

In the Warsaw Joint Declaration signed in July 2016, the leaders of the EU and NATO decided to give fresh impetus to cooperation between the two organisations. They identified seven specific areas: combating hybrid threats, operational cooperation (including at sea and in matters relating to migratory control), cyberdefence, capacity building, the defence industry, research, exercises and support for boosting the defence and security capacity of partners in the East and South. These areas of cooperation later led to a set of 42 specific proposals, which were approved by the Councils of both organisations on 6 December 2016 and were recently<sup>53</sup> complemented by a further 32 additional measures. These measures cover aspects such as hybrid war, gender aspects in operations, fighting terrorism, exchanging information and intelligence in theatres of shared interest, co-ordinating strategic communication, joint action in emergency situations, stepping up cooperation between maritime operations, cybersecurity, the geographical mobility of military forces, capacity building and the holding of exercises.

All in all, the most notable progress is the *cultural change* that is taking place in cooperation between both organisations, which was formerly an exception and has now become the norm. Specific headway has been made by establishing the European Centre of Excellence for Countering Hybrid Threats in Helsinki and the cooperation in this area by the respective hybrid fusion cells (EU) and analysis cells (NATO). Progress has likewise been made in the fields of strategic communication, cooperation in exercises and training in cyberdefence.

In the operational field mention should be made of the cooperation between operations Sophia and Sea Guardian in the Mediterranean and, in the area of exercises, the holding of the first Parallel and Coordinated Exercise (PACE-17) between the EU and NATO.

In the field of capabilities, attempts are being made to achieve greater coherence between the NATO Defence Planning Process (NDPP) and the EU's CDP, and a mechanism has been established for developing the dialogue on defence industry aspects, focusing on areas of common interest, such as SMEs.

As for support for partners, the EU is considering contributing funds to the NATO Building Integrity programme, which sets out to promote good governance in the security and defence sectors.

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<sup>53</sup> Council Conclusions of 5 December 2017.

It should also be stressed that political and military dialogue has been stepped up, establishing high-level exchanges of invitations to attend ministerial meetings and increasing the frequency of meetings between the North Atlantic Council and the PSC, as well as of the respective military committees.

In short, it might be said that implementing the Warsaw Joint Declaration is a shared priority, gives practical substance to mutual cooperation and contributes to strengthening the transatlantic link. All this is taking place in a framework of respect for the principles of inclusion, reciprocity, transparency, autonomy in decision making and the specific nature of the security and defence policy of the members of both organisations.

### **The future, by way of conclusion**

If we look back we see that in relation to CSDP, as the High Representative states, more progress has been made in the past year than in the past decades. The Bratislava summit in September 2016 can be considered the turning point in this process. Back then the political leaders of the EU agreed to give fresh impetus to this policy, which had traditionally been constrained and sometimes residual, and had always been somewhat wary of striding ahead confidently. Since then, among other projects, the Global Strategy has been implemented along with its derived initiatives: PESCO, CARD, MPCC and the review of the EU's Rapid Response tools, especially the EUBGs, the Commission's Action Plan and closer cooperation between NATO and the EU. There is no doubt that we have come an extraordinarily long way in little more than a year.

However, the current geopolitical landscape poses a number of security challenges to EU citizens to which the Union will have to come up with a response sooner rather than later. Greater instability in the EU's neighbourhood, the global threat of terrorism, the current migratory crisis which has highlighted the existing differences between the Member States and the new hybrid threats are the main challenges we must address in coming years. Security has become one of EU citizens' greatest concerns. Nevertheless, it should be stressed that in addition to these challenges, new opportunities will arise for making headway in this common project and for strengthening cooperation in the field of defence. These opportunities will not only be for the Union but for Member States too.

As commented earlier, the Brexit factor is bad news objectively speaking, yet it can be considered a genuine catalyst of the entire process. The rest of the Member States seem to have identified security and defence as one of the key areas for progressing in the project for building Europe at a particularly delicate period in its history. Although the United Kingdom has almost always been the country most opposed to making deep progress in this field, preferring instead to give priority to the transatlantic link through NATO to the detriment of CSDP, it recently expressed its intention to remain linked to the EU («we are leaving the EU, not Europe») as a preferential partner from March 29 onwards, and does not rule out cooperation in the framework of secu-

urity and defence<sup>54</sup>. The final outcome will depend on the negotiations that are being conducted at the political level and are proving to be long and complicated and it is therefore early days yet to consider what their real impact will be.

Whatever the case, it seems clear that we are heading inexorably towards a Europe of defence, an expression that has given rise to a certain amount of controversy and needs to be explained in detail. Contrary to what has been stated at some forums, it does not mean setting up European Armed Forces or duplicating the role NATO has so far played. On the contrary, in line with the Global Strategy, the idea is to reinforce the EU's strategic autonomy, taken to mean the sum of the necessary defence capabilities and the political will to use them if needed. A stronger NATO will thus be achieved through a strong Europe, an essential pillar of the Alliance.

The roadmap for progressing towards the Europe of defence covers various aspects relating to funding (European Defence Fund, CBSD, IcSP), the Military Planning and Conduct Capability (MPCC), the available forces (including the EU-BGs) and capacity building (PESCO or CARD), which we have commented on in this essay.

Throughout this entire process it is necessary, first and foremost, to coordinate individual efforts – the stage we are currently at – in order to subsequently carry out an integration progress. For both efforts to be successful, it is essential for there to be a political will, which has so far been lacking. The difference with the past is that society is now calling for solutions to its problems, one of which is insecurity.

From the national point of view, Spain, through its Defence Minister, has repeatedly expressed its support for these initiatives, which will progressively lead to a common defence in several stages: initially a political and strategic step, the second pooling and sharing capabilities, and the third and last industrial consolidation: «Spain wants to be there, because we have an ambitious commitment to the strategic autonomy of Europe. We wish to take a step forward and play an active role in a strengthened European security and defence dimension»<sup>55</sup>. Throughout this entire process, as the minister Cospedal announced to Congress in December 2016:

«Our initiatives, in accordance with the main countries of the Union, especially Germany, France and Italy, are helping put defence back on the highest-level European agenda with the greatest ambition on the part of the European Councils. . .

<sup>54</sup> «The UK could offer assistance through a continued contribution to CSDP missions and operations, including UK personnel, expertise, assets, or use of established UK national command and control facilities». In «Foreign policy, defence and development. A future partnership paper». UK Government, 12/09/17. Available at <https://www.gov.uk/government/publications/foreign-policy-defence-and-development-a-future-partnership-paper>. [Accessed 18/10/17].

<sup>55</sup> Lecture given by the defence minister, María Dolores de Cospedal, at Club Siglo xxi. Madrid, 09/03/17. Available at [http://www.defensa.gob.es/Galerias/gabinete/fiche-ros\\_docs/2017/170309-cospedal-conferencia-siglo-xxi.pdf](http://www.defensa.gob.es/Galerias/gabinete/fiche-ros_docs/2017/170309-cospedal-conferencia-siglo-xxi.pdf) [Fecha de consulta 14/12/17].

## The EU after the Global Strategy. The future of the CSDP

Our country is at the forefront of this process owing to a twofold conviction. Firstly, as it entails a contribution to and support for the process of building Europe and secondly because a strong European defence dimension will contribute to making Spain and the euro-Atlantic environment more secure and more prosperous<sup>56</sup>.»

### The near future (until the consolidation of Brexit)

Looking ahead, the near future could be defined as the period between now and the implementation of Brexit, scheduled for 29 March 2019, and will probably focus on the consolidation of the initiatives set in motion over the past months.

As stated, during this timeframe PESCO will undergo significant development as one of the most important areas, not only for the EU but for Spain too. One of the first challenges will be to start up the small group of projects that could benefit from EU funding. However, bearing mind that PESCO is being developed thanks to the political support of the Defence Ministers of the QUAD countries, it is evident that the initiative will receive significant impetus. As pointed out, the success of PESCO will lie in giving it an operational dimension, as well as the industrial and capacity building dimensions.



Illustration 10: Maritime CSDP operations. Source: compiled by the author.

No major changes are expected in military CSDP operations and missions. The perennial problems of force generation and funding will remain in the short

<sup>56</sup> *Diario de sesiones del Congreso de los Diputados*. Comisión de Defensa, 20/12/16. Available at [http://www.congreso.es/public\\_oficiales/L12/CONG/DS/CO/DSCD-12-CO-82.PDF](http://www.congreso.es/public_oficiales/L12/CONG/DS/CO/DSCD-12-CO-82.PDF) [Accessed 14/12/17].

term and call for a solution as soon as possible. Solving the problem of funding would significantly remedy the shortfalls in force generation in operations and missions. The key may also lie in the commitments entered into by the Member States which have subscribed to PESCO, including a «substantial contribution to CDSP operations and missions».

As for executive operations, perhaps the most sensitive aspects are the future decision on extending the mandate of EUNAVFOR Atalanta, something which is taken for granted today, and the possible transfer of its OHQ from Northwood to another Member State. Spain is a strong candidate for hosting the OHQ. If it were chosen, for the first time at the start of 2019 an executive EU operation would be headed by a Spanish commander.

With respect to EUNAVFOR MED Sophia, we will have to pay attention to developments in the political situation in Libya and migratory flows not only across the Central Mediterranean but also a possible shift to the western route, which could have a significant impact at the national level.

As for Althea, its executive nature is expected to be extended and could give rise to debate on reviewing its chain of command and control as a result of Brexit, as the commander of the operation, a post held by DSACEUR pursuant to the Berlin+ Accords between NATO and the EU, is British.

Non-executive missions (EUTMs) have so far had limited results owing, among other things, to the restrictions imposed by the TEU on funding the equipment of the armed forces of the host countries. This shortfall, which has come to question the very efficiency of these missions, has a solution in the short term. Indeed, the initiative for amending the IcSP to allow it to fund projects related to the military field was voted for by the Foreign Affairs Committee and by the Plenary Session of the European Parliament at the end of November, and subsequently by the Member States in the Council. It is intended to allocate 100 million euros to this initiative until 2020, and these funds can begin to be used from the start of 2018 onwards.

As for the nature of the missions, during this period we might see the regionalisation of EUTM-Mali towards an EUTM-Sahel, which will extend its action to Mauritania, Burkina Faso, Niger and Chad, and possible cooperation with other initiatives in the area, such as the G5 Sahel Joint Force.

With respect to structures and command and control capability, the consolidation of the MPCC will continue. Its joint review together with the structure of the EUMS is expected to solve the current problems of cover. For the time being no significant progress is expected to be made in the MPCC's assumption of the command and control of executive operations, though the EU should not lose sight of this ultimate objective.

Cooperation between NATO and the EU will continue to be stepped up in each of the areas established in the Warsaw Joint Declaration, especially with respect to combating hybrid threats, fighting terrorism, exchanging information and intel-



ligence in theatres of common interest, coordinating strategic communication, joint action in emergency situations, greater cooperation between maritime operations, cybersecurity, geographical mobility of military forces, capacity building and the staging of exercises.

Nor can we expect a significant change in the EU's Rapid Response tools, especially in relation to the EUBGs. It does not seem easy to anticipate a solution to lack of will to use them, as this would always depend on the particular circumstances of the crisis to be addressed and on the ultimate interest of the countries that contribute to the EUBGs on alert. As for the problem of funding, the expected result of the review of the Athena mechanism is fairly limited for the time being, as it only aspires to cover the expenses associated with force deployment using common funding.

### The more distant future

For a more long-term prospective analysis we need to turn to the work carried out by the European Commission during the first term of 2017.

*The Reflection Paper on the Future of European Defence*<sup>57</sup> was drafted as part of the development of the *White Paper on the Future of Europe*<sup>58</sup> submitted by the Commission to foster debate on the process whereby the 27-strong EU must decide on its future in areas such as security and defence, the social dimension of Europe, the channelling of globalisation and the deepening of economic and monetary union.

This reflection paper outlines the main trends that will shape the future of our security and defence and describes three scenarios for European defence that could arise in 2025, depending on the Member States' political will: they range from simply cooperation in defence to *shared defence* or even, in the most ambitious case, *integrated defence*.

Given that one of the Union's greatest strengths –and what furthermore makes it unique– is its combination of *soft* and *hard* tools in what we have called the *integrated approach*, the document identifies as one of its greatest shortcomings the fragmentation and lack of interoperability between the defence capabilities of the Member States, resulting in inefficient defence expenditure.

The document thus identifies the different elements – missions, forces, capabilities critical technologies and intelligence – for each of the three scenarios: essentially remaining the same; progressing to a greater level of collaboration that pursues greater solidarity and efficiency in defence spending and greater integration of the

<sup>57</sup> *Reflection Paper on the Future of European Defence*. Available at [https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-defence\\_en.pdf](https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-defence_en.pdf) [Fecha de consulta 15/12/17].

<sup>58</sup> *White Paper on the Future of Europe*. Available at [https://ec.europa.eu/commission/sites/beta-political/files/white\\_paper\\_on\\_the\\_future\\_of\\_europe\\_en.pdf](https://ec.europa.eu/commission/sites/beta-political/files/white_paper_on_the_future_of_europe_en.pdf). [Fecha de consulta 15/12/17].



Member States' national forces; and lastly, achieving a truly common security and defence.

Spain is fully committed to these efforts and supports shared leadership with our main partners and allies. It firmly backs the package of measures which are being implemented to:

«Foster the consolidation of a Europe of defence. Providing direct incentives to technological and industrial cooperation in defence through the use of EU funds leads to future possibilities for the defence industry. For a nation like Spain, this is a challenge, especially in terms of budgetary prioritisation, and at the same time an opportunity not to be missed<sup>59</sup>.»

In relation to the implementation of PESCO, in the long term it is expected to be consolidated with clearly defined parameters that help bring it into line with the NATO defence planning process (NDPP). Nevertheless, it will be necessary to make an effort to try to explain the different speeds of the Member States in this field by keeping up a permanent debate on the limits to the inclusive nature of the initiative.

In the medium and long term, the main focus of the EU's operations and missions will continue to be Africa, the preferred theatre for implementing the various tools of the integrated approach. The EU does not rule out exporting the model applied in Somalia to other theatres such as Libya or even the Gulf of Guinea.

Having solved the problem of equipping the EUTMs, the next step will foreseeably be to broaden the scope of these missions, which could even evolve into executive-type missions that include not only training and advice but also accompanying these countries' forces on operational activities.

The command and control structures for crisis management will continue to evolve. The MPCC will assume command and control of all the EU's operations and missions and will eventually be merged with the Civilian Planning and Conduct Capability into a single command and control structure for all the civilian and military activities of the European Union's external action.

We are conscious that this outlook might appear excessively optimistic, but we are convinced that the maxim «dream and your dreams will fall short» may well also apply to this case.

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<sup>59</sup> *Comunicado conjunto de los Ministerios de Asuntos Exteriores y Cooperación, y de Defensa sobre el futuro de la defensa europea*. Gobierno de España, 08/06/17. Available at [http://www.exteriores.gob.es/Portal/es/SalaDePrensa/Comunicados/Paginas/2017\\_COMUNICADOS/20170608\\_COMU142.aspx](http://www.exteriores.gob.es/Portal/es/SalaDePrensa/Comunicados/Paginas/2017_COMUNICADOS/20170608_COMU142.aspx) [Accessed 18/10/17].

## Chapter two

### The Middle East after the caliphate

Pere Vilanova

#### Abstract

Precisely because of its fragmented nature and subjected as it is to contradictory centrifugal trends, the Middle East can be considered a concentrated paradigm of the international system of the 1990s and 2000s. Following the end of the bipolar system and the Cold War – or, to be more precise, the disappearance of the visual and structural clarity of the bipolar world – and with a structured international system yet to fall into place, this analysis sets out to explore trends in changes, types of conflicts, and lines of economic and social exchanges and tensions, but always as part of a mutational, provisional dynamic. For this purpose, the concept of «regional conflict complex» proposed by the *Journal of Peace Research* published by the Oslo Peace Research Institute will be very useful.

Taking this concept of regional conflict complex as a basis, an in-depth analysis must address the cases of Syria, Iraq, the dashing of ISIS's plans for a caliphate, the Israeli-Palestinian conflict, the global (not only regional) strategic importance of access to exploitation of resources, the water issue, the presence of regional powers (Turkey, Iran) with geographically diversified agendas, and, finally, the significance of the regional agendas (for this region) of global powers such as the United States, Russia and the European Union.

**Keywords**

Middle East, regional conflict, ISIS, Syria, Iraq, Israel, Iran, Turkey, regional conflict complex, terrorism, migration.

## From Mediterranean to MENA

This chapter sets out to reflect on what has been called *Middle East geopolitics* and it therefore seems essential to start by providing a basic definition of the concepts it entails and the set of factors that need to be considered in any in-depth analysis of this subject.

Of the instruments provided by international studies – as varied as the diverse contents of this academic field – geopolitics has been used relatively little by the research community to date. The reasons for this anomaly lie in the absurd regulatory and bureaucratic fragmentation stemming from the artificial divisions that are drawn between related disciplines. These divisions are based on rather odd criteria, such as separating international relations from political science, which is supposed to deal solely with the *internal* rules of legal systems. The absurdity of establishing a clear distinction in the academic world between *intrastate* policy and so-called *international relations* can be seen simply by observing how such a distinction is categorically refuted by the real world, where political processes are increasingly more complex and go well beyond this absurd bureaucratic division.

It would not be necessary to continue with this line of reasoning were it not for the fact the above situation has delayed the appearance in Spanish universities not only of studies based on *geopolitics*, but also of *regional studies*, that is, studies based on analysing *partial geographical subsystems* within the *international political system*. This highlights even further the merits of the IEEE's *Strategic Panorama* this year.

From this viewpoint the Middle East is a region that is very well defined by its geographical distinguishing features, which have enjoyed capital importance throughout history. But we should not necessarily deduce from this that the Middle East today is a unified and coherent regional subsystem within the international system. On the contrary, it is a geopolitical area that is geographically very clearly delimited but internally extremely complex owing to the complexity of the actors involved and of the conflicts and flows of cooperation, economic exchanges and other sociological factors that converge there.

We shall thus define the visual coherence of this area and its territory as *apparent*. This phenomenon intensified during the 1990s following the disappearance of the bipolar system, which had exerted a sort of relative partial control over the behaviour of the actors involved. But this control was, however, less direct and absolute than it might have seemed given the relative autonomy of some of its hotspots.

Nowadays, owing precisely to its fragmentated nature and to contradictory centrifugal tendencies, the Middle East can furthermore be considered a sort of concentrated paradigm of the international system of the 1990s and 2000s. Following the end of the bipolar system and the Cold War – or, to be more precise, the end of the *visual and structural clarity* of the bipolar world – and with a

structured international system yet to fall into place, analysts can only attempt to analyse trends in changes, types of conflicts, and economic and social exchanges, but always in the context of a mutational, provisional dynamic. A very useful concept in this connection is that of *regional conflict complex* coined by the *Journal of Peace Research* published by the Oslo Peace Research Institute<sup>1</sup>.

First and foremost, this complexity makes it necessary to specify the territorial or geographical criterion (a prerequisite for effectiveness if the approach is based on geopolitical criteria) of the object of our choice, as we are dealing with a matter of *variable geometry*. In this chapter we will focus explicitly on the concept of *Middle East*, but it should be pointed out that in the academic and research world the concept of MENA has progressively broadened (*Middle East and North Africa*)<sup>2</sup> to encompass from a common perspective any geopolitical approach to most of the phenomena that occur in the area. The so-called Arab Springs did not establish this trend, but they did give definitive impetus to it<sup>3</sup>. In this regard, the Middle East as a *regional conflict complex* should generally be taken as the sum or overlapping of processes which occur (or have occurred) in a region that stretches from Egypt and Sudan to Iran or Turkey across the Red Sea and the Persian Gulf. This naturally includes the Arab-Israeli conflict in general and the Palestinian-Israeli conflict in particular, but also the issue of oil, the question of water, the wars and negotiations between Israel and the surrounding Arab states, the Iran-Iraq wars (1980 to 1989), the Gulf War of 1991, the Iraq war of 2003, and of course the cases of Syria and Iraq in the past six or seven years, furthermore with the experience of ISIS's (failed) territorialisation and the thwarting of its plans to establish a *caliphate*.

In order to progress, it is useful to accept the criterion of distinguishing between the *Near East* and the *Middle East*. The first term encompasses solely the core of the Arab-Israeli conflict and, within the Arab world, the countries bordering on Israel (plus Iraq), while the second also includes non-Arab countries or regions (such as Turkey or Iran). It is important to draw this distinction when undertaking a systematic study, because relations between actors and their interactions vary greatly from one case to another, such as the fact that Iran and Turkey are non-Arab regional powers, and their rivalry extends to Central Asia.

To sum up, from a geopolitical perspective, we can identify several nuclei of this concept of *regional conflict complex*. This includes the issue of Israel and its dispute with the Arab countries, the *global* (not only regional) strategic importance of access to energy resources, the water issue (which is regional), the presence of regional powers (Turkey, Iran) with geographically diversified agendas and, lastly, the influence of the regional agendas (for this region) of world powers

<sup>1</sup> WALLENSTEEN, Peter; SOLLENBERG, Margareta. «Armed Conflict and Regional Conflict Complexes, 1989-1997». *Journal of Peace Research*, No. 5, vol. 35, September 1998, pp. 621-34.

<sup>2</sup> «Mediterraneo allargato». *Focus* no. 5. Osservatorio di Politica Internazionale, Istituto per gli studi di politica internazionale, Rome, 2017.

<sup>3</sup> SZMOLKA, Inmaculada. «Analytical framework for a comparative study of change in political regimes». *Political Change in the Middle East and North Africa*. Edinburgh University Press, Edinburgh 2017.

such as the United States, Russia and the European Union. Although the Palestinian-Israeli conflict has been the apparent hardcore of regional instability for decades, the situation has been gradually changing over the past ten years and it has been ousted by the growing centrality of the internal conflicts in Syria and Iraq, and that derived from ISIS and its attempt at establishing a caliphate, which we will discuss in due course. All this brings us to the *state-centric* criterion (making the state actor the centre of the analysis), which leads us to consider the causes and consequences of the collapse (or near-collapse) of states which, although authoritarian, lent the region considerable stability.

Another methodological consideration relates to the timeframe, which is just as important as the spatial/geographical scope. Indeed, in the case of the Near East, one of the available variables can be adopted as a guiding thread. Confrontation between national groups (peoples) based on religious identity or religious/cultural criteria to be more precise (as the concept of *ethnic group* is questionable) can be traced back in time literally to Abraham as the original reference. Or we might focus on a more geopolitically orthodox criterion and take as our starting point the result of the First World War and its consequences in this region, establishing the Balfour Declaration<sup>4</sup> as one of the essential reference points. Or lastly – which is what we have opted for in this hypothesis – we might choose the United Nations Partition Plan of November 1947 and its proposal to create two sovereign states on the basis of dividing the territory according to (relative) criteria of populational homogeneity leading to the creation of the State of Israel and the first Arab-Israeli war. Whichever we opt for, it is obvious that, in order to attempt to achieve greater consistency in the results sought, it is advisable to establish the timeframe to which the observer must keep in any research.

### The Arab Springs and their derivatives

It is therefore appropriate to focus on studying the actors, as a larger number than it might seem at first sight are, or may be, involved in cases of conflicts and negotiations, as well as in cases of cultural and sociological exchange (arising, for example, from population movements). In short, it is necessary to bear in mind the following players:

Above all, state political systems (traditionally this means political regimes). A systematic approach allows us to initially rule out conventional classifications established by political science as they are insufficient: democracies and authoritarianism. But beginning in January 2011, the so-called movement of the *Arab Springs* posed various challenges. It raised the question of whether we were witnessing a genuine case of *regional transition* just as or more important than those that had taken place in southern Europe and the Southern Cone of Latin America in the past.

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<sup>4</sup> VILANOVA, Pere. «Balfour: una Declaración entre Lores». *El Periódico de Cataluña*, 2 November 2017, Barcelona.

The diversity of Arab political regimes<sup>5</sup> (beyond the strict definition of the Middle East area) was considerable even before 2010 and extended beyond their grouping into two regional subsystems, the Maghreb and the Mashreq. There were substantial differences between regimes such as Syria, Libya and Iraq, which resembled military or single-party dictatorships, and Morocco, Lebanon and Jordan, where both authoritarianism and political and social pluralism are measured in relative but significant terms<sup>6</sup>.

But the events that rocked the whole Arab world (with very few exceptions) at the start of 2011, originally the so-called Arab Springs, unavoidably gave rise to various debates and reflections on the part of specialists, scholars and analysts<sup>7</sup>.

Over and above any other consideration, politics is unquestionably unpredictable; this is one of its essential qualities and it applies in particular to international politics in the broadest sense of the word. Social sciences, the theory of international relations, political science and the economy have a few methodological and analytical weaknesses. Some of them are difficult to remedy or modify, but we must be aware of them at least: the outbursts witnessed throughout the Arab world had not been predicted by anyone – in the political regimes in question, in the respective civil societies, in the western world or even at the most highly reputed international academies. Indeed, over and above the importance of the news of Bin Laden's death on 2 May 2011, the Arab uprisings took him and what has come to be called the *Al Qaeda franchise* and its successor, ISIS, completely by surprise.

This unpredictability is perfectly comparable – when put in suitable historical perspective and relativising some of its contents – with the fall of the Berlin Wall in 1989, or with the possibility at the outset that Gorbachev's Perestroika would put an end not only to the bipolar world and the Cold War but to the very Soviet political regime. But beware, such comparison is of relative value and we are not of course suggesting that the consequences must necessarily be the same on a global scale. But it does serve to reaffirm the unpredictability of politics.

Secondly – and this is related to the previous point – we are also witnessing a reaffirmation of the concept of the *autonomy of politics* or, if preferred, of the *political* (as a broader and more inclusive concept), taken to mean the validity of the collective subjective will of a society to make decisions, unleash processes, open up new paths or shatter the traditional socio-political dynamics which had prevailed until then. But in the present case, the reaffirmation has been spectacular, as it has erupted in the framework of authoritarian or downright dictatorial political regimes which in theory leave little room for action to the autonomy of civil society.

<sup>5</sup> HALLIDAY, Fred. *100 myths about the Middle East*. Saqi: London 2005.

<sup>6</sup> (Ed. Smolzka). «Political Change in the Middle East and North Africa». Edinburgh: Edinburgh University Press, 2017.

<sup>7</sup> «The new Era of the Arab World».. *Anuario lemed 2011*. Barcelona: Instituto Europeo del Mediterráneo 2011.

Thirdly, with respect to the original outbreak, the secular nature of all these disparate movements, with their diverse expressions, is quite striking. In other words, from Tunisia to Egypt they called for freedom, amnesty, elections, separation of powers, freedom of the press, legalisation of parties – that is, a western-style *representative democracy*. It should be stressed that the movements witnessed from Algeria to Egypt and from Tunisia to Yemen were above all urban. This indicates that the *cleavage* between the urban and rural environments and the flows of growing urbanisation in those countries have proven to be more important than it initially seemed or was studied merely as a phenomenon of populational sociological movements. This secularisation was clearly reinforced by the absence (or marginality) of a politicised Islamist religious discourse (with a variety of expressions) except in Egypt, so that these uprisings attempted to establish their internal and international legitimacy on the basis of the above-mentioned secular language of lay politics: the equivalent of the demands of the major European liberal revolutions of the past two and a half centuries. In fourth place, it is also very striking that these movements – initially at least – were structurally and organisationally quite simple. They started off as spontaneous social movements and were not previously organised (such organisation, had it existed, would have been clandestine, as we are dealing with dictatorships). They were not prepared on the basis of previously established programmes, tactics and strategies, and no organisation (Islamic or lay) could claim to have led and put them together. If anything, as has occurred in the crises of other authoritarian regimes and in other transitions, a broad range of new parties and diverse leaderships have progressively appeared, some of which have played an important role (the Muslim Brothers in Egypt and few more). The fact that in the more advanced stages of these transitions in nearly all the countries in question except Tunisia the situation developed very diversely and in general towards chaos (Libya) or a return to a military regime, as in Egypt, was of course by no means a minor problem.

But judging from the initial stage of the uprisings, the movements varied widely in their expression but had a similar underlying format: the abovementioned urban environment (as the framework for the action), young people, women's activism (doubly significant in the social tradition of the Arab world), and exhaustive use of the famous social media and the internet, taking advantage of their full potential, among other factors.

The outcomes are now known. In some cases, the regime regained the upper hand after the first weeks (as in Algeria); in others, it was toppled (as in Tunisia and Egypt); in others there was an endless chain of reactions, and the dictator clung to power (as in Yemen, leading to the current disaster); and in others such as Libya the situation has gone from dictatorship to institutional chaos. What is more, in certain cases the regime is carrying out (provisionally at least) its own reform, as in Morocco and Jordan, where an essential role seems to be played by the fact that the monarchy is deeply rooted in society and enjoys a high degree of historical legitimacy, with civil societies that are (relatively but really) more autonomous, *denser* in their expression. Citizens identify with these forms of state and government under the monarchy be-



cause it makes it easier to combine their two loyalties to the *watan* (homeland) and *dawlat* (state) in a fairly integrated manner that is not incompatible with the called-for democratic reforms. As we shall see in the historical sequence of the backward turn taken by the Arab Springs, the Middle Eastern countries, except the abovementioned Egypt, have each gone their own way. Lebanon is weathering the storm with a certain amount of calm and self-control, preserving its institutions. Iraq is engaged the reconstruction and re-stabilisation of its regime under international supervision (from the United States to Iran). Syria is an extreme case of civil war, of a conflict that is both *intrastate* and *regional*, with the presence of *concentric* influences: Iran-Turkey, the United States- (plus European allies) Russia.

But in the Middle East there is another issue that is not sufficiently well known. Historically, in the political culture of what we call *Arabism* or *Arabness* the highest legitimacy of citizens' various loyalties lay, at least according to the *hegemonic account*, in concepts such as *umma al arabiya*, the *Arab supra-nation*, taken to mean a collective demand of the Arab world as a whole as an entity superior to the state; it is weakened but has not been totally replaced by *Islamness*, that is, belonging to *dar al islam* (land of Islam).

Incidentally, neither has withstood the passage of time as a pattern of social unification, and they have only managed to reap failures when it has been attempted to contrast the traditional concepts of *homeland* or *state* respectively, as proven by the successive failed attempts to build supra-states such as the UAR (United Arab Republic) in the 1950s. Paradoxically, the start of the twenty-first century clearly shows that the Middle East is the preferred theatre for (brutal) intercommunity confrontation within Islam and in relation to any of the other religious communities present there, from the Copts to the Yazidis and many more.

Several factors highlight this historical incapacity, especially the fact that the liberation of today's Arab countries has been very diverse – those located in Africa shook off the yoke of classical European colonialism (French, British, Italian and Spanish), and those in the Middle East freed themselves of the Ottoman Empire (which kept them under control for nearly five centuries no less!). But this series of liberations gave way to a broad variety of Arab political regimes that were much more *patriotic nation-states* than *pan-Arabist*<sup>8</sup> and had the added problem of multiple social or *intrastate* loyalties<sup>9</sup>: clans, tribes and fragmented religious minorities. Suffice it to ask Lebanese, Syrians, Iraqis and Yemenis for their opinion to gain a rough idea of the complexity of the problem. This complexity has weakened the state as an actor in varying degrees but has also ridiculed the supposed hegemony of *pan-Arabism* or belonging to *dar el islam*.

With respect to the concept of *regional transition*, the Arab Springs do not qualify as one because these uprisings have morphed into as many different

<sup>8</sup> «Les Regimes Politiques arabes». *Presses Universitaires de France* 1990.

<sup>9</sup> LEWIS, Bernard. *Las identidades múltiples de Oriente Medio*. Madrid: Siglo XXI 2000.

developments as there are countries. The case of Libya deserves particular attention, as it is a sort of exception. The uprising developed into a civil war with full-blown consequences, the conflict reached a standstill and a new variable emerged: the use of international military force invoking R2P, the responsibility to protect. The intervention ordered by the Security Council (hereafter SC) in Libya has sparked widespread debate. Firstly, it is one of those cases about which large segments of public opinion feel confused. It is one of those dilemmas on the so-called *duty to intervene* (in the 1990s) or *responsibility to protect* (R2P: endorsed by the United Nations in 2005 and 2009). Above all, each and every one of the cases where international intervention has occurred under this invocation in the past 20 years entails a dilemma. No formal objections can be made to the legality criterion: SC Resolution 1973 (of March 2011) is explicit, precedes the action of force, clearly defines the mandate and also establishes the limits that the mandate must not exceed. In this case the legality criterion is reinforced by the legitimacy criterion. The cases where there was no intervention or where it was late (as in the former Yugoslavia between 1991 and 1995 under the United Nations Unprofor mission) significantly influenced the SC members' decision. Even those with reservations – for various reasons which it is up to them to explain – abstained; none voted against it. The abstentions of China and Russia were therefore non-objections, as they could have vetoed it.

This brings us to the subject of comparative grievances, particularly in Yemen. The Arab League and the SC ought to monitor this case carefully, as it too poses a dilemma: where is the standard for the SC? Yemen, Bahrein? Comparative grievances exist and are unfortunately numerous. All the dilemmas can be summed up as follows: the international community has two options. The first is not to act anywhere to avoid comparative grievances until it can act in all and settle them positively; this is an ideal but impracticable assumption. The other option is that the UNSC decides when and where it should and can act, with the appropriate mandate, sufficient means and sufficient collective will, taking on board all the dilemmas.

The case of Libya, which is not part of the Middle East, springs to mind here for a paradoxical reason. The assessment outlined here led the United Nations' debate on R2P and its hypothetical application in Syria to end literally before it began. China and above all Russia made it clear that the case of Libya would not be repeated. This is the sole reason why the Damascus regime knew that its continuance was guaranteed by Russia and China and, on the ground, by the support of Iran and the Lebanese Hezbollah. The case of Syria deserves to be analysed in depth.

### **Syria, a regional disaster**

Seven years after the start of the people's uprisings against Syria's dictatorial regime, the international community (in its most conventional sense) has at last realised that Assad is not going to be toppled and, if this is confirmed, will

even emerge strategically strengthened from this dramatic tragedy<sup>10</sup>.<sup>10</sup> Why? Because if he has not been defeated militarily by the rebels, politically by the various opposition groups, by a coup from his closest circle or by external military action (which will no longer take place), he has not lost but has won.

How we have arrived at such a situation is a practical lesson in politics, tactics and strategy. As things stand today, the continuation of the Syrian regime does not seem to be the worst news for Israel, the US or the European governments, or for hardly anyone for that matter. With more than 270,000 dead and three and a half million refugees and displaced persons, it has reached an impasse.

As for the rebels and the multiplication of their various political factions and, in particular, the proliferation of their uncontrolled military groups, the conclusion, given that they have not managed to win so far, is that, unless there are unexpected last-minute developments, time is against them and they have lost. All the experts agree that ISIS (Islamic Emirate of Iraq and al-Sham/Syria) and, in a more limited sense, al-Nusra, managed to dominate large expanses of territory using methods of governance even before Bin Laden's successor Dr Zawahiri distanced himself from ISIS. But the failure of the caliphate's strategy of territorialisation has proven to be its downfall.

At least five factors explain this outcome. The first two lay the blame on the opposition and its political and military fragmentation. Especially in the first three or four years of the war, the political opposition was incapable of building a politically credible unitary structure recognised within and outside the country and capable of garnering international support – beginning with the Arab League and the western powers – in an articulated manner and, above all, in such a way that it was able to impose its control and political leadership on the armed part of the rebel movement. Indeed, it was so sorely discredited that it has lost all its influence, apart from the symbolic presence which – out of courtesy and political necessity – the international community has granted it in experiments as absurd as the Geneva I and Geneva II conferences. A necessary factor in any revolution – though not enough for the insurgents to stand any chance of success – is for the political structure to command the military arm; it is a problem of ends and means. And in Syria there was no political guidance of the opposition – the odd office in Ankara, Qatar and a few other places, each political factor with its own, but little more.

And this brings us to the third factor that objectively helped Assad and is guaranteeing the continuance of his regime. It is not exclusive to Syria: there is a growing perception that the most widespread type of new conflict in the Middle East is the *sectarian* or *inter-community* war between Sunni and Shia and other Muslim minorities. Since 2001 Al Qaeda's strategy has included urging its supporters to fight not only against Jews and Christians but increasingly against all non-Sunni communities as a whole: Shia, Alawi, Kurds... This is why, under ISIS, Christians (incidentally Arabs)

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<sup>10</sup> VILANOVA, Pere. «Siria, inventario de ignominies». *Cidob. Notas Internacionales de Investigación*, no. 84, March 2015, Barcelona.

throughout the Near East are saying «we were less unprotected with Saddam Hussein and Assad, so don't make us part of your turnkey democracy *import-export* operations». This perception is already having a regional and global impact and Assad has realised this. Therefore, at some point, the non-Sunni minorities in Syria began returning to Assad's fold. The only variable that differs somewhat is the Syrian Kurds, who are now fighting for control of their strip of territory in Syria both against the regime's troops and against what remains of the jihadi militias.

The fourth factor that is playing into the regime's hands is related to international politics. Obama's rashness when he established the famous *red line* threatening intervention if chemical weapons were used clearly turned against him and he was exposed to American and world public opinion as a contradictory and unreliable leader. And this entailed placing himself in the hands of Russia and China, who follow their own script when it comes to *humanitarian* intervention, albeit with differences.

This brings us to the fifth and last factor in operation *Save Assad*: Putin and his foreign policy. In relation to Syria and other current problems, the G-20 and other forums as well as the United Nations have highlighted that it is Putin who is calling the shots in a game whose rules he has so far skilfully handled. It was back to the orthodoxy of the United Nations Charter (with the discreet but sustained applause of China), back to the Security Council, non-interference in states' internal affairs, and no action involving force without its express authorisation (what occurred in Libya will not happen again in a long time). In exchange, Assad handed over his chemical weapons for inspection (and supposedly withdrawal) unhurriedly, under international supervision, following Moscow's *advice* and under its protection. In exchange, he will continue to receive monthly all kinds of heavy weapons legally imported from Russia to carry on with *conventional* massacres. And incidentally, this also comes as a slight relief to Israel, which prefers *the devil it knows to the angel it doesn't* – stability to volatile democratisation processes – and there has been a sort of inter-border understanding with Syria, at least since October 1973. Indeed, all the publicity for ISIS, al-Nusra and others was very convenient for the Israeli government as it entrenched itself to withstand the threat of jihadi terrorism at its gates, while regional instability enabled it to maintain its discourse of *not lowering its guard* vis-à-vis Iran, Hezbollah and whatever best suited its own agenda.

The issue of chemical weapons deserves to be mentioned because this incident will mark a whole era of the post-bipolar world. It is well known that diverting the world's attention to the several hundred victims of chemical weapons has paradoxically favoured Bashar al-Assad's regime because from that point onwards the whole diplomatic *ballet*, directed by Russia's skilled diplomacy, was focused on this issue. There will be no international intervention, not even any additional pressure on the Damascus regime. And those hundreds of civilian victims were much more significant than the many other victims of the terrible civil war. It had already been pointed out earlier: if you are Syrian and doomed to die in this war and want to make the news, you are better off being killed by sarin gas than by a fragmentation bomb or a barrel loaded with dynamite dropped from helicopters on neighbourhoods full of civilians.

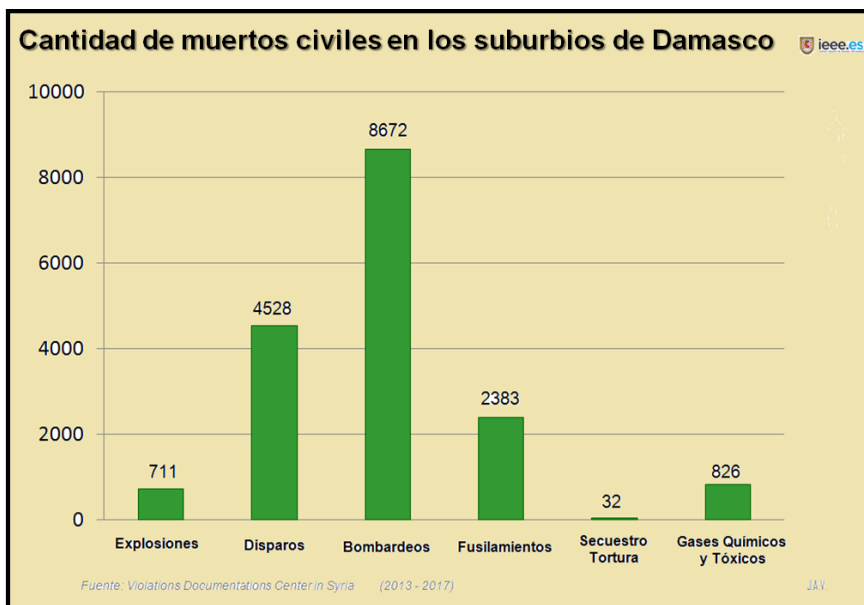


Illustration 1: Number of civilians killed in the suburbs of Damascus. Source: compiled by the author.

### The ultimate root of the problem: Jerusalem<sup>11</sup>

One of the components of the Middle Eastern regional conflict complex that needs to be redefined is the bilateral Palestinian-Israeli dispute. For decades it was the core of any approach to the region, from the perspective both of armed conflicts and, at least in theory, of the collective policy of the Arab League. This has changed radically. It is not that its importance has dwindled; rather, Israel and its allies have succeeded in steering it towards isolation and planned marginalisation as a concrete case, and diplomatic and political extinction. Trump's presidency merely marks the culmination (a caricature version to some degree) of a course that began during Bush's second term and continued throughout Obama's presidency and to this day. The foregoing underlines the *functional autonomy* of this focal point of conflict in that its roots date back to long before today's changing international system to the outcome of the First World War; but above all it adapted both to the bipolar system and to the previous process of global transition. As a conflictive dynamic, it has proven to have a spectacular ability to adapt to historical moments as different as 1917, 1936, 1948, 1993 and 2006<sup>12</sup>.

<sup>11</sup> The figures and dates for this part can be found at: Vilanova, Pere. *Jerusalén y el proceso de paz en Oriente Medio*. Barcelona: Icaria 1999.

<sup>12</sup> BREGMAN, Aharon; el tahri, Jihan. *The Fifty Years War, Israel and the Arabs*. London: Penguin Books 1998.

From this perspective, according to the categories established by the *Journal of Peace Research*<sup>13</sup>, in bilateral Israeli-Palestinian terms we are not dealing with a case of *inter-state conflict* – that is conflicts between internationally recognised sovereign states – because the Palestinian side is a virtual entity and has no institutional and normative dimension. But nor it is an *intra-state conflict* – that is an internal conflict in a sovereign state (like Chechnya in relation to Russia) – because although Israel is the occupying power, it has not formally demanded from the outset the *annexation* of the entire West Bank, let alone Gaza, and (unlike Morocco with respect to the Sahara) does not want the dispute with the Palestinians to be an internal matter. But above all, Israel *never specifies* the exact and ultimate limits of its territorial claims or where it considers its eastern international border to lie. But viewed from a broader perspective, Israel played a central role in this regional conflict complex because its relations (conflictive and, later, progressively normalised) with several Arab states are clearly along the lines of *inter-state conflicts*: the wars of 1948, 1956, 1967, 1973 and 1982 unquestionably fit into this analytical category.

Without a doubt, it also appears to be an *intercommunity conflict* – that is, a conflict between human groups, Israeli Jews and Palestinian Arabs – though these terms do not include *all Jews* in general and, of course, all Arabs of the Middle East. These human groups tend to be described in conflict analyses as *peoples, nationalities or national communities*, criteria which include (but are not limited to) religious, religious-cultural or linguistic identifications. Perhaps it makes most sense to define the fracture or division line (*cleavage* in social science) between Jews and Palestinians as a series of sociological and political criteria. It has little or relatively little to do with the criterion of religious observance in the literal sense and much to do with *subjective* and *collective* symbolic and emotional perceptions as the cement that binds together the respective groups internally. Therefore, with respect to confrontation between identity groups, it is not, or at least not chiefly, a problem of Islam versus Judaism or between these two creeds and Christianity (let us not lose sight of the importance of the Christian Arab groups in the Middle East and in Lebanon and in historical Palestine in particular). It is a conflict which, in interpretative terms, is situated in a lay, secular, expressly political realm: a struggle for territory, resources, the primacy of one's own symbols (including religious), security, borders and control of them. And ultimately, it is a struggle between two *national and state projects* that are hardly compatible in their geopolitical setting.

Having pinpointed the ultimate hardcore of the conflict (the clash between antagonistic national projects), it can be seen to have two additional dimensions: regional and global. All conflicts since the First World War in this area, even if their hardcore is very local, have had a spectacularly *expansive* dimension. That is, we are dealing with a case of a local (or at least territorially highly localised) conflict

<sup>13</sup> WALLENSTEEN, Peter; SOLLENBERG, Margaret. «Armed Conflict, 1989-1999». Peace Research Institute of Oslo. *Journal of Peace Research*, no. 5 (2000), vol. 37, pp. 635-49.

with a huge global and regional significance within the international system. This global dimension has operated differently depending on the moment and on the structure adopted by the international system – for example, during the interwar and Cold War periods, when the clarity of the system and the projection of the competition between the two superpowers lent great prominence to this region. This prominence was based both on the establishment of close relations with local actors, states, governments and political movements (PLO) and on indirect involvement in the wars underway (very clear in the cases of 1956, 1967 and 1973). The regional dimension was fully felt in the war of 1973, the subsequent oil shock and the regional (the whole Middle East) and global consequences (crisis in access to energy resources or first oil shock). A further variant of this successive wave of impacts was the war between Iraq and Iran that lasted from 1980 to 1989 and was unrelated to the conflict between Jews and Palestinians.

A powerful idea emerges from this series of criteria: the *asymmetry* between the parties to the conflict. Naturally, it is characteristic of all conflicts for there to be no clear equivalence between the parties, and also for the power hierarchy between them never to be static and permanent but to vary over time. And naturally the appearance of these asymmetries is a valuable indicator for gauging the evolution of the conflict and predicting its possible final outcome. In this case, the asymmetry is not limited to the economic and military aspects and to the international alliances<sup>14</sup>. It is a structural, overall and increasing asymmetry. If the current situation is compared with that of the time of the Partition Plan (1947), then the point of departure was a certain *decreasing symmetry*: that is, neither of the parties had a state, both wanted to, there was broad consensus in the United Nations (with the disagreement of the Arab States but the joint and express agreement of the United States, the USSR and their respective allies on the Partition Plan). From this point onwards, the decisions made by the parties – and, in the case of Palestine, by those who supplanted it in decision-making (the governments of the surrounding Arab states) – explain the sequence of subsequent events. More than 70 years and several wars later, the conflict has yet to be resolved, but the situation is much more *asymmetrical*.

The transition from 2017 to 2018 has again highlighted the contrast between the *micro* and *macro* levels of this conflict, Jerusalem. Donald Trump's end-of-year recognition of Jerusalem<sup>15</sup> as the capital of Israel set in motion a curious sequence of events. It broke a taboo, the United Nations doctrine of not recognising its capital status since the Partition Plan of 1947. As it turned out, the enraged reactions all over the Muslim world were greatly mitigated and above all limited to groups of young Palestinians in the West Bank and somewhat more in Gaza. In other words, there has been no third intifada; the Arab League

<sup>14</sup> In this regard the alliance between Israel and the United States, in itself traditional, has gained a qualitatively different dimension since the end of the Cold War and the bipolar equilibrium, as the extinction of the USSR has left the other party very unprotected.

<sup>15</sup> VILANOVA, Pere. *Jerusalén y el proceso de paz en Oriente Medio*. Barcelona: Icaria 1999.

(headed by Egypt and Saudi Arabia) expressed its courteous disagreement and everything seems to indicate that the *power asymmetry* in Israel's favour has been confirmed and guaranteed yet again. Does this mean then that the conflict is not only circumscribed but even extinct? Experts would normally say no, but we no longer know. Perhaps there is another feasible hypothesis: that we are facing a historic change and a new stage of the conflict, in which case we need to re-examine the issue of Jerusalem. With respect to its entering a new stage, there is broad consensus that: a) there are no longer any talks underway, or a credible peace plan other than ritually voiced by a few governments and international organisations; b) therefore, there is no feasible option based on the *two-state solution*; c) in Palestinian society – not officially, at the level of the Palestinian National Authority – and increasingly among experts and analysts with authority, another option is gaining credibility, renunciation of question b). It can be put this way: what will happen if the Palestinian party finally gives up on having a state of its own? As strange as it may seem, this is a serious concern for Israel, because it would then be responsible for a territory (which it is increasingly occupying with more and more settlements) and a population of some four million who will not disappear, will not leave, and now have no rights of any type. This debate deserves to, and will inevitably, be examined in depth. But returning to the case of Jerusalem and zooming in, it is easy to see to what extent it is a melting pot, a sort of *big bang* on a very localised scale of all the problems we are referring to<sup>16</sup>. With an area of 126 km<sup>2</sup> and a population (in 2010) of 650,000 inhabitants, two-thirds of whom are Jews and one-third Arabs (roughly speaking), the Palestinians complain that Israel, aware that the initial occupation, subsequent annexation, and unification and expansion of the municipal area at the expense of the Arab part above all, and especially the unilateral proclamation of the city as the sole and indivisible capital of the State of Israel – which has not been accepted by the international community, not to mention the city's Arab population – has been subjecting the city to a very precise and unscrupulous strategy for nearly four decades. The strategy has basically consisted in modifying the situation on the ground slowly but surely so that the population's social and political conditions would be very different in the long term, precisely when the time came for real negotiations that called for mutual concessions. Compared to those of 20 or 30 years ago, the current concessions are unquestionably more favourable to Israel, be they partial return or an easing of the restrictions imposed on Palestinians' access to the city they also claim as the capital of their own state.

One of the objectives during the first 30 years of occupation was to change the demographic situation in the city, but the fact is that in the abovementioned area of 126 km<sup>2</sup> during the 30-year period from 1967 to 1997, although Israel used all the means at its disposal to give impetus to the policies of encouraging Jewish immigration to the city (as well to the policies restricting Palestinians), the variation amounted to less than 3 percent in favour of the Jewish population. Therefore, although Israel (from the aforementioned perspective of asymmetry) is still the stronger party, its

<sup>16</sup> KLEIN, Menachem. *Jerusalem, the Contested City*. London: Hurst&Company 2001.



strategy of progressively weakening the city's Palestinian identity to achieve a great, predominantly Jewish Jerusalem has not led to the expected proportions. There are several reasons for this. One is different demographic growth rates and another is that, although it may seem surprising, emigration from the Jewish part during 1993-2000 outnumbered immigration. In 1999 Jerusalem's mayor during those years, Ehud Olmert (who became deputy prime minister of Sharon's government in 2005), appealed to the government to take measures to boost the Jewish population in the city «in order to preserve Jerusalem's Jewish identity, which is endangered by the current demographic trends».

Further policies designed as part of the same strategy have sometimes been highly administrative and legalistic, based on an apparently very neutral language. With respect to right of abode, we have pointed out earlier that since 1967, despite the occupation, Palestinians have been considered aliens with permanent residency rights (based on the Entry into Israel Law of 1952, equivalent to our immigration laws, and the regulations of 1974 adapting that law). But in practice the authorities have always implemented these provisions as restrictively as possible, clearly discriminating against Palestinians when the clauses apply to non-specifically to citizens. This can be seen, for example, in the implementation of the provision on «all residents of Jerusalem» (with no further specifications), according to which they lose their right of residence if they travel abroad. If they are not Israeli citizens, they must apply for a re-entry visa before leaving, which can take months to be granted or never be granted, so that somebody who leaves, for example with a scholarship to study in a foreign university, either goes without knowing if he or she will be able to return or is forced to stay and loses the scholarship. Another clause is more commonly used: somebody who has lived outside the municipality for more than seven years automatically loses their right of residency, but the provision never applies to Jews, and always to Palestinians. Much more dramatic is the case of marriages between a resident and non-resident of the city, because the spouses need to request an internal family reunification visa, which statistically becomes a problem as applications tend to be denied or simply not acknowledged (in this case not hearing from the authorities is *negative*, not positive). Children born of such marriages do not automatically enjoy resident status but must apply for it. Of the 136 Palestinian applications for family reunification submitted between 1995 and 1999, 109 were denied outright. To this should be added the variants on the *quiet deportation policy* which, using an array of arguments based on administrative offenses, ends with the confiscation of the ID card certifying the holder's right of residency.

We might also mention the disparate public planning policies which are apparently neutral and based on the administrative law of the local government. However, the fact is that only 12 percent of the building permits issued between 1967 and 1997 were granted to Palestinians, and illegal construction ends with the building being demolished, but always on technical grounds. More than 2,000 Palestinian houses have been demolished in the municipality in 33 years. But during the same period at least eight large Jewish neighbourhoods have sprung

up in the annexed part of the city, increasing the Jewish population of this part of the city by nearly 200,000. In addition, the Jewish part has 680 km of public roads and the Arab part 87 km, the Jewish part 700 km of pavements compared to 73 km. The proportion of channelled water is likewise ten to one, and the population density per building in 1999 stood at one person per room on the Jewish side and two and a half in the Palestinian part. Although Palestinians account for one-third of the total population (and pay their municipal and business taxes just as the Jews do), they received only 10 percent of the total investments in municipal services<sup>17</sup>.

As can easily be seen, intercommunity confrontation has surfaced in different forms over time and it would be a mistake to focus only on the moments of most open and dramatic violence<sup>18</sup>.<sup>18</sup> Of the aspects that are least known – except to a few specialists – this variety of situations described above is of paramount importance if considered in terms of a sustained strategy. Ultimately everything seems to indicate that the different territorial strategies implemented by Israel have enjoyed varying degrees of success (from the point of view of their interests), but seriously jeopardise the Palestinian population of a city which, as any impartial visitor can see, continues to be clearly, and asymmetrically, divided into two. But if the two-state solution ceases to be an option, could Israel cope with the current situation as an eternal scenario? The problem, which is sociological and urban and human too, will grow. The hypothesis that one day there would be two states and that part of the city would be run by the Palestinian state made it possible to look the other way. There is no clear answer, but if Palestinians give up on having a state of their own, this will undoubtedly pose a major problem for Israel, both in Jerusalem and countrywide. With the current population figures, Israel's Arab population would go from 21 percent to around 50 percent of the total. According to critical Israeli scholars, this would question the very project of the State of Israel as a Zionist state<sup>19</sup>.

### Regional escalation, global risk<sup>20</sup>

In this regional landscape, as fighting ISIS becomes a secondary military concern, a situation with a somewhat complicated geometry is arising. With respect to direct confrontation between Iran and Saudi Arabia<sup>21</sup>, Yemen is a clear case of

<sup>17</sup> MARGALIT, Meir. *Seizing Control of Space in East Jerusalem*. Tel Aviv: Sifrei Aliat Gad 2010.

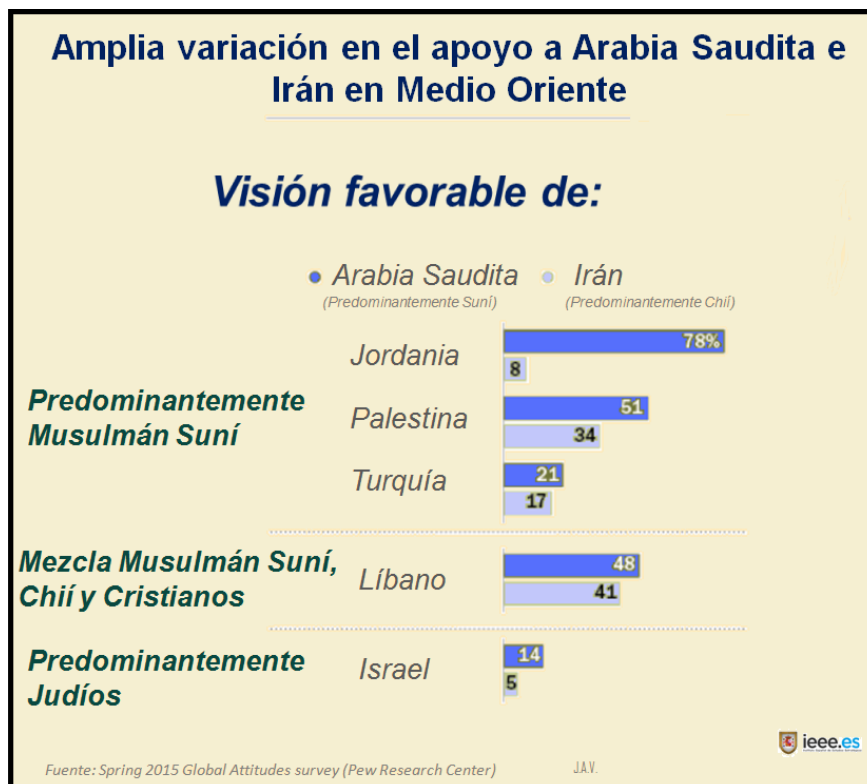
<sup>18</sup> KLEIN, Menachem. *Lives in common: Arabs and Jews in Jerusalem, Jaffa and Hebron*. London: Hurst & Company 2014.

<sup>19</sup> SAND, Shlomo. *La invención de la tierra de Israel*. Madrid: Akal 2012.

<sup>20</sup> SOLER, Eduard. «El Mundo en 2018: 10 temas que marcarán la agenda». Cidob. *Notas Internacionales de Investigación*, 2017. Available at [https://www.cidob.org/publicaciones/serie\\_de\\_publicacion/notes\\_internacionales/n1\\_186/el\\_mundo\\_en\\_2018\\_diez\\_temas\\_que\\_marcaran\\_la\\_agenda\\_internacional](https://www.cidob.org/publicaciones/serie_de_publicacion/notes_internacionales/n1_186/el_mundo_en_2018_diez_temas_que_marcaran_la_agenda_internacional) [Accessed 20 December 2017].

<sup>21</sup> RODRÍGUEZ, Cesáreo. «Iran ¿potencia regional?» ANUE (Asociación para las Naciones Unidas en España), May 2017 [Accessed 15 May 2017]. Available at <http://www.anue.org/es/content/ir%C3%A1n-%C2%BFpotencia-regional-0>.

a conflict or civil war in which the Yemeni factions are *proxies* for the competing regional powers. However, there is another side to the problem, namely the Gulf and the complex relations between members which the Gulf Cooperation Council (CCG) is unable to bring under control. Qatar, as a free agent, and the offensive against it orchestrated by the Saudis is a good example. This is why Saudi Arabia will continue to present Iran as the main threat to regional security. Even if only for its geographical location and the central role it plays in the production and sale of energy, any escalation of tension between the two countries becomes a disruptive factor on a global scale. Mohamed Bin Salman, the crown prince of Saudi Arabia, will continue to upset the balance in his country, but in the whole of the region as well. We have seen this with the Yemeni war, the boycott on Qatar, the call to order issued to Hariri and the purges in the royal household.



**Illustration 2: Broad variation in support for Saudi Arabia and Iran in the Middle East.** Source: compiled by the author.

Iran will have no incentive to lower its profile of a rising power and Saudi Arabia will neither resign itself nor be sufficiently reprimanded by the United States. Riyadh may target Hezbollah, which is weakened after the war effort in Syria. It will need the support of Israel, and this would require previous groundwork. The possibility of reaching an agreement has been compromised by President

Trump's decision to recognise Jerusalem as the capital of Israel, but it is not so much an issue of substance as of method. Israel, Egypt and Saudi Arabia currently have what is called a *relationship regime*, which constitutes a de facto alliance in which functional aspects take priority over formal aspects. Alternatively, they can up the stakes in Yemen and, in their endeavour, seek the involvement of the United States, arguing that this is the least risky way of stopping Iran. There is another front, for which the Emirates (UAE) are an essential piece in the puzzle. This battle is not military and is waged in the US Congress. The aim is to get Washington to pull out of the nuclear agreement with Iran and reimpose sanctions. This would place enterprises all over the world, especially financial, in a delicate situation as they could face sanctions or find themselves excluded from the US market if they continue to do business with Iran. At the start of January 2018, the European Union reaffirmed the validity of the agreement with Iran.

Lastly, both Turkey and Iran, in different ways, must adapt their respective foreign policies to complicated situations of internal stability<sup>22</sup>. Turkey, for example, has experienced two moments of heightened tension: the mass mobilisations in Taksim Square in 2013, and the crushing of the strange coup in the summer of 2016. In both cases Erdogan regained control without further ado, but the sheer size of the repression carried out over the past year and a half – with 170,000 civil servants, military, police, judges and teachers penalised and more than 50,000 prosecuted – raises major questions about the nature of the Turkish regime. At this stage in the game a few conclusions can be drawn, among other things because it has given rise to comparisons with the outbreak of *social rage* witnessed in other countries, such as in Iran in late 2017 and early 2018. The first question relates to the absolute unpredictability of the social outburst, the fact that the movement has no (legal or clandestine) framework in any political party and the fact that the demonstrators, at the height of the protest, did not call for a change of regime but for withdrawal of the initial plan, the end of repression, the release of the detainees and the resignation of the government and its prime minister. The unpredictability was relative in this case, as a few Turkish analysts had been warning for three years of rampant underlying tension that had no political organisation but was nevertheless mounting. In their social malaise the Turkish people did not clamour for the regime to be toppled, let alone for a return to military dictatorships (which marked the country from 1960 to 1992), so what exactly did they want?<sup>23</sup> To maintain a de facto democratic regime in the institutional sphere, to strengthen political and social democracy but above all something that Europe perhaps found it difficult to properly understand. Many Turkish citizens wanted to draw the line at what they called the *ambitious social engineering* carried out by Erdogan, who is attempting to establish an increasingly dense network of

<sup>22</sup> MOLTENI, Atilio. «La guerra vivió en Siria y el Programa Nuclear Iraní: dos cuestiones fundamentales en el Medio Oriente, en Araucaria». *Revista Iberoamericana de Filosofía, Política y Humanidades*, year 15, no. 30, second half of 2013, pp. 167–90, 2013. [Accessed 27 December 2017]. Available at <http://www.redalyc.org/articulo.oa?id=28228768008>.

<sup>23</sup> SOLER, Eduard. «Cinco claves para analizar las elecciones en Turquía». *Nota Internacional Cidob*, no. 363, Barcelona, 2015.

increasingly Islamist (according to his concept) guidelines and rules of social behaviour. For example, during the international flights operated by Turkish Airlines – a very good company – alcohol is served without problems, but no longer during national flights. A further example: the government's party did not wish to support an amendment that would put an end to the rule banning women in the public sector from wearing headscarves; instead it wants them to be free to decide whether or not to wear one. This proposal is difficult for Europeans to grasp, as it calls for individual freedom, yet women in the public sector were banned from wearing any version of the full-face veil.

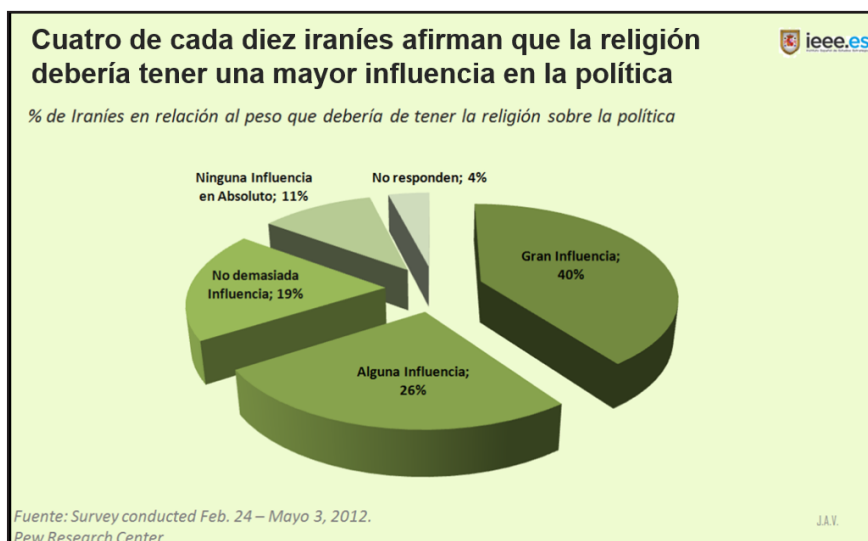
This is an interesting paradox and we find further examples in other areas. Kemalism, apart from advocating a secular republican system as its ideology, might also be considered a tradition with strong militarist or nationalist political leanings and this is invoked by all the groups. The pro-government demonstrators waved not only Turkish (not Islamic) flags but portraits of Kemal. The republican fundamentals of the regime are untouchable for the time being, and its formal secularism is unquestionable, for the time being. Erdogan, despite his successive (and spectacular) election victories, is well aware of this and is treading carefully. This explains the purge of thousands of non-sympathisers. Turkey is a clear case of a regional power with a close connection between internal stability and an ambitious foreign policy which, under Erdogan, has skilfully combined a Kemalist-nationalist profile with a *neo-Ottomanist* attitude. Both aspects enable Turkey to play on various sides: with the European Union, with NATO, with the United States, with Russia, and with Israel, making it an essential actor in fighting ISIS.

Iran also has a complex relationship between its increasingly important foreign policy<sup>24</sup>, its diplomatic skill, and several domestic problems which the theocratic and authoritarian regime is addressing with a firm hand. The spontaneous social mobilisations triggered by economic and social issues at the end of December 2017 were powerfully neutralised by mass demonstrations in support of the regime (not just Rouhani's government) and in particular the supreme leader Ali Khamenei. What do we know about the structural causes of this social outburst?<sup>25</sup> It is necessary to analyse it to realise that, in Iran's case, a strong foreign-policy profile projected from Lebanon and Syria to Yemen furthermore entails Iranian leadership and *right of protection* of all the Shia communities of the Middle East. The internal dividing lines in domestic policy might be more important to the regime's stability than is thought.

The complex nature of political power in Iran has influenced its economic power structure.

<sup>24</sup> MOUSAVIAN, Sayed. «Who benefits more from a sabotaged Iran Nuclear Deal?» *The World Post*. Available at [https://www.huffingtonpost.com/seyed-hosseini-mousavian/sabotaged-iran-nuclear-deal\\_b\\_11897718.html](https://www.huffingtonpost.com/seyed-hosseini-mousavian/sabotaged-iran-nuclear-deal_b_11897718.html) [Accessed 18 December 2017].

<sup>25</sup> MARTÍNEZ, Irene. «All that glitters is not gold: unveiling Iran's economic recovery». *Cidob. Notas Interacionales de Investigación*, no. 182, Barcelona 2017.



**Illustration 3. Four out of ten Iranians believe religion should have greater influence in politics. Source: compiled by the author.**

Part of the economic structure is under state control and part is not. Although the state does not supervise it, the activities of the part that is not subject to state control are closely integrated into the system. In addition, the state also offers incentives which are not applied to the sector of the economy under direct state control.

Iran's private sector plays a relatively limited role, as the public sector and parastatal actors are the main sources of employment and economic activity in the country. There are two types of parastatal actors in the Iranian economy: foundations or *bonyad*<sup>26</sup> and the Pasdaran organisation – that is, the guardians of the revolution, the backbone of the regime.

The *bonyad* can be divided into two different groups depending on the origin of their income. The religious *bonyad* derive their income from the donations provided by pilgrims who visit the religious sites located all over the country. An example is Astan-e Qods. This organisation currently employs 19,000 people in a variety of bodies ranging from health institutions to economic institutes and media. Since 2016 the organisation has been headed by Ebrahim Raisi, the presidential candidate who competed with Rouhani in the most recent elections. Then there are the revolutionary foundations established in 1979 by Ruhollah Khomeini to administer the enterprises confiscated from people considered too close to the previous regime. The *bonyad* are independent from the state administration and are answerable solely to the supreme leader, Ali Khamenei, who is the head of state and the country's highest political and religious authority. The Pasdaran

<sup>26</sup> A good description of *bonyad* can be found in Wikipedia : <https://en.wikipedia.org/wiki/Bonyad> [Accessed 10 January 2018].

began its economic activity in 1989 while the country was under reconstruction (*sazandegui*) following the war with Iraq. Iran had serious infrastructure deficiencies and the Pasdaran stepped in with a construction company called Khatam al-Anbiya, which uses its influence to secure contracts with the government. Various administrations have awarded it contracts in sectors ranging from gas to Tehran's metro. It is reckoned to have more than 135,000 employees. It continued to expand by creating cooperatives that operate in other sectors, to the extent that they are present in finances, communication, agriculture, exports-imports and culture. During the *privatisation programme* implemented by Ahmadinejad during his first term, they acquired shares in many other businesses related to the pharmaceuticals, telecoms and automobile sectors, among others.

As the expert Irene Martínez (Cidob) states, these organisations are benefitting from budgetary allocations, tax exemptions and credit lines awarded by banks. They have promoted a sound relationship with the country's centres of power by placing influential figures in strategic political positions. This enables them not only to have their own agenda, but also to offer privileged government information: a state within a state. These two types of economic actors arose from very different origins with markedly different objectives. Iran should take note of the lessons learned from the corporations and major companies that control strategic sectors of the economy and operate outside the state in other countries.

### **European derivatives 1: the issue of refugees, European governments and the European Union**

One of the derivatives the Middle East has exported *out of zone* is evidently the refugee problem. Whereas more than a million and a half refugees arrived in Europe in the last five months of 2015, and were subsequently unevenly distributed, the flow has decreased considerably, though the travel routes have again shifted to new points of departure from the Maghreb (Morocco, Libya), and a few experts therefore maintain that the much-criticised agreement signed by the EU and Turkey has worked in quantitative terms.

It is appropriate to examine how the European Union has handled the refugee problem, with the worthy exceptions of Germany and Italy, which have taken in a million and more than 300,000 refugees respectively. The European Union seems unsure whether it has understood the refugee issue – or perhaps precisely because its 28 members have understood it only too well, the result is that the problem is being handed back to states (with the added factor of the EU-Turkish agreement). This is the umpteenth version of the EU's powerlessness to do anything about border control. Perhaps it is a question of numbers, or of the international context, but the atmosphere is tense. More than 4,000 people have drowned in the Mediterranean in little more than a year since 2016, including children, as attested by dramatic photos. Meanwhile, in 2017 some 10,500 people remained trapped in

Greece, convinced that with exile forward is the only way; if you stop, you go backwards or fall.

It does not seem to matter now, but during the Cold War few refugees arrived from the communist bloc. They trickled in one by one, or two by two, except during the Soviet crackdowns in Hungary in 1956 and in Czechoslovakia in 1968, and the western governments dealt with them. The Cold War greatly simplified how the problem was viewed: the world was divided into two, everything was black and white, but above all the boundary between blocs was tightly sealed. And the legislative differences between political asylum and forced migration for economic and social reasons were clearly laid down in our legal systems.

Today neither is the world bipolar, nor is the division between blocs watertight; we do not even know how many blocs there are, and today's world-scale unrest is like a kaleidoscope of violence. To start off with, hundreds of thousands (literally) of migrants arrive every year, fleeing from all kinds of situations we would not put up with for a day, and head for where they know that, however bad the crisis, there is something that the television, the media and the Internet constantly show them: hope of survival. The old legal regulations for handling matters like the differences between emigrant and exile are no longer of any use. When you have three thousand refugees, say, arriving over a few days, from Syria, Iraq or... Turkey, how are you supposed to classify them? As socioeconomic emigrants? As political refugees? Do you send them back to Turkey? The legal regulations we use to cope with this tragedy, which is supranational and global by definition, are primarily *national* (of the nation state) and furthermore date from last century. The mismatch between necessary right and possible right, assuming there is collective political will to tackle the problem in a humanitarian manner, has never been so great. But the figures are stubborn, and to start processing administratively the huge number of refugees who arrived in 2016 and 2017, for example in Greece, not to mention those who are managing to find their way into Europe via other routes, we would need to recruit some four or five thousand specialists immediately, put the necessary infrastructure in place, process data and, with this bold plan, the cases would have to be examined individually – the law requires it be done on a case by case basis – at the rate of two per minute. Then there are the interpreters, checking to ensure their passports are not forged and much more. Does anyone seriously think that the heads of state and government did not know that international laws ban mass deportations without judicial control? The humanitarian disaster is colossal.

### European derivatives 2: the question of jihadi terrorism

There is second *out-of-zone* derivative towards Europe (but not only): state-of-the-art jihadi terrorism. More than 15 years on from 9/11, the debate on terrorism continues and is unlikely to end: on terrorism, its nature, its consequences, its social perceptions and, in particular, on the response policies it requires of us and, more specifically, on the *relationship between ends and means*.



In this respect we cannot ignore the problem of unequivocally, explicitly and, above all, consistently defining terrorism for supranational legal purposes. The term *terrorism* continues to be polysemous, ideological and biased and sometimes creates more confusion than anything else. Some tend to use the concept in terms of political opportunity. But it needs to be gauged in relation to its use in the framework of the rule of law (internally) and respect for international law (at the international level). We must not allow ourselves to be caught up in the logic of *efficiency* as compensation for a few breaches of the law: recent history – from the Algerian war (independence from France, 1955-62) to Guantánamo, and including the missing persons in Argentina and Chile and a long list of sinister events – leaves no room for discussion.

The United Nations has never managed to come up with a clear definition of the word owing precisely to the political implications of its possible meanings. But in the past decades the United States has produced more than a dozen binding resolutions (conventions, etc.) on *terrorist actions*, that is, on *materially punishable acts* (capture of vessels, hijacking of aircraft, attacks on diplomatic buildings, financial offences). This is the most effective means, as it runs parallel to the logic of criminal law in democratic states: it does not judge intentions, ideas, ideologies or programmatic attitudes, but materially punishable acts. And this is the aim: to transnationalise the efficiency of criminal law in its international dimension, with antiterrorist policies as one of the keystones. Ultimately, we should not aim to achieve an exact and universally accepted definition of the term *global terrorism*, even if it has a widespread conventional use in the media, in public opinion and on a global scale. And nor should we get too involved in arguments regarding the *self-definitions* provided by terrorist groups (freedom fighters, resistance, martyrs, etc.): as political opportunists, they need to seek the legitimacy they know (or should know) they lack in an *appropriate* language.

We must proceed carefully when attempting to classify terrorist groups, but this is an essential task<sup>27</sup>. It is legitimate to draw distinctions between *national liberation* terrorist movements (IRA, ETA), those based on a *revolutionary ideology* (the Red Brigades in Italy, the Baader Meinhof Gang in Germany), and those with jihadist leanings. But this is an obvious difference. It is much more important, at least in the field of intelligence, to seek the maximum amount of information on the variety and fragmentation of the *Al Qaeda nebula* as opposed to other variants of armed groups like Hamas and Hezbollah (whose classification as *terrorist groups* has often been based on circumstantial criteria of political opportunism or directly on the pressure of certain international actors). Any analysis should be political (that is, it should establish the links between causes, effects and consequences) and should not be replaced by ideological generalisations, which are often cloaked in vehement moral proclamations. Intelligence is one thing and propa-

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<sup>27</sup> See the articles by Fernando Reinares, an expert on Islamist terrorism at the Instituto Elcano. Available at [www.rielcano.org](http://www.rielcano.org) [Accessed 4 January 2018].

ganda is quite another. The former must give shape to appropriate response policies; the latter – or its variant, *communication* – ends up being counterproductive.

The following argument continues to be valid. It should be borne in mind with respect to jihadism that we are affected by three types of activities: ability to recruit (in countries that are totally Muslim or have a majority of Muslims or fairly large Muslim populations); their *imports and exports* of terrorists; and the *geographical scope of their terrorist acts*<sup>28</sup>. The first, recruitment, has been progressively shifting and even takes place in non-Muslim countries (chiefly European) with large population pockets that are sociologically Muslim in origin. Although the number of recruits is proportionally tiny, it is a potentially very dangerous phenomenon. The *geopolitics* of terrorist acts on a global scale shows two things. The first is that more terrorist acts have been carried out in Muslim countries than in Europe or the United States (from Mauritania to the Philippines, nearly all the Muslim countries have suffered from the phenomenon) and that a large number of Muslims have died in jihadist terrorist acts (in 2011, 86 percent of all the victims worldwide were Muslims); this fact should be taken into account in political analyses and studies of communications to public opinion. The second is that there are large expanses of the world where the phenomenon is non-existent or limited to very specific cases (large parts of Eurasia and Central Asia, Latin America, Africa south of the Sahel, with the exceptions of Nigeria and Kenya). In this respect, jihadi terrorism has become fragmented and has shifted geopolitically to India and Pakistan above all. We should ask whether we have an up-to-date *map* and are apprised of the status of ISIS's current strengths and weaknesses.

Our reservations on the evidence of the failure of the so-called *ultimate intention* of jihadism are confirmed: a worldwide or universal Islamic Emirate, in the case of ISIS the caliphate in Syria and Iraq. Indeed, the fact is that since 11 September Al Qaeda has *not* managed to topple a government in any country (Arab, Muslim or otherwise) and has not conquered any states, and it is not clear whether gaining visibility (as in Afghanistan with the Taliban regime) by seizing power in the political regime of a specific country is the strategy they pursue. Anyone who cites the case of Pakistan should remember that the FATA (tribal areas) of the west have *never* been under the control of *any government* of Pakistan or of the British previously, but lack of control is limited to this area and Pakistan cannot be said to be a *failed state*. The case of Mali should be assessed in detail, but the part *liberated* by the three Al Qaeda groups is a desert. Seizing power in a state entails identifying oneself and taking on a form and structure of government that is relatively easy for the international community to persecute and neutralise. We think in terms of the highest expression of political victory being succeeding in governing a state. They do not necessarily – or else they have not managed to do so.

The strategy of ISIS's leaders was to *territorialise themselves*, build a caliphate to establish themselves over a period of time as a factor of steadily growing in-

<sup>28</sup> VILANOVA, Pere. «Terrorism and risk society». Instituto Europeo del Mediterráneo. *Iemed Yearbook 2016*. Barcelona: Instituto Europeo del Mediterráneo 2016.

security, to progressively weaken those it defines as *enemies*. In recent years, in addition to becoming weakened, it has tended towards fragmentation and a decentralised, little or poorly coordinated and increasingly *localist* (see Mali, Yemen, etc.) *franchise* format, as well as pursuing the strategy of sowing terror on European soil (and occasionally in the United States, Canada and Australia).

An additional factor to be considered is the potential strategic danger of these groups increasing their technological capabilities and their interaction with other forms of global or transnational crime (drug trafficking, cybercrime, financial offences) based on these more advanced technologies. It is here where governments, whose technical capacity is not insignificant, must reach agreements.

More topical than ever, in this strategy based on a suitable relationship between ends and means, is the importance of not losing sight of the balance between the different policies for responding to global terrorism. We should not shy away from this debate because its outcome will be useful. Because public opinion needs to be informed in order to agree to pay the costs of addressing a lengthy campaign of fighting terrorism. And because herein lies our democratic strength as a political and social model, and as a form of government for increasingly heterogeneous societies subject to transnational factors perceived as major carriers of insecurity (terrorism, financial crises, climate change and others).

The past two years have witnessed serious attacks in major European cities and an increasingly complex social debate has arisen which should interest us as it directly concerns us all. This complexity has furthermore multiplied owing to its globalisation via the Internet and forces us to reflect on the responses to such a major challenge. In other words, we must be wary of single-phrase solutions. And not only if they come from far-right politicians. Many ordinary people are concerned or afraid and, perhaps without realising, resort to exorcisms more than arguments.

It is appropriate to focus first on our own society and those in our institutional and political environment. Compared to previous periods, this time, despite the diverse opinions, there seems to be consensus on the need for more effective security, police and judicial policies that improve anticipation and prevention, but also reaction after the crime: that is, prosecution and punishment of the guilty parties within the framework of the rule of law. In France we have seen many voices warning against the *American* temptation, of the unacceptable *Patriot Act* and Guantánamo, and for the time being this temptation seems to have sparked strong social and political reservations from the great majority. But in France another debate, strictly social and opinion-based, is affecting the sociologically Muslim population – I say *sociologically* to deliberately avoid the assumption that the five and a half million Muslims in France make up *the* Muslim community. Olivier Roy has explained this clearly<sup>29</sup>: there is a Muslim population in France (8 percent of the total) but there is no *Muslim community*. Their degree

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<sup>29</sup> Roy, Olivier. *Le Djihad et la mort*. Paris: Ed. du Seuil 2016.

of religious practice varies spectacularly, their political leanings are as varied as the country's party system (except the FN), there is no party with a *denominational* profile, their cultural preferences are manifold and, above all, they do not follow the same pattern of civic behaviour.

What happens next is a clash of simplifications as opposed to civilisations – or rather a clash of *simplistic perceptions*. When some media and commentators, but above all a whole legion of disgraceful internauts, give vent to their Islamophobia over the Internet, they create opinion. As a result, very many Muslims who far from approve of the abovementioned crimes and furthermore consider jihadism to be an abominable crime feel that fingers are being pointed at them, sometimes vaguely, other times more blatantly. This brings us to two issues that are difficult to reconcile, at least in democratic societies. One is the criterion of opportunity, of social sensitivity, of respect *for the other*, which can be summed up as follows: on the one hand, despite invoking freedom of expression, what need is there to be disrespectful to many people who are not even believers but feel offended by caricatures of the prophet. On the other, there is the principle of legality, which has to split hairs as it needs to be capable of both defending fundamental rights, among them freedom of expression, including the limitations laid down by law, which are only acceptable due to questions linked strictly to the non-negotiable core of the rule of law. Issuing opinions, however controversial, is a matter of individual and collective civic sensitivity. If there is offense, it is for the courts alone to settle the issue.

Now for the nuances. It must be possible to invoke the concepts of *offence*, *grievance* and *slander* only in the cases provided for by law before the courts. However, religions – each with their own icons, dogmas and red lines – are open to a variety of opinions, like any body of collective ideas and convictions. Accordingly, they are liable to be on the receiving end of criticism and even jokes with irony or appallingly or bad taste – it is a question of social self-regulation. Is this difficult to explain socially? Absolutely, and above all to try to reason on Twitter: 140 characters, now 280.

To start off, perceptions and statistics matter from a sociological viewpoint. France, for example, has witnessed many acts of terrorism with a high death toll in the past 50 years, carried out by the far-right OAS (French against Algeria's independence), the small left-wing group Direct Action, and several groups that claimed to support the Palestinian cause such as those of the 1980s, not to mention the two attacks carried out one after the other in the busy Saint Michel metro station. There was even an attack on the Turkish airlines in July 1983, at Orly Sud (Paris), killing eight and injuring 50, by an Armenian organisation in protest against the genocide... of 1915!

Another complex question concerns the cause-effect relationship, which is based on sound reasoning but has its contradictions. Since terrorist acts of this type must necessarily have causes (the causal relationship is an inevitable issue), then our social or civic integration policies could be considered to have failed. Perhaps, but the weakness here lies in assuming that terrorists' actions are re-

active by default (that is, they are reacting to an initial cause) and our policies proactive (that is, the *causing cause*). The fact is that there are more than five million sociologically Muslim citizens in France. Radicalised individuals, who have gone to Syria and Iraq, number slightly more than a thousand, and there are reckoned to be several hundred more in France. Are three thousand out of five million a lot? A few? Do they indicate that our integration policies have failed? Are we sure that the cause-effect sequence is one-directional?

If we expect to come up with public policies that prevent 100 percent of cases of individuals becoming radicalised, we are badly mistaken, as there is no such thing. What is more, this approach fails to deal with another issue that is by no means minor but is totally absent from the debate. In any society there is a percentage of individuals who by nature are more vulnerable to recruitment, erratic to some degree and unquestionably socio-pathic: from sects to drug addiction and from religious fundamentalism to indiscriminate political violence. I am not pointing this out to attenuate or excuse any behaviour, merely to stress that the question of criminals' mental profile needs to be factored into the analysis.

And this brings us to a third question. There are no zero-risk societies. Public institutions, governments and media, those who create opinion, need to explain this inside out. At the time of 9/11, back in 2001, people whose opinions were highly influential could be heard saying «I pay my taxes, the state has the duty to protect me and prevent these things from happening'. Therefore, whatever the statistics say, it is individual and collective social perceptions that most influence opinions.

There are various recurring issues. For example, fighting terrorism should not be the sole responsibility of governments; we are duty bound by the social contract to provide support, not necessarily unconditional, but it concerns us all. Above all, it should not be a matter of electoral or electoralist confrontation, however we wish to call it, but let's see how long the consensus lasts. Public policies that address all this should provide an opportunity for the political class to engage in a united endeavour to show the best of itself, but the truth is that the effort is unequal.

We are learning more and more about the profile of the people recruited for suicide attacks and we know that the security forces do an excellent job, but they need to feel more social support. Some people have misgivings about uniformed police and military, whom a few councillors do not want to see in classrooms, but Belgians and French want them in their streets more than ever. The victims of terrorism belong to no one but their families and friends, but they also belong to us all.

## Conclusions

There are many conclusions to be drawn from analysing the *Middle East after the Caliphate*, some of the most important being:

We are dealing with a *regional conflict complex* and the key to understanding it lies in the terms of fragmentation and interdependence. This gives the various actors a certain margin for autonomy in their strategies, albeit with limitations.

It is projected in a geographical area that needs to be defined, as a framework for the analysis, in order to be able to determine the levels of interaction between the actors involved, which are not only states. The impact levels of what goes on there on its *regional and global* projection are crucial.

This crisis-stricken area often projects specific derivations *out-of-zone*. Of these, we have briefly analysed refugees, the actions of terrorist groups and tensions between *out-of-zone* foreign policies, powers and states which are attempting to adapt to the situation. In this regard, Putin has succeeded in pulling off manoeuvres with a clear strategy of strengthening his power. As of January 2018, the United States in this period (Trump's first term) seems to be groping around to find a course of action that makes sense, but the image being conveyed to the world is one of total *strategic disorientation*.



## Chapter three

### Latin America at a critical juncture

Carlos Malamud

#### Abstract

Throughout 2017 and over the next two years, Latin America will be at a critical juncture, from a political, social, economic and even international perspective. Between 2017 and 2019, as a consequence of an intense electoral cycle, elections will be held in 14 countries. The results of these elections will determine the identity of the next rulers and, accordingly, will not only indicate whether we are facing a new political cycle, but will also allow us to assess the feasibility of many of the reforms needed to permanently integrate the region into the globalised world. This article aims to account for the current situation, from a multiple perspective, taking into account any changes that may occur in the immediate future. It is noted that, unlike in previous years, the region is much more complex, more diverse and further away from the hegemonism and unanimity of the past.

#### Keywords

Elections, changes, populism, violence, governance, presence, integration, blocs.





## Introduction

In 2018 Latin America will face a decisive moment in its recent history from both a political and economic and social and international perspective. On the political front, a large number of countries are due to choose their leaders between late 2017 and 2019, including important ones such as Brazil, Mexico, Argentina, Colombia and Chile. All these cases are notable on account of what has been an important characteristic of regional politics of the past decades: only in Argentina can the president in office be re-elected. The results will make it possible to gauge how far the Latin American countries have gone towards political renewal and whether Bolivarian populism is waning.

The economic challenges are considerable too. The super-cycle of commodities, whose high export prices enabled much of the region (especially South America) to grow at exceptionally high rates for a lengthy period, has come to an end and will not return. One of the main social consequences of those golden years was the emergence of large swathes of the population who joined the ranks of the countries' middle classes. The challenge many governments face is to ensure all these people keep their newfound status, to continue to reduce poverty and extreme poverty gaps, to combat inequality and, more importantly still, to avoid dashing the major expectations of all those groups, who are keen to play a bigger part in politics, carry on rising socially, and enjoy full access to basic rights such as educational, health and transport.

The current rate of economic growth is insufficient, and reversing this trend will require major reforms to boost economic productivity. This will entail substantial investment in infrastructure, firm commitment to digitisation, fuller espousal of the technological revolution, an unmistakeable improvement in education to allow human resources to constantly adapt to the challenges of the moment and an overhaul of the job market. Without these reforms Latin America risks being left behind the major changes that are underway.

From an international perspective, the political changes that will take place will influence Latin America's relationship with the rest of the world in the coming decades. Bolivarian populism's rejection of free trade and globalisation doomed the countries with those leanings to growing isolationism and had a negative effect on their prospects, despite the steady economic growth of the past years. No doubt this growth could have been greater and more sustained had the regional economies been more open.

Who the chosen leaders are will determine whether or not progress is made towards forging closer links with the globalised world and maintaining certain extra-regional alliances (the EU, the United States, China and Russia, among others), but also towards establishing blocs and rapport within the region. Whatever happens, one thing is clear: the hegemonies and unanimities of the past will not return. Latin America today is a much more diverse and complex reality than in Hugo Chávez's years. The future of some of the regional

institutions created in the past decade, such as the Union of Southern Nations (UNASUR), the Community of Latin American and Caribbean States (CELAC) and even the Bolivarian Alliance of the Peoples of Our America (ALBA) is currently at stake. But the future of others that are more soundly established (Mercosur) or more recent (Pacific Alliance) may also be jeopardised depending on the identity of the new leaders.

These issues are examined in this chapter, which seeks to ascertain how the imminent political changes will affect Latin America in different ways. One of the starting premises is the impossibility or major difficulty of generalising about Latin America. There is no single Latin America but many. Nevertheless, the notion of region remains valid as most Latin American societies identify with it. Granted, a few focus on geographical criteria, while others emphasise the idea of South America as opposed to Latin America. But even they end up succumbing to a regional reality that influences many political decisions. This occurred, for example, with Brazil's Cuban and Central American policy during the presidencies of Lula da Silva and Dilma Rousseff, which were greatly influenced not only by the main strands of their foreign policy but also by their closeness to Chávez's Venezuela.

The main purpose of this chapter is to put the upcoming elections (especially those due to take place between 2018 and 2019) into a context (political, economic, social and international) and determine their regional repercussions. It also pays special attention to the presence and conduct of the most important extra-regional actors such as the US, China, the EU and Russia, and examines the role Spain can and must play in a continent to which it is bound by deep ties of all kinds.

## Politics and elections

### *The electoral cycle 2017/2019*

Between the end of 2017 and 2019 there will be presidential elections in 14 countries. Two were held at the end of 2017: in Chile and Honduras. Six will take place in 2018: Costa Rica, Paraguay, Colombia, Mexico, Brazil and Venezuela (though Nicolás Maduro may bring them forward, delay them or simply not hold them), and Raúl Castro will hand over to his successor as president of Cuba's Council of State and Council of Ministers in April 2018 (it was initially to be in February). There will be a further six elections in 2019: El Salvador, Panama, Guatemala, Argentina, Uruguay and Bolivia. The only exceptions are Ecuador, Haiti, Nicaragua, Peru and the Dominican Republic. As for Venezuela, the events of the past months suggest that presidential elections may be held in 2018, as stipulated. We cannot even rule out their being brought forward to the first quarter of the year given the loss of impetus of the opposition, once again di-

vided, and the opportunism of Maduro's government, which will attempt to take advantage of the circumstances.

The political course not only of each of the countries involved but also of the continent as a whole will hinge on the outcome of all these elections, given the size of the alignments that may take shape in one direction or another. Whereas in the first decade of the twenty-first century the so-called *leftward shift* paved the way for the rise of *Bolivarianism*, the victory of a considerable number of centre or centre-right parties, especially in the most important countries, will allow new consensus to be reached in international politics, some decisive for the region in general.



Illustration 1. List of elections in chronological order. Source: compiled by the author.

### Determining factors

Many factors, some of them national, will influence the election results. There will also be other features that are common to the whole region or to certain groups of countries. An important factor that will challenge the continuity of a few *long-lasting governments* of the past (people or parties) is less access to fresh money to fund political projects. Other issues, as the *Latinobarómetro* poll periodically shows, are Latin American citizens' constant concern about economic problems: low wages, unemployment and poverty (23 percent), crime (20 percent), the economy (11 percent) and corruption (10 percent)<sup>1</sup>. On top of this is the loss of prestige of many democratic institutions.

<sup>1</sup> *Latinobarómetro* 2017, p. 59. Available at: <http://www.latinobarometro.org/latNewsS-how.jsp>.

With respect to the latter point, the *Latinobarómetro 2017* shows that the church (that of each believer) enjoys the highest degree of confidence, an average of 65 percent for the region as a whole. It is followed at a certain distance by the armed forces (46 percent) and the police (35 percent). The political institutions fare worse. The electoral institution scored 29 percent, the judiciary and the executive 25 percent, parliament 22 percent, and the political parties lag well behind with 15 percent. Parties have one of the lowest ratings. They hit rock bottom in 2003, with 11 percent. They were awarded their highest score, 28 percent, in 1997. The country with the highest confidence in its parties is Uruguay (25 percent), whereas Brazil has the lowest confidence (7 percent). Low confidence is linked to the fragmentation of the party systems, the representational crisis and disillusionment with politics<sup>2</sup>.

As for corruption, the effects of the bribes paid to politicians by the Brazilian giant Odebrecht have been devastating, extending to the highest rungs of several political systems. Within a short space of time, corruption went from being an insignificant issue in many countries to a regional problem. The fact that former president Lula had used his influence to promote the company's CEO Marcelo Odebrecht around the continent and even beyond has exacerbated the effects of the scandal. In Brazil the corruption probe into Petrobras is called LavaJato (Car Wash).

According to the *Latinobarómetro 2017*, 10 percent of Latin Americans believe that corruption is a key problem. In fact, it is the fourth largest regional problem, albeit with important national differences. Whereas it is considered the most serious problem in Brazil (31 percent) and Colombia (20 percent), it takes second place in Peru (19 percent) and third place in Mexico (13 percent). Concern about corruption has heightened demands for more systematic ways of combating it. And there is good news in this department, as more than one-third of those polled believe progress is being made. Whereas Ecuador is the most optimistic country (55 percent believe steps are being taken), Venezuela is the most pessimistic, as only 22 percent share this belief.

The six countries with the highest degree of perceived corruption in Latin America are: Peru, Venezuela, Honduras, Guatemala, Mexico and Colombia. However, perception of corruption is not the same as how it is rated in comparison to the major domestic problems. In Guatemala corruption scores 5 percent and is in fifth place, whereas in Chile it is the second most serious problem in the country, with 12 percent, even though the perception of corruption in Chile is among the lowest in Latin America.

Many countries feel that their governments are not fighting corruption effectively, especially Brazil (80 percent), Chile (69 percent), Venezuela (68 percent), Colombia (66 percent) and Paraguay (64 percent). Conversely, people in Nicaragua (28 percent), Ecuador (32 percent) and Honduras (33 percent) believe that the government is not doing too bad a job. How the fight against corruption is perceived varies from one country to another and depends on actual perception of corruption and the role played by other

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<sup>2</sup> *Latinobarómetro 2017*, pp. 21-2. Available at: <http://www.latinobarometro.org/lat-NewsShow.jsp>.

actors, such as the law in Brazil and the Lava Jato case. According to the regional average, on a corruption scale of 1 to 10 where 1 is *none* and 10 is *a lot*, governments score 7.5; parliament, councils and the law 7.4; and trade unions and major companies 7.1<sup>3</sup>.

Violence is a concern in all Latin American societies. The Latinobarómetro distinguishes between the most harmful violence that which citizens perceive as affecting their daily lives and having damaging effects, and that which is more frequent and which they suffer from repeatedly in day-to-day affairs. In terms of harm, intrafamily violence tops the ranking for the second year running. A distinction is drawn between violence against children (60 percent) and gender violence (59 percent compared to 63 percent in 2016). Organised crime ranks third with 58 percent. The biggest concern is its spectacular rise from 51 percent in 2016. In fourth place is street violence (57 percent, 2 percent less than in 2016), followed by *maras*/gangs (51 percent), state violence (43 percent) and verbal violence (37 percent). As for frequency, street violence heads the list (34 percent), followed by *maras*/gangs and gender violence (24 percent each). The list ends with organised crime (14 percent) and state violence (6 percent)<sup>4</sup>.

The insecurity triggered by organised crime has quickly become a main concern for public opinion – not only because of the harmful effects of drug trafficking on society, but also because of other forms of organised crime involving a variety of types of illegal trafficking.

The situation in the so-called Northern Triangle of Central America – El Salvador, Guatemala and Honduras – which is riddled with drug cartels and youth *maras*, is a constant cause for concern, but not the only one. Other issues that worry the region's inhabitants include low economic growth and in a few cases stagnancy. Coupled with this are a desire for political renewal and the new middle classes' demands for improvements in their worsening living conditions.

### The electoral systems

Proof of the complexity of the process is that whereas a few elections will be decided in a single round (Honduras, Mexico and Paraguay), others may need two rounds. The requirements for avoiding a second round are different and their casuistry varies greatly. Some systems require the winning candidate to win half the valid votes plus one (Chile), according to the French *ballotage* model. Other countries have established more flexible requirements, in some cases designed to benefit a particular group – such as the Sandinista Front. In Nicaragua it is sufficient to secure 45 percent of the vote or 35 percent and a five-point lead to avoid a second round. As witnessed in the last elections, this figure was sufficient for Daniel Ortega to renew his term. In Bolivia too the *incumbent* enjoys an advan-

<sup>3</sup> *Latinobarómetro 2017*, pp. 34–40. Available at <http://www.latinobarometro.org/lat-NewsShow.jsp>.

<sup>4</sup> *Latinobarómetro 2017*, pp. 30–1. Available at <http://www.latinobarometro.org/lat-NewsShow.jsp>.

tageous situation: 50 percent is needed to win the first round, or 40 percent and a 10-point lead.

Regardless of the electoral system, re-election is forbidden in Colombia, Guatemala, Mexico and Paraguay. In Bolivia and Venezuela (as well as Nicaragua) it is possible to be re-elected indefinitely. In Chile, Costa Rica, El Salvador, Panama and Uruguay, re-election is only possible in alternate periods. Lastly, re-election for two consecutive periods is allowed in Argentina, Brazil and the Dominican Republic, and it is possible to stand again after one. Under these circumstances, Juan Orlando Hernández in Honduras and Sebastián Piñera in Chile have secured a second term, Piñera alternately. Evo Morales and Nicolás Maduro (in Bolivia and Venezuela) will attempt to remain in power, as will Mauricio Macri. In Brazil, unless impeded by the law, Lula will do his utmost to stand as a candidate. In all the other countries we might see new figures at the helm.

The election scene will intensify in 2018. There will be elections in the three G-20 Latin American countries: Mexico, Brazil and Argentina, as well as in all the Mercosur countries and in three Pacific Alliance countries (Chile, Colombia and Mexico). This strengthens the possible repercussions of the political election calendar on regional balances and on how Latin America will address its integration process (or processes) and its relationship with the globalised world.

There is much at stake for Latin America in these elections, though in not all of them will the continuation of the national political projects be questioned. In some cases the result will either ensure the continuation of the policies underway or lead to a dramatic change of direction. This could happen, for example, if López Obrador wins in Mexico, if Lula returns to power in Brazil, or if Morales is ousted in Bolivia. In countries where the continuation of the public policies implemented in previous years (many of which made it possible for large population sectors to rise from extreme poverty to join the middle classes) is threatened, the outcome could have more dramatic consequences.

The rising sectors have new political, economic and social demands. It will be up to the elected governments to maintain the capacity to deal with them suitably. At times lack of resources stemming from falling exports has undermined governments' ability to provide responses and has damaged their image, as reflected by the polls and results of the electoral processes underway. The identity of the new governments will be crucial to ascertaining whether they have the political power and determination to undertake a new wave of reforms, both political and economic, to adapt the technological changes to the various countries by incorporating the novelties provided by the digital revolution and, especially, using all this to improve the educational systems and to enhance their human capital.

An important question that will be crucial to the new rulers ability to govern is the composition of the parliaments in the current context of party crises, high fragmentation and the emergence of new political options (alliances or coalitions, independent groups, presence of *outsiders*, presence of religious – chiefly evangelical – parties, etc.). The greater the fragmentation of parliament the more

difficult it will be for exercising governments to forge alliances to carry forward their legislative proposals and, if they fail, the executives will be weakened.

A few countries are witnessing the emergence of electoral alliances or coalitions formed for various purposes. Some seek wins to back specific political projects such as the broad coalition in Brazil that supported the political projects of the PT headed by Lula da Silva and Dilma Rousseff, and New Majority or the centre-right alliance that backed Piñera in Chile. In other cases, the aim is to join forces to oppose hegemonic parties that have been in power for a long time: for example, Let's Change (Cambiemos), which opposed Kirchnerism; Democratic Unity Roundtable (MUD) in Venezuela against Chavismo; Opposition Alliance in Honduras against Juan Orlando Hernández's attempts at re-election; the alliance in Paraguay between the Authentic Radical Liberal Party (PLRA) and the Guasú Front against the Colorado Party; the For Mexico in Front (Por México al Frente) party made up of the National Action Party (PAN), the Democratic Revolution Party (PRD); and the Citizens' Movement (MC); and the Bolivian opposition's attempts to present a common candidature in a bid to prevent Morales from being re-elected again in 2019. Nor should we forget the establishment of the Broad Front (Frente Amplio, FA) in Chile as an option to the left of the Communist Party, which is linked to New Majority.

Another important factor to consider is the emergence of candidates not linked to the traditional parties, following in the wake of Donald Trump in the United States, whose candidature did not come from the formal structures of the Republican Party. An example is Jimmy Morales in Guatemala, who was elected as president in 2015. And Salvador Nasralla, the defeated opposition candidate in Honduras, hails from the media environment, as a TV sports journalist. These candidates usually convey a polarising and often demagogic message laden with open criticisms of corruption and the political and party system, along the lines of Jair Bolsonaro in Brazil and Juan Diego Castro in Costa Rica.

### *A few notable precedents. The elections in Argentina, Peru and Ecuador*

On 22 November 2015, with a very slim margin of votes (680,607 or 2.68 percent), Macri, the Let's Change candidate, beat the ruling party's candidate Daniel Scioli, former governor of Buenos Aires province under Kirchner. He thus put an end to three consecutive terms of the Kirchners (one for Néstor and two for his wife and subsequently widow Cristina Fernández). Macri's win revolutionised Latin American politics as it demolished one of the main reference points for Bolivarian populism.

It was the first time since Hugo Chávez came to power in 1999 that a Chavista government – or one with such leanings – in power had been defeated at the polls. The symbolic value of Macri's win was even greater as it involved an iconic government, that of Argentina. For although Kirchnerism never openly espoused the ALBA, its commitment to Chávez's project was intense. The impeachment of Fernando Lugo



in Paraguay following a political trial and the subsequent election of Horacio Cartes in April 2013 were a foretaste of the challenging times in store, though the message was not as forceful as that conveyed by Argentina's citizens when they elected Macri.

The death of Chávez in March 2013 clearly marked the beginning of the downfall of his political project. The lack of a clear leader to take over from him complicated matters and the economic difficulties Venezuela was already experiencing resulted in a shortage of funding for regional candidates loyal or even sympathetic to the project<sup>5</sup>. All this, coupled with the beginning of the end of the commodity super-cycle, led to more competitive elections with much tighter results. Elections such as that of Argentina, when Cristina Fernández won in the first round with nearly 54 percent of votes, well ahead of the second most voted candidate's 17 percent, became a thing of the past.

Things have started to change: competition is increasingly fierce and the results increasingly tight. This phenomenon is commonly explained by the greater polarisation of society, though in many cases polarisation already existed. Some even bandy about the idea of polarisation in second-round elections, where there are only two candidates to choose from. It is only logical for society to appear divided when there are two options, and to confirm this observation it is necessary to examine how people voted in the first round and whether it really shows that society was divided into two irreconcilable halves.

The closeness of the results is due more to less confidence in government policies than to a rise in social unease, however much many outgoing governments base their discourse on the idea that a radical change in the ruling party would mean loss of many of the achievements attained by the lower classes in the past years. We have lately witnessed a rise in the use of the protest vote against the government, whether or not the exercising president is standing for election. Recent precedents include Macri's defeat of Kirchnerism in 2015 and the defeat of Chavismo in the parliamentary elections also held that year. Mention should also be made of Morales's defeat in 2016 in a referendum on his possible re-election. And in the first round of the Chilean presidential election of 2017, the alliance of heirs of the former Concertación obtained its worst results ever.

Returning to elections with a close finish, in El Salvador Salvador Sánchez Cerén, the Farabundo Martí Front National Liberation Front (FMLN) candidate, won the second round in March 2014 by a margin of 0.22 percent. This heralded a phenomenon that would be repeated over the following years, as witnessed months later in Brazil. Rousseff's win with a margin of only 3.28 over her second-round rival, Aécio Neves, was another example of this tendency.

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<sup>5</sup> In August 2007, Argentine customs intercepted Venezuelan businessman Antonini Wilson with a suitcase containing nearly 800,000 dollars in undeclared cash which had arrived in a PdeVsa aircraft, probably to fund Cristina Fernández's campaign. This was just one of the most talked-about cases that came to light.

The impeachment of Rousseff, who was succeeded by her vice-president Michel Temer, strengthened the idea of the downfall of Chavismo, which lost one of its main Latin American allies. Without the support of Brazil, Maduro and his main partners at the time (Morales, Correa and Daniel Ortega) were plunged into even greater isolation. To make matters worse, in June 2016 Pedro Pablo Kuczynski beat Keiko Fujimori by 0.24 percent in the second round. PPK, as he is known, did not defeat a Bolivarian candidate, though he does represent a centre-right option, and this has led more than one analyst to speak of a new political cycle in the region or even of a rightward shift.

Kuczynski's win can be explained basically by the strong feelings Fujimori still arouses from both supporters and opponents in Peru. The current president benefited from the support of large sectors of the population who, despite not voting in the first round, did so in the second round to prevent the victory of another Fujimori. The influence of anti-Fujimori sentiment in Peruvian society and politics also explains why PPK managed to avoid impeachment (*vacancia*) in December 2017 by a Congress controlled by Keiko Fujimori's party Popular Force. At the same time, the pardon granted to former president Alberto Fujimori attests to the existence of negotiations between the government and a sector of the opposition.

In addition to the election outcome in Peru, we should consider Macri's victory a few months earlier and, above all, the expectations and desire for change harboured by large sectors of public opinion, beginning with the media. Although when PPK won the election it was already clear that the economic cycle had changed, it was less obvious that the country was about to embark on a new political cycle. The Bolivarian project had experienced major setbacks, but it was too soon to draw any firm conclusions, especially in view of the busy election calendar. Months after Kuczynski's victory, Lenin Moreno, the ruling Country Alliance candidate, was chosen as Correa's successor. In the second round of the Ecuadorean presidential elections in April 2017, he beat the centre-right candidate Guillermo Lasso by 2.32 percent.

The outcome of the Ecuadorean elections is interesting for two reasons. Firstly, because although President Correa had managed to push through a new constitutional reform allowing perpetual re-election, in the end he decided not to stand. His decision stemmed from an interpretation of the circumstances, the economic and social difficulties caused by dwindling exports and their loss of value. He would have had to stand for a second round – a harsh blow to his ego and aura of unbeaten victor – in which he even risked possible defeat. In view of the opinion polls, he decided to lie low until the situation improved and entrusted Moreno, his vice-president from 2007 to 2013, with the candidature and safekeeping of his project, the *citizens' revolution*.

The second important occurrence in Ecuador that can be interpreted as a fresh setback for the Bolivarian project, even though for the time being Moreno has not essentially changed his foreign policy (the country continues to belong to the ALBA and to back Venezuela), is that tension with Correa led the two political leaders to

completely break off relations. From his Belgian refuge, Correa intended to carry on pulling the strings, sticking to the outlines of his project. However, Moreno refused to act as a president under his guidance and the continuity of Correa's project was broken.

### *The late 2017 elections*

The intense electoral cycle in which Latin America is currently immersed got off to a start on 22 October 2017 with the first round of the Chilean elections. The second event took place in Honduras on 26 November and the year ended with the second and final round in Chile on 17 December, which enabled Piñera to return to power. These three events show that the election results will be more complex than it seemed, that many will be dominated by uncertainty, and that being in control of power is no guarantee of holding onto it in unrivaled elections.

In Chile no one had bargained for the centre-right candidate, former president Piñera, winning the most votes but he did and was pitted against the centre-left candidate Alejandro Guillier in the second round. Another failure of the opinion polls drew attention to a few much talked-about disparities, such as the number of votes secured by Piñera, which was considerably lower than expected (36 percent compared to the predicted more than 45 percent), and, conversely, the better than expected results of the candidate of Broad Front, a wide-ranging far-left coalition that presents itself as antisystem and whose leaders boast of their closeness to Spain's Podemos. Beatriz Sánchez won more than 20 percent of the vote, even though the surveys had reckoned on her securing only 8.5 percent.

We were also in for a surprise with the second round. This time a very tight win for Piñera was expected. There was also speculation that any increase in turnout would benefit Guillier. Although still very low, turnout went from 46.7 to 49.02 percent, with over 330,000 more people voting this time. However, it became apparent that the centre-right was able to attract more voters than the centre-left. In fact, many of Broad Front's sympathisers deserted them, and this partly explains the defeat of the ruling party.

It is important to stress that, unlike in some Latin American countries, all the actors involved showed respect for the electoral process and the institutions, as proven by the fact that President Bachelet rang the winner to congratulate him on election night despite not sharing his political ideas. This differs from what occurred in Argentina following Macri's win and the refusal of outgoing President Fernández to attend the ceremonial handover.

In Honduras, the determination of President Juan Orlando Hernández (JOH) to stand for re-election, even though it is forbidden by the Constitution, was an affront to the country's institutions. These problems were reflected in the vote counting and again highlighted the serious difficulties Honduras is experiencing. Although the reports of the first international observers, especially those of the missions sent by the Organisation of American States (OAS) and the EU, spoke

of the election meeting the required standards, the vote counting was extremely slow, not very transparent and riddled with incidents. All the actors involved displayed a highly irresponsible attitude.

The first was President Hernández himself, who managed to get round the Constitution, which expressly forbids re-election, in order to remain in power. Then there is the irresponsibility of those involved in the outcome that plunged the country into uncertainty and violence. On top of this conduct, ignoring the trauma caused by former president Zelaya's determination to emulate his Bolivarian colleagues, he furthermore reacted rashly in a similar way to the opposition candidate Salvador Nasralla. A few hours after voting ended the candidates each claimed victory, paying no heed to the verdict of the electoral commission (TSE), whose magistrates were unable to handle the suspiciously slow, non-transparent vote counting. The opposition alliance's failure to turn up to complete the recounting did not help either.

Then there is the defiant attitude of the opposition candidate, the apolitical Nasralla, whose greatest merit appears to be his career as a sports broadcaster. Displaying scant leadership ability, he stated after the outbreak of violence: «Today I can call for peace, but I cannot answer for the mass demonstrations of my supporters. That is... impossible.» In the end former president Zelaya harangued the masses, who took to the streets in protest at the alleged fraud without any evidence, even though international observers such as the OAs and EU had reported on the normality of the process.

Suspensions of fraud grew during vote counting when the system *collapsed* due to a power cut. After a week of uncertainty and tension during which a state of emergency was even declared as a result of the outbreaks of violence, the electoral commission proclaimed Hernández to be the winner, with 42.98 percent of the vote compared to Nasralla's 41.39 percent – a difference of 50,400 votes. Subsequently the OAS, through its secretary general Luis Almagro, spoke of holding a new election due to *serious doubts* and *uncertainty* about the final outcome. In the end, the TSE denied the OAS's request and declared Hernández to be the winner. This will probably usher in a period of instability in Honduras.

### *Elections in 2018 and 2019*

The first round of the presidential elections in Costa Rica is scheduled for 4 February. At the time of writing 13 candidatures had been approved. It is most likely that none will achieve the 40 percent required to be proclaimed the winner and a second round will take place on 1 April. The latest opinion polls anticipate very close competition between three candidates: Antonio Álvarez Desanti of the National Liberation Party (PLN); Juan Diego Castro of the National Integration Party (PIN); and Rodolfo Piza of the Social Christian Unity Party (PUSC).

They also showed that many people were undecided – a reflection of society's great dissatisfaction with politicians and parties. Whereas PLN and PUSC are synonymous with traditional politics, Castro, who is linked to a small party, had succeeded in taking the

lead thanks to an antipolitical and anticorruption discourse that is very close to populist, albeit not Bolivarian, stances.

Paraguayans are due to go to the polls on 22 April. The competition is between two candidates: the ruling National Republican Association-Colorado Party and the opposition alliance made up of the Authentic Radical Liberal Party (PLRA) and the left-wing Guasú Front. The Colorado Party will be headed by Mario Abdo Benítez, who belongs to a dissident faction that won the primaries, and the PLRA by Efraín Alegre. A possible victory of the ruling Colorado Party hinges on its ability to restore the unity of its various strands with a view to 22 April, otherwise the opposition candidate will stand a greater chance.

Elections in Colombia are slated for 27 May and everything indicates that a second round will take place on 17 June in view of the expected fragmentation of the vote. Although there are considerably fewer candidates, they have still not formed or finalised alliances in a context in which re-election is forbidden. One of the issues over which Colombians are most divided is how to go about the peace process with the former FARC; although backed by President Santos, the process is not widely approved of. Therefore, the future of peace and the economy will be the keys to the forthcoming elections.

Mexico will vote on 1 July in a single round. The candidates are known; what is not clear is whether Andrés Manuel López Obrador (AMLO) of the left-wing National Regeneration Movement (Morena) will win or whether the next Mexican government will signify continuation – either with José Antonio Meade of the PRI or Ricardo Anaya, former leader of the PAN and the candidate of For Mexico in Front (the coalition made up of PAN, PRD and the Citizens' Movement).

An additional factor that needs to be considered is the possibility of independent candidatures.

These elections are going to be marked by corruption and violence (the combating of drug trafficking) and by relations with the United States (Trump's attempt to build the wall along the border and negotiations for renewing the North American Free Trade Agreement, NAFTA, with the United States and Canada), which have major economic repercussions. For the time being AMLO is topping all the polls, though the election date is still far off. The first round of the presidential elections in Brazil is due to take place on the 28th of the month. Although they are still a long way off, all the opinion polls show a preference for Lula, though the main unknown factor is whether he will manage to avoid being barred from standing. The other important candidates apart from Lula – everything can change until October, of course – are the far-right former soldier Jair Bolsonaro, Marina Silva, who has stood as a candidate in the past, and the governor of the state of São Paulo Geraldo Alckmin of the Brazilian Social Democratic Party (PSDB).

Finally, at the end of 2018, presidential elections are due to be held in Venezuela, where Maduro will attempt to secure a new term in office. Given the magnitude of the Venezuelan crisis, we should not rule out any scenarios, though we might see

him bring the election date forward to take advantage of the opposition's weakness. Most observers agree that, whatever the result of these elections, it will not save Venezuela from the most serious economic, political and social crisis in its history as a republic.



Illustration 2. Main candidate parties and their representatives in the 2018 elections in Latin America. Source: compiled by the author.

In 2019 elections are scheduled in El Salvador (February), Panama (May), Guatemala (June), and Uruguay, Argentina and Bolivia (October). The re-election of Morales (who could stand for a new term after a controversial Constitutional Court decision), Macri (who looks set to become the first democratically elected non-Peronist Argentine president whose term is ending) and the Uruguayan Broad Front (Tabaré Vázquez cannot be re-elected) is at stake.

## Could the potential political changes mean the end of populism?

Even if all the candidates with Bolivarian leanings are defeated in the 2017-19 elections, the region will not be rid of populism. It is a phenomenon with deep, longstanding roots in Latin America and different manifestations. The Initial populist movements of the mid-1900s (Juan Perón, Lázaro Cárdenas, Gétulio Vargas) were markedly nationalist. The 1990s saw the emergence of *neoliberals* (Carlos Menem, Alberto Fujimori and Abdalá Bucaram) and in the first decade of the twen-

ty-first century Chávez's victory gave way to the left-wing Bolivarian brand of twenty-first century populism.

Firstly, populism will not die out because not all the Bolivarian options have been defeated. Morales, Ortega and Maduro still govern Bolivia, Nicaragua and Venezuela and may well continue to do so following the forthcoming elections, at least in Nicaragua and Venezuela, and nor can we rule out Bolivia either. In addition, although Moreno has become distanced from Correa, he stood for and won the elections as the PAIS Alliance's candidate. Other politicians display the same leanings, such as López Obrador in Mexico and the recently created Broad Front in Chile, which is influenced by Spain's Podemos.

Brazil and Lula's wish to return to power are a special case. During his two terms and even during Rousseff's first term the PT had not pursued populist policies despite ideological similarities with Chávez and his allies. However, following the start of Rousseff's impeachment process, this trend changed and today we find that the PT and some of its leaders are aligned with Bolivarian populism.

The problem is not limited to Bolivarianism's ability to survive. The United States and a few European countries have experience of right-wing xenophobic populism. If Kuczynski had not won the elections in Peru, a victory for Keiko Fujimori would have gained a foothold for right-wing populism. We are currently witnessing the emergence of populist right-wing political leaders with iron-fisted programmes for combating crime, very often underpinned by a positive recollection of military dictatorships, who attach huge value to moral and social issues, enjoy the support of evangelical churches, and are anti-statist and against public subsidies in economic matters. Such is the case, for example, of Bolsonaro in Brazil and José Antonio Kast in Chile. Nor should we forget Juan Diego Castro in Costa Rica.

### Different manifestations of violence

According to the Latinobarómetro 2017, violence in its various forms has become the second most important problem for Latin American societies. Latin America is not only the region with the greatest social inequality, despite the progress made in recent years, but also most probably the most violent one. According to the *Global study on homicide, 2013* published by the United Nations Office on Drugs and Crime (UNODC), 437,000 people were murdered worldwide in 2012. Thirty-six percent of these homicides took place in the American continent, 31 percent in Africa, 28 percent in Asia, 5 percent in Europe and only 0.3 percent in Oceania<sup>6</sup>. The homicide rates per 100,000 inhabitants confirm this. According to the World Health Organization (WHO), the world rate of 6.4 per 100,000 inhabitants rises to 18.6 in Latin America. The ten countries with the highest rates of homicide in the world are in Latin America and the

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<sup>6</sup> [https://www.unodc.org/documents/gsh/pdfs/GLOBAL\\_HOMICIDE\\_Report\\_ExSum\\_spa-nish.pdf](https://www.unodc.org/documents/gsh/pdfs/GLOBAL_HOMICIDE_Report_ExSum_spa-nish.pdf).

Caribbean, and practically one-quarter of all violent deaths in the world take place there, even though it accounts for only 10 percent of the world population.

At the start of 2017 *InSight Crime* published its homicide round-up for Latin America. Once again, El Salvador topped the list with 81.2 homicides per 100,000 inhabitants, albeit considerably fewer than the 104 recorded in 2012. It was followed by Venezuela and Honduras with 59 homicides per 100,000 inhabitants, though the figure may well be higher as it is difficult to obtain reliable statistics for Venezuela. Last in the group of leaders is Jamaica, with 50 homicides per 100,000 inhabitants. The WHO figures differ slightly, as they rate Honduras (85.7) as the most violent country, followed by El Salvador (63.2) and Venezuela (51.7). A large group of seven countries record between 10 and 30 homicides per 100,000 inhabitants: Guatemala (27.3), Brazil (25.7), Colombia (24.4), Mexico (16.2), Dominican Republic (15.8), Costa Rica (11.8) and Bolivia (10.8). There are another eight countries with a score of less than 10: Panama (9.3), Paraguay (8.8), Uruguay (7.6), Peru (7.2), Nicaragua (7), Argentina (6.6), Ecuador (5.6) and Chile (3.6).<sup>7</sup> The WHO also awards worse scores to Colombia (48.8), Guatemala (36.2), Brazil (30.5) and the Dominican Republic (30.2).<sup>8</sup>

The causes of violence vary, but they are all related to the high rate of organised crime, drug trafficking and other forms of illegal trafficking (people, organs, *contraband* in its most traditional versions) and an overabundance of small weapons, to the extent that it is relatively simple to own them in many countries, where youth gangs and other similar groups (*maras* in Central America) are rife.

Drug trafficking is not just a public health problem stemming from a considerable rise in consumption; it is also a security issue. States need to pool more resources to combat a flow that is difficult to stem and also has considerable potential to corrupt democratic institutions and the whole of society. Latin America has ceased to be solely a coca-producing area (Bolivia, Colombia and Peru) and has diversified its activities: processing of commodities into consumer products, transportation and money laundering.

Plan Colombia had a twofold purpose: to combat the country's main guerrillas and drug trafficking. The programmes for eradicating coca growing diminished its production and hindered the activity of the cartels. This resulted in drug activities shifting to a new location and an increase in drug traffickers in Mexico. The drugs exported from Colombia passed through Venezuela, with the connivance of certain national authorities, and Central America, especially the so-called Northern Triangle (El Salvador, Guatemala and Honduras).

An undesired effect of the peace process between the Colombian government and the Revolutionary Armed Forces of Colombia (FARC) was an increase in the coca-growing area. In March 2017 the White House stated that illegal coca grow-

<sup>7</sup> <https://es.insightcrime.org/noticias/analisis/balance-insight-crime-sobre-homicidios-2016/>.

<sup>8</sup> <https://www.efe.com/efe/america/sociedad/latinoamerica-tiene-la-tasa-mas-alta-de-homicidios-del-mundo-revela-oms/20000013-3268890>.



ing and production had climbed for the fourth year running to an all-time high. In 2016, 188,000 hectares were cultivated compared to 159,000 in 2015, a growth of 18 percent.

The violence linked to drug cartels has become a central problem in Mexico. During the six-year period from 2006 to 2012 President Felipe Calderón openly declared war on drug trafficking, involving the armed forces in the endeavour. Given the absence of an effective federal police force and the proliferation of forces of various kinds (municipal, state and federal), many of them riddled with corruption, the marine infantry became one of the most effective corps in this fight.

Enrique Peña Nieto attempted to steer the conflict in a new direction but, owing to the levels of violence caused by the cartels such as Zetas and the Gulf Cartel, the fight continued to be highly intense. The role of the armed forces is so evident that in December 2017 the Mexican parliament, at the request of the government, passed the Law on Internal Security, which authorises and regulates the participation of the military in public security tasks.

The extradition of El Chapo Guzmán, one of the leading Mexican capos, earned Peña Nieto important points, though the problem is far from being solved as the cartels are highly fragmented. Campaigning for the presidential elections of 2018, López Obrador issued some controversial statements, declaring that he would study a possible amnesty for the main drug lords as a way of settling the conflict. His declaration caused a huge stir, but it does not conceal the seriousness of the problem Mexico faces. Without a doubt drug trafficking and violence, together with corruption, will become central issues in the forthcoming election.

### *The end of the Colombian conflict*

While violence in its various forms is a serious regional problem, political violence is becoming a residual phenomenon. Colombia is the main country where it is still evident, though the steps taken in the peace process between Juan Manuel Santos's government and the FARC have been highly significant. Following the referendum of 2 October 2016, when the proposal to ratify the agreement reached with the FARC was defeated, it was possible to steer the negotiations back on track and maintain the essential points.

Progress thus continued to be made in the demobilisation and disarmament of the FARC. The deadlines were met, albeit with a few insignificant delays. In the end the FARC announced its conversion into a political party, though it kept its initials, which it considered a powerful part of its identity. At the end of August 2017, the Common Revolutionary Alternative Force (FARC) was thus established and its leader Rodrigo Londoño, Timochenko, stood as a presidential candidate in the elections of 2018, though according to opinion polls he has minimal support. Voting intention stands at merely 2.1 percent, and only 6 percent judge his image to be favourable compared to the 63.8 percent who consider it unfavourable.

These figures are a faithful reflection of the feelings of rejection the FARC arouses in much of Colombian society, which is one of the reasons, though not the only one, for the difficulties the peace process has run into. At the beginning of 2017, according to the results of a survey by YanHaas Poll, 72 percent of Colombians disapproved of the implementation of the agreements with the FARC and only 20 percent approved of them. The peace process with the ELN achieved similar results, 21 percent approved of and 70 percent rejected it<sup>9</sup>.

Given the rejection the peace process arouses in some political forces, starting with Álvaro Uribe's Democratic Centre, the future of the process is an unknown quantity which will be clarified by the parliamentary elections in March 2018 and the presidential elections the following May. It is unlikely that the progress achieved so far will be undone and that hostilities will be resumed. But it is also unlikely there will be sufficient social consensus not just to give impetus to a policy of this kind but even for minimum political support. A win for a candidate opposed to the agreements promoted by President Santos, who put a lot of political effort into the undertaking – so much so that by December 2017 approval of him had dwindled to 16 percent – could spark friction if attempts are made to curb some of the privileges the FARC enjoys.

Talks with the ELN, begun in Quito in February 2017, are continuing with greater difficulties than with the FARC. The problems of these negotiations lie in the greater ideological radicalism of the ELN, its less rigid organisational structures and its wish to involve various sectors of society to use dialogue as a means of political, economic and social change. With such maximalist aims and a fondness for armed struggle, it is more difficult to reach an agreement with the ELN than with the FARC. Size also matters. The FARC's greater potential in terms of men, weapons and resources with respect to the ELN enabled it to negotiate on a more equal footing and obtain greater concessions from the government.

### Economic trends and governance

At the beginning of 2012 commodity prices slumped owing chiefly to the slowdown of the Chinese economy and lower demand from the international markets. The new situation, further exacerbated by the worldwide economic standstill, put an end to the so-called commodity super-cycle in Latin America. Most Latin American countries, especially those of South America, enjoyed high growth rates thanks to their commodities exports, which in some cases were on a par with China's. The huge revenues they generated helped sustain highly interventionist governments, some with clearly Bolivarian populist leanings. Clientelism, subsidies and public policies designed to maintain grassroots support were the norm in many Latin American governments irrespective of their political creed. Rising demand from Asia in general and from China in particular triggered strong

<sup>9</sup> <https://www.elespectador.com/noticias/politica/aprobacion-de-santos-es- apenas-del-16-segun-yanhaas-poll-articulo-727855>.

growth in exports beginning in 2002/2003. Although the Latin American economies were spared the effects of the international financial crisis in 2009, they inevitably slid into decline years later.

The dip in commodity prices dragged down the growth rates of most of the countries and the Latin American average. A problem faced by this commodity-exporting region is that its products in general have a low or very low aggregate value. They are basically ores, hydrocarbons (gas and oil), meat, cereals and other agricultural and livestock products. A challenge the Latin American economies must address is to boost the aggregate value of their exports. This requires greater effort to build infrastructure, improve human capital through training and education, and adapt to digital society and the changes it has brought about.

In 2015 the regional economy ground to a halt, growing barely 0.1 percent, and in 2016 the crisis struck head-on, causing it to shrink by 1 percent. During these years the region's economies did not perform evenly. The aggregate GDP for Latin America in 2016 was marked by the negative figures of Brazil, Venezuela, Ecuador and Argentina. But a sub-regional analysis or even an analysis by countries paints a different picture. The estimates for 2017 point to a change of trend in Brazil, an even clearer change in Argentina, and a worsening of the economic crisis in Venezuela. In fact, the South American countries were the worst hit by the commodities slump, whereas Mexico, Central America and the Caribbean countries such as the Dominican Republic, which are closer to the US market and whose exports are less dependent on commodities, pulled through almost unharmed.

According to the estimates provided by the Economic Commission for Latin America and the Caribbean (ECLAC), which do not differ much from those of other multilateral financial institutions, Latin America will grow by 1.2 percent in 2017 and by 2.2 percent in 2018. This return to growth is related to an upturn in exports, whose prices rose by 6.5 percent in 2017 and volume by 3.5 percent as a result of the recovery of the international markets and a new – albeit moderate – rise in commodity prices.

This increase in Latin American exports is driven by the rise in the price of exports to the Asian markets (17 percent), to the rest of the world (10 percent) and to the United States (9 percent). China took over from the United States as Latin America's main trading partner. In 2017 there was also a slowdown in trade between the EU and Latin America, which grew by only 6 percent, far less than in the past.

There are also regional variations in economic recovery. Mexico and Central America will grow by 2.5 percent in 2017 and by 2.6 percent in 2018; South America will have slightly lower rates: 0.7 and 2 percent. By between 2017 and 2018 all the countries will have recovered from the recession except Venezuela, which will record a negative growth rate of between -9.5 percent and -5.5 percent. The aggregate decrease in Venezuela's GDP over the past four years will amount to 32 percent. After two years of harsh recession and a decrease of 7.2 percent, Brazil's economy will grow by about 0.5 percent in 2017 and 2.4 percent in 2018. In Argentina expected growth rates are 2.5 and 3.5 percent respectively.

Over the course of these two years Mexico will grow by 2.2 and 2.4 percent. The most dynamic countries – those with the highest growth rates – will be Bolivia and Paraguay in South America and Costa Rica, Nicaragua, Panama and the Dominican Republic in Central America and the Caribbean, all with rates of more than 4 percent.

The economic fluctuations were reflected in public spending. According to ECLAC, in 2016 public spending throughout the region fell by 0.1 percent of GDP though, as in the previous case, the worst affected were the South American countries, whose GDP fell by 0.5 percent. Prominent among the countries included in ECLAC's report are Colombia (1.1 percent of GDP), Ecuador (1.1), Peru (0.7), Argentina (0.5) and Brazil (0.5)<sup>10</sup>.

The lower tax revenues due to the fall in commodity exports (hydrocarbons and derivatives, ores and, to a lesser extent, cereals and other agricultural and livestock products) and the reduction in domestic consumption have had negative repercussions on public spending. The money available for promoting the public policies in force since the beginning of the twenty-first century or for addressing disproportionate subsidies has dwindled. This has led to less support for the governments which had made social policy one of the keys to their remaining in power for such a long time. It is one of the reasons, though not the only one, for the tight election results of the past years and the defeat of Kirchnerism in Argentina.

The new political landscape shaped by the new economic cycle has given rise to more fragmented parliaments that have greater problems governing. Such a context will make it much more difficult to give impetus to the reforms needed for Latin America to be able to embrace the digital revolution. Governments should focus more on education and vocational training systems and also on labour reforms to make the regional economies more competitive, as well as on building infrastructure as an essential means of securing Latin America a place in a globalised world.

### *The presence of Latin America in the world*

The Elcano global presence index (IEPG) compiles and quantifies the foreign influence and international position of all countries in three aspects using objective data: economic presence (energy, primary products, manufactured goods, services and investments), military presence (troops deployed and military equipment) and soft presence (development cooperation, education, science, technology, information, culture, sports, tourism and migration). Global presence entails the extent and way in which countries are present beyond their borders, irrespective of the influence or power they may exercise or display.

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<sup>10</sup> ECLAC. *Fiscal Panorama of Latin America and the Caribbean, 2017*. Available at <https://www.cepal.org/en/publications/43406-fiscal-panorama-latin-america-and-caribbean-2018-public-policy-challenges>.

Latin America's performance in the IEPG 2016<sup>11</sup>, which features data on 100 countries, is modest: it is ranked fifth out of the six geographical areas considered (only ahead of sub-Saharan Africa), down from fourth in the 1990s. The result is calculated from the data on the 15 countries in the region which are listed in the index<sup>12</sup> and together account for 97 percent of the regional GDP and nearly 93 percent of the population.

Brazil and Mexico are the Latin American countries that top the rankings. Brazil is the regional leader with 118 points. Mexico is second in the regional ranking and 23rd in the global ranking (91 points). Although between them they account for 49 percent of Latin America's global presence, this presence is smaller than corresponds to them by size. Indeed, this sums up Latin America's low external projection. If to Brazil and Mexico we add Chile (46 points) and Argentina (43 points), these countries account for 70 percent of the regional total.

Latin America's global presence has decreased since 2013, falling 15.4 points from 440.8 in 2015 to 425.4 in 2016. Except for Mexico, Panama, Costa Rica and the Dominican Republic, the other countries' global presence has also waned since 2015. This is due to their smaller economic presence, except for Mexico (a country with a stronger economic presence), Chile (which has maintained the same position as last year), Colombia (up five positions) and Panama (in 63th place compared to 70th the previous year).

Regional global presence is heavily reliant (54 percent) on the economic aspect. Energy and primary products largely account for exports and growth capacity. Commodity exports represent 16 percent of global presence compared to 14 percent of foreign investments. Energy and primary exports account for more than 36 percent of global regional presence. This confirms the weakness of their economic presence, which slumped 32.3 points from 2015 to 2016. The weakness is greater compared to other regions with more of a focus on exports of manufactured goods and services and foreign investments.

Soft presence represents 29 percent of Latin America's global presence – much greater than in Asia and the Maghreb and Northern Africa. But Latin America's soft presence revolves around sport, tourism and information, with scant contributions of technology (1.2 percent), education (1.4 percent) and science (4.3 percent). The 8.4-percent increase in soft presence since 2015 has helped offset the decrease in global presence. All the countries except Cuba and Brazil have increased their soft presence with respect to 2015. This growth is related to news: the larger number of news reports published by communication agencies on changes in governments, historic referendums, political and economic crises in Latin America and the death of Fidel Castro has done the most to boost Latin America's soft presence, though this greater news exposure cannot always be viewed as positive.

<sup>11</sup> <http://www.globalpresence.realinstitutoelcano.org/es/inicio>.

<sup>12</sup> The countries represented are Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, Guatemala, Mexico, Panama, Peru, Dominican Republic, Uruguay and Venezuela. Only Bolivia, El Salvador, Honduras, Nicaragua, Panama and Paraguay are left out.

## Latin America on the international stage

Regional political trends have influenced Latin America's role on the international stage. In previous years the predominance of Bolivarian policies and the hegemony of the ALBA project steered it in a particular direction. From the perspective of the Cuban-Venezuelan alliance, the foreign policy of its main partners (Bolivia, Ecuador, Nicaragua) and related countries (Brazil, Argentina) was characterised by rejection of free trade, growing protectionism, a larger state presence in the economy and the strengthening of ties with a few extra-regional actors opposed to the interests of the United States such as China, Russia and even Iran.

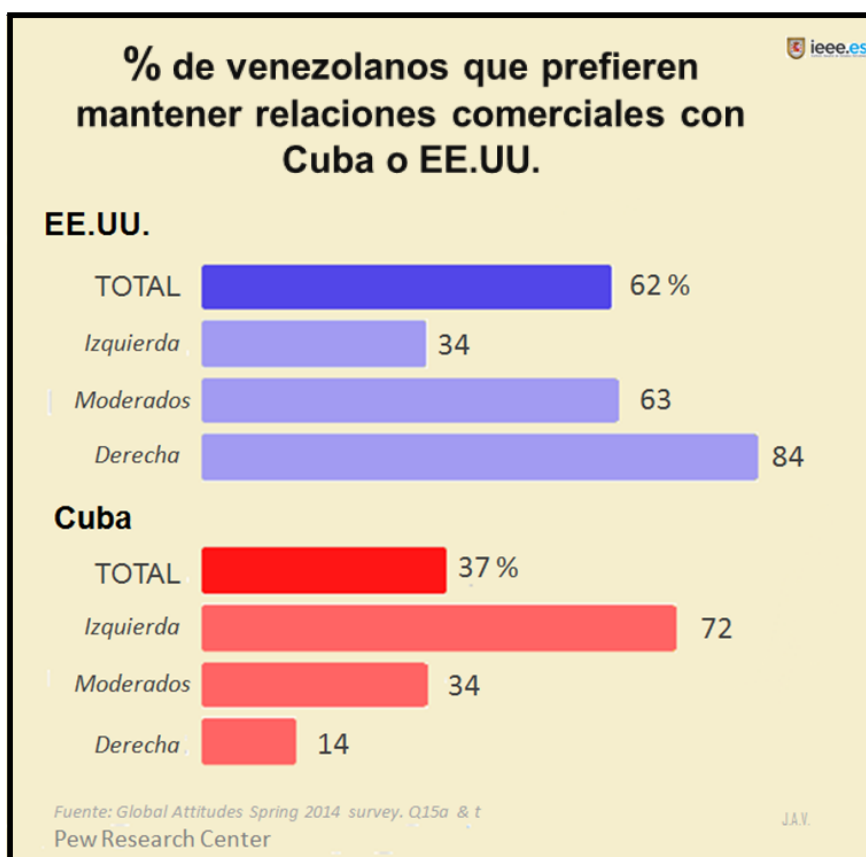


Illustration 3. Percentage of Venezuelans who prefer to maintain trade relations with Cuba or the US. Source: compiled by the author.

Meanwhile the Pacific Alliance emerged as an alternative to the already consolidated integration projects (Mercosur, SICA and also UNASUR and CELAC). The difference between the Alliance and the ALBA revolves around the former's wish to open up to the globalised world compared to the latter's strong autarky. The establishment of the Alliance aroused strong rejection from the governments opposed to the project.

Bolivia, Brazil, Ecuador and Venezuela issued vehement statements against the Alliance, describing it as a Trojan horse of American imperialism.

*Current state of the hegemonic projects and regional leaderships*

Regional integration is currently in the grip of crisis. Over the past five years a few projects have gradually lost momentum. This can also be seen in major institutions such as CELAC and UNASUR, which are more about political agreement than economic integration and more in tune with the first 15 years of the twenty-first century. The ALBA was even caught up in a dynamic of disintegration, especially after Chávez's death.

The region continues to be plagued by a problem which worsened during the two years that marked the height of expansion of the Bolivarian project: fragmentation. It is not a region divided into two opposed blocs; rather, it consists of countries with significant contradictions that make regional consensus and progressing with a common regional agenda difficult.

The ALBA had grown steadily from the time of its establishment in 2004 to 2009, following the dismissal of Manuel Mel Zelaya, the Honduran president who sought to reform the Constitution in order to be re-elected. Honduras's withdrawal from the ALBA marked a turning point, which was speeded up by Chávez's death in 2013. The deep feeling of being orphaned triggered by the absence of a leader to follow in his wake was heightened by the economic straits whose effects were starting to be felt and meant less assistance for the allied government. Neither Morales, nor Correa, nor Ortega, nor Cristina Kirchner had leadership skills comparable to Chávez's. Raúl Castro, who might have played that role, was immersed in serious domestic problems with a programme of reforms that failed to get off the ground. As if that were not enough, Maduro's government was starting to run into economic difficulties, making it harder to keep up the ALBA project. The group's regional prominence began to fade. Whereas in the past it had been able to influence the regional agenda and convene special summits in response to serious turns of events, these countries gradually lost their ability to mobilise.

Venezuela's indefinite suspension from Mercosur was the last straw in the loss of influence on the continent. When Chávez gave orders for his country to withdraw from the Andean Community of Nations (CAN) and immediately join Mercosur in 2005, there were no objections from the bloc's presidents, though the Brazilian senate and Paraguayan parliament took their time. The ALBA's extremely low level of activity during 2017 contrasts with the activity of previous years. What is more, Moreno, Ecuador's new president, is much more open to dialogue, not only on the domestic front, and his attitude contrasts with that of the more confrontational Correa.

A similar decline can be observed in UNASUR. While Ernesto Samper was secretary general, thanks to Chavismo the institution played an active mediating role in the Venezuelan crisis. A committee made up of former presidents Leonel Fernández (Dominican Republic), Martín Torrijos (Panama) and José Luis Rodríguez Zapate-

ro (Spain) sought to keep talks running between the Venezuelan government and Democratic Unity Roundtable (MUD), but with little success, even though, before Trump came to power, they initially had the support of the State Department and the Vatican.

The vacancy left by Samper when he stepped down from the post of secretary general of UNASUR in July 2017 had not been filled by the end of the year. The member states' inability to reach an agreement, owing largely to some candidates boycotting each other, is a clear sign of the political and administrative quagmire into which the organisation has sunk. It is even dragging down most of the sub-regional councils, which had been characterised by their ambitious progress during the early years.

CELAC has a similar experience. The most palpable proof of its lack of activity is the postponement *sine die* of the EU-CELAC summit, which was due to take place in El Salvador in October 2017. The main problem that led this meeting between the EU and Latin America to be called off was division of opinion over the handling of the Venezuelan crisis. The foreign ministers of the 12 Latin American countries (and Canada) met at the end of July 2017 solely to discuss the situation in Venezuela. The reports of human rights violations committed by Maduro's government, which they classed as a *dictatorship*, and the urgent need to supply staple goods came as a slap in the face to the Chavista regime. Since then confrontation between Venezuela and its most faithful allies (Bolivia, Cuba and Nicaragua) and the Lima Group has been constant.

The functioning of CELAC and UNASUR is influenced by the difficulty of reaching a minimal agreement enabling a common agenda to be developed. An additional factor – though it is seldom discussed and is even denied – is the existence of contradictory objectives. The coexistence of UNASUR and CELAC, despite their institutional and organisational differences, is delaying the answer to a key question in addressing the future of regional integration seriously and systematically. Simply put, the question is: what do they wish to integrate? South America or Latin America? Whether preference is given to UNASUR or CELAC depends on the answer, but what is senseless is to prolong the existence of both indefinitely.

### ***Regional integration. Sub-regional alliances and blocs***

Of the three existing sub-regional blocs – CAN, Mercosur and the Central American Integration System (SICA) – the first is in the grip of a terminal crisis that was triggered by Venezuela's withdrawal in 2005 but subsequently worsened when it split into two halves, with Colombia and Peru on one side and Bolivia and Ecuador on the other. The first two, which joined the Pacific Alliance, signed free trade agreements with the United States and multi-party agreements with the EU. In November 2016 Ecuador at last entered into a similar agreement with the EU. Since Bolivia's attempt to join Mercosur, the CAN's prospects have not been very encouraging. Nor is the SICA doing particularly well. The system was established in 1993 and is made up of eight countries: Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama and the Dominican Republic. The



regional summit held in Panama in December 2017 reflects its difficulties and how internal problems and political divisions are taking their toll.

At the summit the presidents of the SICA were incapable of reaching agreement on the Honduran crisis. They did not even manage to include an analysis with relevant recommendations in the final declaration. The published declaration merely states: «Our thoughts are with the Honduran people and we urge the parties . . . to await the final results within the framework of institutionality and to renew their wishes for peaceful solutions». Along the same lines, the Panamanian host, President Juan Carlos Varela, stated that it is always necessary to «seek respect for the law and the Constitution» and asked both the government and the opposition «to pursue the well-being of their people in political dialogue».

Mercosur has embarked on new stage as a result of the changes its four founding countries have undergone. With Macri, Michel Temer, Horacio Cartes and even Tabaré Vázquez at the helm in Argentina, Brazil, Paraguay and Uruguay, things are different from the days of Fernández, Rouseff, Lugo and José Mujica, even from when Paraguay was suspended over Lugo's impeachment. Chávez and later Maduro enjoyed a dominant position in Mercosur at the time, even though Venezuela had not met the requisites for full membership. These changes speeded up negotiations on an association agreement with the EU. Rouseff played a key role in reactivating them. At the time, the effects of the economic crisis were being felt in Brazil and there was an evident need to abandon the protectionist, autarkic policy very close to the ALBA. Macri's win, strengthened by the presence of Temer, gave impetus to Mercosur's opening up. The suspension of Venezuela reflects the loss of regional influence of a country that only a decade ago dreamed of being the regional leader thanks to Chávez's political significance, influence and determination to pay the price of leadership, which was made possible by its then multimillion oil surplus.

The most dynamic regional organisation is the Pacific Alliance, which was founded in 2011 by Chile, Colombia, Mexico and Peru. Since its founding it has stimulated regional integration, as under pressure from Chávez it went from concentrating on economic and trade questions to overvaluing political agreement. In another swing of the pendulum – something to which Latin America is so prone – the Alliance brought the focus back to trade and economic issues, but without neglecting political matters. Its emergence was frowned on by the ALBA, especially Venezuela, Ecuador and Bolivia, and a few Mercosur countries, especially Brazil and Argentina. The first attacks soon followed. Correa defined it as a neoliberalist tool for preventing the fight against famine and poverty. Morales levelled similar criticism and spoke out against the implementation of policies imposed «from the north». The Alliance was also regarded as a NATO bridgehead in Latin America. In the view of the Bolivian minister of the presidency, the Alliance's strategy is not only commercial but also political and military: to reinstate the Washington Consensus and the Free Trade Area of the Americas (FTAA). Two Brazilian foreign-policy chiefs expressed their disapproval of the project. Rouseff's main international policy advisor pointed out that the Alliance had no economic significance and did not rival Mercosur. The foreign minister made a similar statement,

referring to the Alliance as «an effort that brings together countries with similar characteristics, but it is an alliance, not a free trade area, a customs union or, even less, a deep integration project like Mercosur». And he went even further, defining it as a product of *marketing*: «The Pacific Alliance had a very strong publicity effect, but few results» except in the opinion of those who were already convinced by it<sup>13</sup>.

Irrespective of the rejection it arouses and its returning the focus to economic and trade matters, the Alliance made interesting new contributions to regional integration. For one thing, through its acts it answered the question of whether it is Latin America or South America that wishes for integration. Of the four founding countries, three are South American (Chile, Peru and Colombia) and one is North American (Mexico). Two of the observers who stand a good chance of joining are Central American: Costa Rica and Panama. In contrast to the widespread protectionism in the region, the Alliance's four members have signed free trade agreements with the US, the EU and many other countries in the world. This gives them an international presence and shows willingness to be part of the globalised world – something that the ALBA lacks.

Fresh importance has also been attached to the role played by enterprises and entrepreneurs in integration – a role that was systematically relegated by the statism of many regional governments. The Pacific Alliance Business Council (CEAP) was established and is formally linked to the organisation and offers its points of view to the presidents' summit<sup>14</sup>. In addition, institutional robustness is important. Its countries have experienced various changes of government yet they have remained committed to the project.

Three Alliance countries (Chile, Mexico and Peru) signed the Transpacific Partnership agreement (TPP), to which 12 countries were initially party. After taking up office in January 2017, Trump withdrew his country from the TPP. However, the Latin American governments decided to remain, recalling the economic potential the Pacific basin will enjoy in coming decades. It is interesting to note the decision made by the Alliance summit in July 2017 in Cali (Colombia). The four presidents expressed their «firm intention to strengthen integration in Latin America» and the priority of «strengthening the space of cooperation in areas of common interest and the closer relations achieved with Asia-Pacific». This latter statement furthermore explains the interest in incorporating Canada, Australia, New Zealand and Singapore, not as observers but as members.

<sup>13</sup> MALAMUD, Carlos. *Integración y cooperación regional en América Latina: diagnóstico y propuestas*. Real Instituto Elcano, DT No. 15/2015. Available at <http://www.realinstitutoelcano.org/wps/wcm/connect/3d13cd804a592a37adfbaf207bacc4c/DT15-2015-Mala-mud-Integracion-cooperacion-regional-America-Latina-diagnostico-propuestas.pdf?MO-D=AJPERES&CACHEID=1445853907990>, pp. 15/6.

<sup>14</sup> MALAMUD, Carlos. *Integración y cooperación regional en América Latina: diagnóstico y propuestas*. Real Instituto Elcano, DT No. 15/2015. Available at: <http://www.realinstitutoelcano.org/wps/wcm/connect/3d13cd804a592a37adfbaf207bacc4c/DT15-2015-Malamud-Integracion-cooperacion-regional-America-Latina-diagnostico-propuestas.pdf?MO-D=AJPERES&CACHEID=1445853907990>, p. 14.

*The presence of significant extra-regional actors: the US, China and Russia*

The advent of Trump made an impact on the increasingly difficult relations between the United States and Latin America. Although they were expected to be affected by the threats against Mexico, dramatic changes have not been witnessed over the past year except in Cuba and Venezuela. Trump had made Mexico the favourite target of his election campaign. After his accusations that Mexican immigrants were criminals, rapists and drug traffickers, his proposal to build a wall along the border caused tension to mount. Instead of easing it, his visit to Mexico and meeting with Peña Nieto further exacerbated it. His denunciation of trade in the framework of NAFTA (North American Free Trade Agreement) and his determination (testimonial at least) to put an end to it did not calm matters.

It was feared that an escalation of tension between Mexico and the US would trigger a supportive reaction from many Latin American countries. However, this did not occur. Mexico asked its peers to keep calm, preferring to steer relations along a path of negotiation. Luis Videgaray's appointment as foreign relations secretary marked a step in this direction. In addition, the political and economic difficulties of building the wall proved to be greater than initially thought. Mexico recognised that Trump was free to build the wall on his side of the border, but categorically stated that his country would not pay a single dollar towards its construction. After drawing other red lines in relation to the status, living conditions and repatriation of Mexican immigrants living in the United States, Peña Nieto set about negotiating an updating of NAFTA after 23 years of existence.

Five of the seven envisaged rounds of negotiations were held in 2017. The toughness of the negotiations is related to the mutual expectations, though for the time being scepticism about the future of the agreement is predominant. This is partly due to the demands of Washington, which aims to compulsorily renegotiate the agreement every five years, retain control over most automobile factories and facilitate the application of tariffs on articles imported from Mexico and Canada, the US's partners in the NAFTA.

Eighty percent of Mexican exports are to the US market, though, owing to Washington's offensive against bilateral trade, it has begun to diversify the destination of its foreign sales. This is a slow and complicated process. The economies of Mexico, the United States and Canada are part of the global value chains, which function effectively in some sectors such as automobiles. This explains why economic sectors of the US are so reluctant to break off the agreement.

Then there is the tax reform Trump has pushed through Congress, which will considerably lower corporation tax in the US. Mexico fears it will have major repercussions on its economy, notably the relocation of American companies based south of the river Bravo. However, the initial consensus on these issues is that it is too early to be able to assess the impact of the tax reform on the Mexican economy.

Despite its reliance on the US for trade, Mexico has a few strengths that it will wield appropriately in the negotiations. The first is the role of its police authorities in border control. America's domestic security depends on cooperation and collaboration with the Mexican authorities. The second – which is important from an economic and political viewpoint, is that Mexico is a main destination for American cereals, beginning with maize – a staple food in the traditional Mexican diet. Many cereal-producing states mainly voted for Trump and if higher tariffs are imposed on agricultural imports from the US, facilitating those from Argentina and other producing countries, the people worst affected will be the very farmers who voted for him.

Following Trump's assault on free trade and globalisation, China's President Xi Jinping became the main advocate of free trade and globalisation, at least rhetorically speaking. This became apparent in his categorical address delivered at Davos early in 2017. But that is not all. During the year China proved its newfound interest in Latin America and vice-versa, to the extent that Panama established diplomatic relations with the Chinese Republic and broke off diplomatic ties with Taiwan. After this measure only eight Latin American countries still maintain relations with Taiwan: Belize, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Paraguay and the Dominican Republic, as well as St Kitts and Nevis, Santa Lucia, Saint Vincent and the Grenadines. The other countries have officially recognised the People's Republic of China.

The *new age*, which began after the Chinese Communist Party Congress, underlined the prominent role Beijing has in mind for the region in the new era. Many believe that Latin America should benefit from the One Belt, One Road project, which is designed to first connect Europe with Asia, but should then involve Latin America. The project for the underwater cable between China and Chile is a step in the right direction.

In 2008 China published the *White Paper on Latin American and the Caribbean*, which includes various proposals for boosting relations with Latin America. They explore a variety of issues ranging from politics, the economy and cultural exchange to education, peace and justice. Eight years later, at the end of 2016, China published a second strategic document outlining the relationship.

During his first five-year term, Xi, the leader of the People's Republic, gave priority to the role of Latin America in China's foreign policy more than ever before. But in recent years direct investment has been a very useful lever. Mergers and acquisitions of companies are instruments frequently used by Chinese entrepreneurs and rulers. Chinese foreign direct investment (FDI) in Latin America between 2003 and 2016 amounted to more than 110 billion dollars, the mostly in the past five years. In 2016, Chinese FDI totalled 30 billion dollars, 39 percent more than the previous year. Two years earlier, Xi stated that his aim was for investment to grow to 250 billion dollars by 2025. The increase in investment has also led to greater diversification. It has gone from being concentrated in the traditional areas of Chinese demand – energy, ores and even construction of infrastruc-

ture – to including financial and agricultural enterprises and manufacturing, and the news, services, electronics and aviation industries.

Supplying infrastructure for competitive prices is a means of securing a market niche for China and includes appropriate funding lines. In 2016 Chinese companies signed contracts for engineering and infrastructure construction worth 19 billion dollars, 5.3 percent more than in 2015. Financial assistance has been focused on a few countries: Venezuela, Brazil, Argentina and Ecuador.

Trade between China and Latin America in 2016 amounted to 216.6 billion dollars. In general, Latin American exports remained stable. China is still the main purchaser of ores and energy products, and of soya and sugar. During this period China signed free-trade agreements with Chile, Costa Rica and Peru, and is a significant market for Latin American exports. A recovery in Asian demand, especially from China, will boost Latin America's export sector, which according to ECLAC is due to grow by 10 percent in 2017 after five years of decline<sup>15</sup>.

During his visit to Latin America in November 2016 for the 14th Asia-Pacific Economic Cooperation Summit (APEC), Xi proposed a new cooperation framework to stimulate economic growth through trade, promote investment, provide greater support for financial cooperation and foster global industry and cooperation. The project was called 1+3+6. In this scheme, 1 refers to the China-Latin American and Caribbean Cooperation Programme for 2015-19. The 3 refers to the *three main drivers* (trade, investment and financial cooperation) which should promote the comprehensive development of pragmatic cooperation between China and America. The 6 alludes to the *six priority areas* of the project: energy and natural resources; construction of infrastructure; agriculture; manufacturing; scientific and technological innovation; and information technology.

Throughout 2017 Russia attempted to strengthen its presence in Latin America as it had done in previous years. Its main regional allies are Nicaragua, Venezuela and Cuba, which after distancing themselves from Washington have again turned to Moscow – a rapprochement which Putin regards with satisfaction. The two main vectors of Russia's new presence in the region are energy, especially hydrocarbons, and the sale of weapons.

Russia has invested much political capital in defending Venezuela – not only numerous declarations at all levels on Venezuela's democracy, with which foreign countries should not interfere, but also on the role played by the government in renegotiating part of Caracas's debt with Moscow. Although it is not known exactly for how long, this has delayed the outcome of its external debt crisis. Russia restructured the payment of 3.15 billion dollars of its debt with Venezuela.

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<sup>15</sup> CEPAL/ ECLAC. *Perspectivas del Comercio Internacional de América Latina y el Caribe 2017*.

In April 2017 Russia opened a ground surveillance station on lake Nejapa near Managua that is controlled by the global satellite navigation system (Glonass), the Russian equivalent to GPS. It is the first and only Glonass ground station in Central America. According to the Nicaraguan authorities, the base captures signals from 24 Russian satellites, enabling it to control the vessels that ply its territorial waters, fight drug trafficking more effectively and prevent natural disasters.

The establishment of the base marked a high point in military cooperation between Ortega's and Putin's governments. Although the official announcements of the two parties attempted to offer reassuring versions, many Latin American and US security experts have expressed their concern and dissatisfaction with the explanations received – not only because the two leaders agreed to construct the base at the beginning of 2016, when it was established that the operation would be led by Russia's Federal Space Agency (Roscosmos). The fact that only Russian military took part is also significant. Regional concern was heightened when Managua ceded a building in the capital that in theory was devoted to combating drug trafficking but was in fact designed to complement Nejapa.

Relations between Russia and Nicaragua began in 2009, but, despite what was stated at the time (that they were bilateral trade relations amounting to no more than 20 million dollars annually), their main focus is defence issues and the sale of armaments. During a visit to Managua in February 2015, the Russian defence minister, Serguéi Shoigú, announced an agreement to facilitate the docking of Russian warships in Nicaragua. He also announced the sending of 50 T-72 battle tanks (20 of which are already in Nicaragua), two missile boats, four patrol boats, armoured vehicles, two helicopters and Yak-130 combat and training aircraft. Millions of dollars' worth of cooperation (more than 150 million has been transferred in donations alone since 2007) and armaments arrive annually from Moscow.

The United States expressed its concern. In April 2017 Admiral Kurt Tidd, head of the South Command, told that Senate that Russia's attitude in Nicaragua is cause for concern and could affect the stability of the region<sup>16</sup>. As well as enjoying a presence in Brazil, Putin wishes to boost his role in Argentina, Cuba, Ecuador and Mexico and from Nicaragua is seeking to influence Guatemala and El Salvador.

### *Latin America and the EU. Spain's role*

Relations between the regions largely revolve around the EU-CELAC summits, which were initially designed as LAC-EU (Latin America and the Caribbean and the EU). To avoid overlapping with the Ibero-American summits, it was decided to make them both two-yearly events held in alternate years, the Ibero-American

<sup>16</sup> <https://www.infobae.com/america/america-latina/2017/07/01/la-base-secreta-de-espionaje-de-rusia-en-nicaragua-que-preocupa-a-la-region/>.

summits in odd-numbered years and EU-CELAC in even-numbered years. Owing to certain repercussions of the Venezuelan crisis on CELAC, this year it was not possible to hold the summit scheduled to take place in El Salvador. The Lima Group's rejection of Maduro's repressive policy led the event to be called off. Europe was keen for it to be held, but, aware of the difficulties of El Salvador's *pro tempore* presidency, agreed to its suspension.

Brexit came as a harsh blow to the European project. It was the first time that a Member State had left the Union. However, despite the most pessimistic predictions, the EU has not come off badly. From the perspective of EU-Latin American relations, the United Kingdom's exit will have major consequences, starting with the negotiation or renegotiation of trade agreements, which the London government firmly supports.

The EU is currently negotiating an association agreement with Mercosur including a section on free trade and is also seeking to update the agreement signed with Mexico in 2000. From the EU's perspective finalising the treaty with Mercosur, negotiations for which began in 2000, would be a positive sign not only of the importance Latin America has, or should have, for its future<sup>17</sup>, but also of how it is preparing to address the post-Brexit period, along the lines of the free-trade agreement with Japan. The negotiations with Mexico are progressing well and all that remains is to settle certain technical issues that should pave the way for the renewal of the treaty.

If the agreement with Mercosur is finalised, the EU will have signed agreements with most of Latin America – free-trade agreements with Chile, Mexico, Central America and eventually Mercosur; multiparty agreements with Colombia, Peru and, since 2016, Ecuador. In October 2017, the Agreement on Political Dialogue and Cooperation with Cuba signed in December 2016 provisionally came into force. Bolivia and Venezuela are the only countries with which the EU has no agreement. In Bolivia's case, this is because after the break-up of the CAN it has refused to follow in the footsteps of Colombia, Peru and finally Ecuador. And Venezuela, suspended from Mercosur, has been left out of the negotiations.

Despite the considerable reluctance of a few Member States such as France, negotiations between the EU and Mercosur have continued to progress. In 2010, during the LAC-EU summit, it was decided to relaunch the negotiations, which were at a standstill. In recent years, with the initiative of Rousseff's government, it has been possible to get the process moving. During 2017 the parties advanced and improved their offers, though a few points of contention still remain, which are related to the protectionism of both parties. In any case, there is a good chance an agreement will be reached at the beginning of 2018, though the possibility of a new failure cannot be ruled out. Both Spain and Portugal firmly back the project.

Bi-regional relations are generally based on solid foundations. The many exchanges, not only investment and trade, are constant, though neither side fully

<sup>17</sup> MALAMUD, Carlos. *Por qué importa América Latina*. Real Instituto Elcano, 2017, Informe no. XX.

appreciates the advantages that would stem from boosting these unique ties. A greater presence in Latin America would allow Europe to benefit from the opportunities arising from the changes that are taking place, both internally and externally. The latter include keeping an eye on how the Trump administration handles hemispheric relations (the 8th Summit of the Americas will take place in Lima, Peru, in April), as well as on China's presence in a continent established as a priority owing to its huge opportunities. From the European perspective, it is more an opportunity than a challenge or a competition for hegemony – which is not the EU's style.

The political agenda of 2018 will be marked by certain prominent events, beginning with the finalisation of negotiations with Mercosur, though this is not the only event to consider. The implementation of the Cooperation Treaty with Cuba would be another important issue. In April, coinciding with the election of the new president of the Council of State and the Council of Ministers to take over from Raúl Castro, its ability to withstand and adapt to such major changes will be put to the test.

Settling the Venezuelan crisis is also a major concern in Brussels. As has been seen, this crisis has a negative influence on bi-regional relations. In November 2017 the EU imposed its first sanctions on the Venezuelan government and called for the release of political prisoners and the holding of elections with full guarantees for the parties. The sanctions establish a ban on exporting arms and any other equipment used for repression, and also open the doors to individually sanctioning civilian and military authorities considered responsible for the repression and decline in democracy.

The 26th Ibero-American Summit will be held in November 2018 in Guatemala, in biennial format. It marks a new opportunity for Spain to strengthen its Ibero-American commitment, a project led by the Ibero-American Secretary-General's office. At the same time, Spain's foreign policy towards Latin America should skilfully combine the regional focus, one of its main distinguishing features, with boosting bilateral relations with all the countries in the region. It is a policy that yielded tangible results, as was seen during the Catalan crisis, when no Latin American or Caribbean country publicly backed the secessionist stances of the politicians who wished to split from Spain.

### **By way of conclusion: future prospects**

Latin America is at an important political, economic and social crossroads with international repercussions. The results of the 2017-19 elections may have decisive consequences not only for the individual development of the countries in question but also for the future of the whole region. The future of possible intraregional alliances, whether consensus will be sought, the progress of regional integration processes and even Latin America's links with the globalised world will hinge on the nature of the governments that are elected at the polls.



The identity of the new rulers will signal whether we are facing a new political cycle, but, more importantly, it will determine whether the reforms needed to convert the Latin American countries into more competitive economies consistent with the technological revolution and capable of adapting to the challenges of digitisation are feasible. Reforms of the education and labour systems (including pensions) should be accompanied by a major project to build infrastructure with public and private investment.

Following a lengthy period of populist governments with Chavista leanings, Latin America's political scene has become much more complex and varied. The unanimity of the past has begun to disappear since Hugo Chávez's death and the manifestations of the Venezuelan crisis, which have taken resources away from funding a hegemonic project like the ALBA. Today's governments, beginning with that of Nicolás Maduro, need to acknowledge the changes and adapt to a situation in which there must be a place for contradictory stances. And although in Latin America the principle of non-interference in countries' internal affairs is still prevalent, it is an increasingly untenable attitude in today's interconnected world.

The future of regional integration is also at stake. Most of the integration projects, beginning with the CELAC, UNASUR and the ALBA, are in the grip of crisis. Mercosur is discussing what to do about its structures, which have become antiquated by years of inefficient backscratching, and to see if it is possible to adapt them in order to return to the world stage. The Pacific Alliance, the only recent success story of any sort, needs to carry on advancing to prove that its track record is not one of short-lived success stemming from an effective *marketing* campaign, but that is a robust, long-term project with prospects of continuing.

Latin America will not turn its back on the international context over the coming years. But its rulers must design their foreign policies better and choose their alliances more carefully. Simply being there is not enough. It is necessary to know how and what for. It is therefore advisable to prioritise the available options better in keeping with national and regional interests. But this is not being done, as proven by the summits in which CELAC takes part, with both China and the EU. So far it has proved incapable of establishing significant common positions or considering joint negotiations with its counterparts. When it manages to achieve this, Latin America will have taken a major step forward towards its internal and international consolidation.

## Chapter four

### Asia-Pacific: a year of significant elections and perpetual conflicts

Rafael Bueno

#### Abstract

This chapter on the Asia-Pacific region aims to emphasise first that this geographical area can no longer be understood in accordance with the old definition of the «Five Asias». The current geopolitical situation, its economic interactions and the re-emergence of China, which has already begun to call for and win back its historical place in the region, has turned this area into a bloc of states that are heterogeneous but interconnected by their strong economic ties and political and geopolitical interests.

To this changing situation should be added the wish of the new administration in Washington to shift its policy towards what it now calls the «Indo-Pacific» in an attempt to balance its relationship with China in the area and grant India and Japan greater importance, as new competitors for Beijing.

Given this changing geographical context, the most important events in the region are analysed from a socio-political perspective through a series of elections in the key countries.

Lastly, we also examine the main conflicts that have lasted throughout history. Of them all, North Korea has been especially important due to its unalterable desire to acquire a nuclear military programme at any price, a development that could permanently change the geopolitical order in the Asia-Pacific region.

**Keywords**

Asia Pacific, conflicts, elections, Korean Peninsula, nuclear and ballistic programmes, South China Sea, Chinese Communist Party Congress.

## Introduction

Our world is immersed in a process of transformation, but in Asia-Pacific, unlike other areas, there have not been any escalating and violent revolutions or armed conflicts comparable to those of Iraq, Syria, Libya and Yemen, to cite a few examples.

What is important about the current world situation is that two phenomena are occurring at once: what some are already heralding as the beginning of the downfall of an empire, and the advent of a new one<sup>1</sup>. But unlike in the past, the new empire is not emerging for the first time but is returning.

Paradoxically, the United States, which has taken on a role as the world's ideological beacon, presenting the American dream as a collective fantasy, not only appears to be declining but since Donald Trump's election does not even seem to want to set a good example to the world.

*Amérique first* could end up breaking «sharply with how U.S. Presidents have defined America's relationships with the international community across seven decades since the Second World War»<sup>2</sup>.

The People's Republic of China, which continues to call itself *zhong guo* or the *middle kingdom* and boasts the oldest existing civilisation, is now emerging as an alternative model for global governance, officially describing the planet in a novel way as the community of a shared future for mankind.

Two decisive factors that occurred in Asia in 2017 have not only marked the past 12 months but will probably also influence 2018 in the struggle to adapt to this new world that is changing, though it is not heading in a clear direction.

The first is the various elections, which have given rise to new governments with different political leanings in a few countries and have brought continuity in others like Japan.

In the case of China, the elections were held in the form of a conference of the party which has enjoyed a monopoly on power since 1949. The major question is whether its results will allow the country to tackle the significant domestic problems more stably and address the pending international challenges with sufficient determination.

In 2016, as a foretaste of what was in store for 2017, a few changes of far-reaching significance occurred, such as in Taiwan, where a woman, Tsai Ing-wen, was elected as president for the first time and the independence supporters of the Democratic Progressive Party came to power for the second time in their short history. This re-

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<sup>1</sup> A few authors like Emmanuel Todd in *Après l'empire. Essai sur la décomposition du système américain* in Gallimard (2002) have been predicting this change.

<sup>2</sup> SZUPLAT, Terence. «Why Trump's 'America First' Policy is Doomed to Fail». *The New Yorker*, 3 February 2017.

kindled a temporarily settled dispute between Beijing and Taipei on the independence of the island<sup>3</sup>.

In Central Asia, Islam Karimov, the first president of Uzbekistan, died in September 2016, raising doubts about the continuation of the regime<sup>4</sup>.

In the Philippines, Rodrigo Duterte, the populist former mayor of Mindanao, was elected president in May following a campaign based on fighting crime and promising to combat it at any price, legally or otherwise. Since his election thousands of people have died in his particular crusade against crime and drugs. In international politics he has triggered a sudden breaking-off of relations with the country's historical ally in the area, the United States, and has moved closer to Beijing<sup>5</sup>.

2017 began with a new administration in Washington after the eight-year term of the Democrat Barack Obama, who was succeeded by an unexpected, unpopular and unpredictable president who promised to put *America first* and to demolish everything the previous administration had built.

Trump's win was followed by various important elections and congresses in Asia, beginning with Hong Kong. There, following Taiwan's example, the first woman, Carrie Lam, was chosen to direct the young special administrative region of China. From day one Lam had to choose between the party line established by Beijing and change from within, as is being called for by many young people, who consider the Chinese political system to be inapplicable to the former British colony and incapable of solving people's day-to-day problems such as the very high cost of living and the shortage of housing<sup>6</sup>.

Another event that made the news in 2017 was the holding of unexpected elections in South Korea and Japan, America's two main allies in the Asia-Pacific region who are increasingly concerned by mounting tension on the Korean peninsula.

The presidential elections in South Korea stemmed from the dismissal of President Park Geun-hye, which opened the doors to power for the Democratic Party

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<sup>3</sup> It should not be forgotten that the Nationalist Party or Kuomintang has governed Taiwan since 1949, except since these 2016 elections and during the period from 2000 to 2008, when Chen Shui Bian put an end to half a century of nationalist rule.

<sup>4</sup> After nearly three decades in power, divided between the Soviet Republic and the Independent State of Uzbekistan, Islam Karimov died, leaving the economic transformation underway and regional security in the fight against terrorism and the different types of trafficking to Mirziyoyev, previously prime minister and now president.

<sup>5</sup> President Duterte came to refer publicly to President Obama as a «son of a whore», leading to the cancellation of his participation in a regional meeting in Laos. Available at: <https://www.theguardian.com/world/2016/sep/06/son-of-a-whore-was-not-meant-to-be-personal-duterte-tells-obama>.

<sup>6</sup> «Carrie Lam wins Hong Kong's top job, but can she deliver?» Available at <http://www.scmp.com/news/hong-kong/politics/article/2082202/carrie-lam-wins-hong-kongs-top-job-can-she-deliver>.

of Korea headed by Moon Jae-in, a former collaborator with the president and Nobel Prize winner Kim Dae-jung<sup>7</sup>.

In Japan, in contrast, it was Prime Minister Shinzo Abe who, surprisingly, decided to bring elections forward by more than a year in the hope of securing greater support from the Diet to be able to implement his economic project and firmly address the North Korean threat by taking advantage of his good relations with President Trump<sup>8</sup>.

The year also brought changes in the other Asian giant, India, which for the first time chose a president belonging to the Dalit or untouchables<sup>9</sup> as a symbol of modernity and firmly established democracy, though the post of president is still largely symbolic compared to the executive power of the prime minister.

The year ended with the 19th Congress of the Chinese Communist Party, which enthroned a new *emperor*, recalling the times of the Great Helmsman Mao Zedong.

The re-election of Xi Jinping as secretary general of the CCP and president of the country for the next five years not only lent continuity to his project for the next 30 years but, more importantly, carved out a place for the short legacy of his school of thought and his name alongside the two great figures of the communist dynasty: Mao Zedong and Deng Xiaoping<sup>10</sup>.

The year ended as it began, with the US president in the limelight owing to his long Asian tour<sup>11</sup>. Over the course of nearly two weeks, he visited five countries, attended several international summits and met the region's main leaders, offering clear messages about his priorities, goals and solutions for a world that for the time being still needs American leadership to address the main global challenges.

As for security issues and the most deep-rooted conflicts, there are no clear signs of a solution or improvement in the near future, although, as Uri Friedman

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<sup>7</sup> President Park was in power from 2013, when she beat her opponent Moon by a slim margin. What she least expected was that her special relationship with Choi Soon-sil, like that of their respective parents, would end up developing into a conspiracy leading to her dismissal by the National Assembly and its subsequent ratification by the Constitutional Court.

<sup>8</sup> <http://edition.cnn.com/2017/10/22/asia/japan-election-results/index.html>.

<sup>9</sup> In India the *dalit* are considered to be outside the caste system and therefore untouchable. Despite accounting for 17 percent of the population, they continue to suffer discrimination in issues as important as education and health, even though the constitution forbids this. In Paniker, Agustín. *La sociedad de castas religión y política en la India*. Edit. Kairos 2014.

<sup>10</sup> «A huge deal for China as the era of Xi Jinping Thought begins». Available at <https://www.theguardian.com/world/2017/oct/19/huge-deal-china-era-of-xi-jinping-thought-politics>.

<sup>11</sup> For full coverage of President Trump's Asian trip in pictures, see <https://www.nytimes.com/2017/11/08/world/asia/trumps-visit-to-asia-in-pictures.html>; an analysis of its importance can be found at [https://www.washingtonpost.com/news/monkey-cage/wp/2017/11/04/four-reasons-trumps-asia-trip-is-so-important/?utm\\_term=.73a-7be426215](https://www.washingtonpost.com/news/monkey-cage/wp/2017/11/04/four-reasons-trumps-asia-trip-is-so-important/?utm_term=.73a-7be426215). La versión oficial en <https://www.whitehouse.gov/the-press-office/2017/11/15/president-donald-j-trumps-visit-asia-advanced-america-first-priorities>.

points out in reference to the role the United States will play in them, «The biggest unknown for U.S. interests in the world in 2017 may lie. . . in the United States itself»<sup>12</sup>.

Most people regard the Korean peninsula as the most dangerous conflict owing to its devastating regional and global consequences. With North Korea ever closer to finalising its nuclear and intercontinental missile programme, the situation could take a dramatic turn in 2018.

The past record of missile tests in North Korea<sup>13</sup>, political instability in South Korea with the impeachment of President Park and the change of administration in Washington prevented South Korea, the United States and Japan from agreeing on and adopting a clear policy to address the North Korean threat. Once again, the North Korean leaders have taken advantage of the divided opinions and lack of agreement between the main external actors involved in the peninsula.

Another perennial conflict in the area involves the South China Sea, where various countries are engaged in dispute over maritime territories and the prestige of owning islands with historical claims.

What is at stake in this vast area is the control not only of major energy resources (gas and oil) but also of one of the busiest shipping routes in the world, which accounts for one-third of all sea traffic. The oil transported via the Malacca Straits from the Indian Ocean to east Asia across the South China Sea alone triples the amount transported via the Suez Canal and is 15 times greater than that transported via the Panama Canal.

This lends the area significant strategic value for the major powers, as Graham Allison points out when he highlights the new revisionist role of the powers involved and especially the re-emergence of China and its particular dispute with the United States in the area. As Allison warns, likening the struggle to the Peloponnesian wars, it could turn into a new *Thucydides' Trap* leading inevitably to armed conflict between Beijing and Washington<sup>14</sup>.

In Central Asia, Afghanistan continues to fight against its internal *ghosts*<sup>15</sup>. A real and lasting transformation of its archaic society seems unfeasible and few people expect the superficial changes made by Trump with respect to Obama's policy towards the country, with the sending of more troops, to lead to the re-establishment of political order and security for its citizens.

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<sup>12</sup> <https://www.theatlantic.com/international/archive/2016/12/global-conflicts-to-watch-in-2017/510095/>.

<sup>13</sup> Since 1984, North Korea has carried out more than 150 missile and nuclear tests, more than half of them since Kim Jong Un came to power in 2011.

<sup>14</sup> See «Estados Unidos, China y la trampa de Tucídides» in *El País*. Available at: [https://elpais.com/elpais/2017/06/20/opinion/1497956137\\_641445.html](https://elpais.com/elpais/2017/06/20/opinion/1497956137_641445.html).

<sup>15</sup> Afghanistan is closer and closer to again becoming a failed state whose people lack security, the rule of law and above all hope 16 years after they were promised democracy and stability.

Our review of the year cannot omit South Asia's two nuclear powers, India and Pakistan, which celebrated their 70th anniversary of independence from the British empire in 2017 without much of an improvement in their relations. Their relationship is turbulent and complex to say the least, especially since this part of South Asia became an epicentre of terrorism and religious extremism.

How to achieve a minimum degree of stability between them and, above all, prevent nuclear proliferation and avoid the risk of large-scale war between the two nuclear powers<sup>16</sup> continues to be one of the most important – and possibly least recognised – challenges the international community faces in the twenty-first century.

The year ended with the outbreak of one of the least known conflicts, as it has received low coverage from the media: the persecution and fight for survival of the Rohingya people in Myanmar.

The crisis has continued to grow this year and more than half a million people – over 80 percent of them women and children – have had to flee their country and seek refuge in the neighbouring Bangladesh. Thousands of people belonging to this Muslim ethnic group have been persecuted and killed in the country, which has a Buddhist majority<sup>17</sup>.

### A year of significant elections

2017 was a crucial year in terms of elections, some of which were expected and others unforeseen. In China, the closest thing to elections was the renewal of the executive at the Communist Party Congress, which is entrusted with choosing new leaders every five years and approving the blueprint for the coming decades.

Hong Kong was the first stop on the election route and, paradoxically, the only part of the People's Republic of China where, for the time being, the government must tolerate the democratic exercise of electing its leaders, albeit subject to specific rules. They are elections with Chinese characteristics, though they are becoming increasingly Chinese and less democratic.

In the Republic of Korea, the scandal and subsequent impeachment of President Park Geun-hye, who became the first democratically elected head of state to be removed from office, arrested and imprisoned<sup>18</sup> ended with new elections in May, in which civil society once again showed its great democratic maturity.

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<sup>16</sup> According to a few politicians like Sashi Tarroor, former UN deputy secretary-general and former Indian secretary of state, the problem is that India has an army, but in Pakistan the army has a state. Available at: <http://www.aljazeera.com/programmes/upfront/2017/07/india-pakistan-rivals-170728122506901.html>.

<sup>17</sup> According to UNCHR, more than half a million Rohingya have had to flee to provisional camps in the neighbouring country, Bangladesh. <https://www.esglobal.org/los-rohingyas-la-minoria-olvidada/>.

<sup>18</sup> The Constitutional Court unanimously confirmed Parliament's decision to impeach President Park, who faced criminal charges on losing her immunity.



In the month of July India chose its 14th president, who, unlike most presidents in the world, lacks executive powers. The fact that Ram Nath Kovind is an untouchable who does not even have a *caste* was interpreted as a message to the world about the soundness of India's democracy and as a message to the people about its social progress.

Another of the unexpected elections was in Japan, where the date was brought forward 14 months by prime minister Shinzo Abe to allow him to undertake economic reforms (Abenomics) with greater guarantees, to address the main external threat, North Korea, and rid himself of possible future political rivals such as Yuriko Loiko, governor of Tokyo.

The year ended with the same unknown factor with which it began: the role of the United States in the region following the promises or threats Trump had claimed to implement from day one if he was elected president in November 2016.

### *Hong Kong: between continuity and democracy*

On 26 March Carrie Lam<sup>19</sup> was elected *chief executive* of the former British colony of Hong Kong for the next five years<sup>20</sup>. For more than a century and a half, those responsible for the destiny of the former colony had always been imposed first by London and subsequently by Beijing. Although it was agreed during the negotiations between the Chinese and British governments on the return of the colony that the chief executive would eventually be chosen by universal suffrage, everything remains the same.

But in the increasingly near future, China will have to decide whether it fully respects Den Xiaoping's policy of one country and two systems or whether it carries on with its present policy, bearing in mind that Hong Kong is a mirror for Taiwan.

Despite having been elected in March, Lam waited until July to officially take up her post. It was a particularly symbolic moment because it coincided not only with the 20th anniversary of Hong Kong's return to Chinese sovereignty but also with President Xi Jinping's first visit to the former colony as the highest authority. Once again, it was a *mise-en-scène* imbued with symbolism.

Unlike on previous visits, this time President Xi avoided mingling with locals to prevent possible pro-democracy demonstrations inherited from the Umbrella Movement. However, protests, embodied by those demonstrations<sup>21</sup> of 2014,

<sup>19</sup> Carrie Lam won with 777 of the 1,194 eligible votes, becoming the city's first leader.

<sup>20</sup> The chief executive of Hong Kong is elected by a committee of 1,194 people who represent the just over seven million inhabitants by sectors. Prominent among these sectors are the associations of businessmen, professionals and trade unions, as well as those of a political and religious nature. The list of candidates must be approved by the political leaders in Beijing, and they are therefore not directly elected by citizens.

<sup>21</sup> The *Umbrella Revolution* is a social disobedience movement that began in 2014 and was led by students and intellectuals who demanded greater democracy and free elections in Hong

continue to be the main warning to the local authorities and central government that young people in Hong Kong want to be guaranteed they will not lose their rights in 2047<sup>22</sup> when the one country-two systems model ends after the 50-year period established in the transition phase.

Lam does not enjoy the support of the people but for the time being she does have the backing of Beijing and everything seems to indicate that political reform will not play a prominent role during her five-year term. But to prevent new *revolutions* from surfacing, as occurred during the nearly three months in 2014 when people took to the streets, and the consequent social and economic collapse, she needs to make Beijing realise the need to steer a middle path between continuity and democracy.

It seems evident that neither has China, which no longer needs to keep up appearances, been influenced by the democracy that emanates from Hong Kong's civil society, and that nor has the former colony become the China of the 1970s that others were predicting.

With its Legislative Council (LEGCO) divided between pro-independence and pro-Beijing supporters, Hong Kong will continue to be torn between continuity and democracy until 2047, when Beijing will cease to be bound by its promise to respect the city's rights and autonomy as it has so far, including horse races<sup>23</sup>.

### *South Korea buries its recent past*

The Republic of Korea has not only undergone huge economic growth but also an admirable democratisation that can be exported to other countries in the area. Its civil society has come to play a decisive role and its demonstrations have toppled democratically chosen ministers and presidents, such as Park Geun-hye, whose removal from office put an end to a family heritage tied to the dictatorship and, in a sense, to its northern neighbour.

Little did people imagine when the demonstrations against President Park's corruption and nepotism broke out at the end of 2016<sup>24</sup> that on 9 May 2017 a former dissident would be elected as president of the Republic.

A centre-left party candidate thus returned to the Blue House for the first time since the Nobel Prize winner Kim Dae-jung and, more significantly, with a 17-per-

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Kong. <http://www.bbc.com/news/world-asia-china-29407067> and <http://www.bbc.com/news/world-asia-29512134>.

<sup>22</sup> <http://www.scmp.com/news/hong-kong/politics/article/2091219/new-hong-kong-think-tank-focuses-way-forward-beijing-after>.

<sup>23</sup> <http://www.scmp.com/news/hong-kong/politics/article/1943075/too-soon-talk-about-2047-legal-experts-split-when-hong-kong>.

<sup>24</sup> The National Assembly initially voted for the president's impeachment in December 2016 following revelations that she had disclosed state secrets to a personal friend, whom she had favoured in public subsidies, as well as having plotted to extort huge donations from major companies or *chaebols*.

cent lead over the second candidate – the largest margin between candidates in presidential elections.

Ironically, little did many of those who demonstrated against General Park Chung-hee in the 1970s calling for democracy imagine at the time that they would see their wish to have a left-wing candidate legally topple General Park Geun-hye's own daughter fulfilled.

Everything seems to indicate that this new administration will be different from the previous one in both form and substance. The former president Park, the only daughter of the former dictator and moderniser of the republic, personally suffered the horror of the division with the north, as her own mother was assassinated by the North Korean regime in an attack on her father, converting her into *de facto* first lady, a role she played for years.

The new President Moon not only hails from a humble family, but his parents were refugees from Hungnam, a port in North Korea, and were evacuated at the start of the war. Voters regard him as someone closer to their own everyday reality and problems. Promising a new style of politics and of life, he has begun by creating a *truth commission* to clarify the scandal surrounding his predecessor and a major plan of action to help young people find jobs, abolishing the current system of *contacts* that is essential to progressing in society. He has stripped also the Blue House of its former symbolism, converting it into a museum open to citizens.

Apart from the economic and social challenges, the region is especially affected by the global transformation driven mainly by Washington's new vision of Asian politics and the new role of Xi Jinping's China, not to mention Japan's increasingly urgent need to return to its former political space in the region and the challenge posed by North Korea. All these factors make Moon Jae-in a key actor, especially if he fulfils his promise to review President Park's former policy towards the US, the installation of the THAAD missile defence system<sup>25</sup> and the agreement on reparations between Seoul and Tokyo on sex slaves during the Second World War.

Another of the novelties expressed by President Moon, which marks a clear break with President Park's administration, is his intention to visit Pyongyang, as President Kim Dae-jung did in 2000, and to attempt to bring back the old *sunshine policy*<sup>26</sup> (rap-prochement, cooperation and exchange) between both sides of the 38th Parallel.

Many people criticise this policy, which they view as yielding to his northern enemies, but it has been proven that since it ended with President Lee Myung-bak and subsequently with Park Geun-hye, Pyongyang's nuclear and ballistic programme has been speeded up.

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<sup>25</sup> The US president Donald Trump has reiterated that Seoul should bear all the expenses of the THAAD missile defence system which is officially deployed to stop North Korea, though China considers it is to be the target of the system.

<sup>26</sup> The Sunshine Policy was based on three main principles with respect to North Korea: not to yield to armed provocation, not to try to absorb it, and to seek economic cooperation. <http://foreignpolicy.com/2017/05/19/moons-secret-weapon-is-sunshine-south-korea-kim-jong-un/>.

All in all, the outlook for Seoul at the end of 2017 is complicated, as, although the new president enjoys substantial social support, his party, the Minjoo, holds a minority of seats on the National Assembly and he will therefore have to wait until the new legislative elections are held in 2020 to undertake the promised reforms.

The region is more volatile and steeped in greater uncertainty owing to Kim Jong-un's determination to have a military programme capable of reaching the heart of the United States and the erratic conduct of Trump, who is waging a dialectical war of a hitherto unseen magnitude. All this is coupled with a China that is incapable of controlling the *monster* it helped create and is now a prisoner of its own context where Russia and Japan, despite being important actors, are still regarded as mere guests.

On 13 December President Moon set off on a key four-day visit to China<sup>27</sup> with the aim of repairing the damage inflicted on bilateral relations by Seoul's decision to install the American THAAD missile defence system, a project negotiated by the former administration, and to attempt to convince Beijing to reconsider its call to boycott South Korean products and tourism<sup>28</sup>. The visit was also intended to strengthen trade relations, which have grown significantly since the Free Trade Agreement was signed in 2015.

North Korea is still the main threat to regional and probably world peace, and China holds one of the keys to its solution, which entails a new diplomatic strategy that does not include only China but also Russia, the two main supporters of Kim Jong-un's regime.

We will have to wait and see if Moon's first official trip to China on the 25th anniversary of the establishment of their diplomatic relations (it is also the third bilateral meeting between the two leaders) yields any results. Perhaps if America had done the same on the other side of the 38th Parallel the current situation would be different.

The previous week Jeffrey Feltman, United Nations Under-Secretary-General for Political Affairs, visited Pyongyang and underlined the «urgent need to prevent miscalculations and open channels to reduce the risks of conflict<sup>29</sup>». In his opinion, «time is of the essence». Moon's government agrees and knows it is necessary to devise a dialogue strategy before it is too late.

Moon's proposal to the United States, at the end of December, to postpone military manoeuvres during the Winter Olympics in PyeongChang in February 2018 was a positive gesture to encourage dialogue and came before the invitation to the North to consider participating in the games<sup>30</sup>.

<sup>27</sup> See <http://www.scmp.com/news/china/diplomacy-defence/article/2124164/can-moon-jae-get-relations-beijing-back-track-after>.

<sup>28</sup> In 2016 eight million tourists travelled to South Korea but following Beijing's travel restrictions the number was halved. It is reckoned that the economic losses for Korea could amount to 4.5 billion dollars.

<sup>29</sup> <http://www.elmundo.es/internacional/2017/12/12/5a2f8f3e22601dc4038b45e1.html>.

<sup>30</sup> <http://spanish.yonhapnews.co.kr/national/2017/12/20/0300000000ASP20171220001200883.HTML>.

The test North Korea carried out on 29 November of what appeared to be a Hwaesong-15 intercontinental missile capable of reaching the mainland United States, the military drills of November and early December – the most important ever organised between the United States and its two allies in the area, Japan and South Korea – and the latest sanctions imposed by the United Nations Security Council on 22 December to curb the North Korean regime's oil imports appeared to greatly reduce the margin for negotiations.

The year ended with the situation at a standstill and America's consequent frustration, which is reflected in President Trump's tweets.



Illustration 1.

### *India demands a new place in the world*

What is still the second most populated country on earth held presidential elections on 20 July and, for the second time in its short history since the term of K. R. Narayanan in 1997 a *dalit* or untouchable was elected as head of state.

Ram Nath Kovind, the former governor of the state of Bihar, became head of state for the next five years with limited powers<sup>31</sup> but a huge symbolic significance<sup>32</sup>. What is most striking about his election is, as a few sources pointed out at the time, that it «seems only two people knew about his candidature. PM Narendra Modi and God»<sup>33</sup>.

Kovind's election was viewed as part of a strategy devised by prime minister Modi to have a candidate from his party, Bharatiya Janata (BJP), elected as

<sup>31</sup> Unlike in most presidential systems, the Indian president lacks executive power.

<sup>32</sup> Ram Nath Kovind won 2,930 votes in a secret national ballot in which nearly 5,000 legislators of central parliament and the state legislatures took part. <http://edition.cnn.com/2017/07/20/asia/kovind-india-dalit-president/index.html>.

<sup>33</sup> <http://www.bbc.com/news/world-asia-india-40344572>.

head of state and to accordingly secure the support of the community of *dalit*, who number more than 200 million.

Political stability no doubt mattered much more to him than giving social impetus to a group that is not even considered a caste in India, as without the party's support it is difficult for an individual to gain sufficient capacity and margin of manoeuvre to fight for greater equality in Indian society.

Unlike previous governments, whose gazes were fixed on their closest geographical context in the Indian subcontinent, with Pakistan and Bangladesh as the main points of reference, Modi's India needs to take a global view of the world, especially given the rise of China and the huge space it is occupying throughout the region, recalling the border war of 1962<sup>34</sup>.

Competition between the two most populated countries is not a new phenomenon. Until the nineteenth century these two giants already accounted for half of the world economy and, unlike Germany and Japan, they are not simply countries or cultures but civilisations with continental territories and populations. All these distinctive features have given rise to an understandable strategic mistrust between them, with a shared border whose delimitation has yet to be settled.

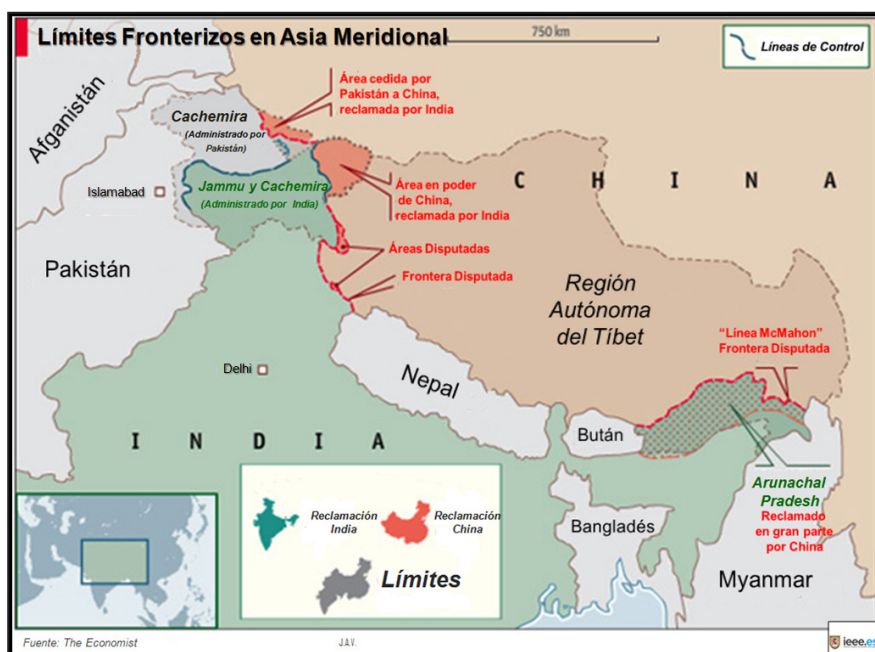


Illustration 2. Borders in South Asia

<sup>34</sup> Further up-to-date information on the border dispute can be found at <https://www.economist.com/blogs/economist-explains/2017/08/economist-explains-6>.

Viewing with increasing concern how its Chinese neighbour aims to weaken it economically and politically from the UN Security Council and is strengthening its relations with Pakistan, India has moved closer to Washington, upsetting traditional relations in the area. The US's new strategy towards Asia and its new concept of *Indo-Pacific* is undoubtedly a new scenario for India, but the unknown factor continues to be managing such asymmetrical economic and trade relations<sup>35</sup>.

### *Shinzo Abe and his risky venture*

Many analysts thought that Prime Minister Abe's decision to bring the elections forward in Japan was risky because of the little time available to prepare for them and the context of regional uncertainty, with North Korea monopolising the international media with its ballistic missiles, some of which even flew over the archipelago.

Abe's pretext, emulating his new *friend* President Trump, was «to make Japan great again». He needed a clearer majority on the Diet to be able to go about reviving the economy and restoring Japan to its rightful place on the international stage as befits a country of its economic, political and historical significance.

Another goal was to counter China's power in the region, but to do so it was first necessary to make Japan great again.

To undertake such a risky venture, Abe first had to convince his party, the Liberal Democratic Party (LDP), that he could win, and then persuade the electorate that at such troubled times only he could guarantee economic stability and recovery and address the North Korean threat.

Prominent among his election promises was the proposal to allocate the 45 billion-dollar budget surplus envisaged for 2019 as a result of increased tax revenues to social improvements such as education rather than to interest on public debt, which already stands at 250 percent of its GDP.

Few people believed Abe's explanation. They put his decision down to other reasons more consonant with his personality.

Firstly, the degree of approval of his handling of affairs among the electorate stood at 50 percent, albeit up from a very low 30 percent.

Secondly, North Korea's constant testing of missiles that overflowed Japan set off alarms, quite literally. For the first time in years the people were warned with loudspeakers, which triggered social alarm. Though in a sense voters feel safer with someone like Abe and his discourse, which is sometimes militaristic and openly in favour of reviewing the Constitution imposed by the United States in

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<sup>35</sup> <https://www.cfr.org/blog/more-prominence-india-and-indo-pacific-us-national-security-strategy>.

1947<sup>36</sup>. He was foreseeably helped by having managed to strike up a special relationship with the US president, which was even described as one of *buddies*.

There did not seem to be any doubt about Abe's determination. As he himself stated, «I'll demonstrate strong leadership and stand at the forefront to face a national crisis... this is my responsibility as leader and my mission as prime minister»<sup>37</sup>.

Thirdly, the Democratic Party in the opposition was weakened by internal divisions. And lastly, bringing forward the elections would ensure that Tokyo's up-and-coming political star, Yuriko Koike, governor of Tokyo, would not have time to consolidate her new political proposal for addressing such an important challenge. She had only recently secured the important post of governor of Tokyo having left the Liberal Democratic Party and established the Hope movement and the Tomin First no Kai party.

Abe knew that a lot was at stake, including his party, the LDP, which had been in power almost without interruption since 1955 – something that is unusual in the United States or Europe, where alternation has been predominant – but the prize was worth the risk.

In the end, the LDP's pragmatism as opposed to ideology and the support of the chiefly conservative rural areas helped clinch the fifth consecutive victory for Abe, who was aware that he did not win on the strength of people's fondness for him or his charisma but because of the absence of a feasible alternative, as Yuriko Koike had not had time to gain a strong foothold<sup>38</sup>.

But more importantly, Abe now has the chance to achieve a long-desired aim: to change the pacifistic language of Japan's Constitution and convert its self-defence forces into an army that can help it regain its rightful place<sup>39</sup> in competition with the Chinese army, which is undergoing modernisation and expansion.

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<sup>36</sup> In May, on the 70th anniversary of the constitution, Shinzo Abe announced plans to review it and his support for amending it in 2020.<https://www.nytimes.com/2017/05/03/world/asia/japan-constitution-shinzo-abe-military.html>.

<sup>37</sup> <https://www.reuters.com/article/us-japan-election/japans-abe-announces-snap-election-amid-worries-over-north-korea-idUSKCN1C0001>).

<sup>38</sup> <https://www.economist.com/news/asia/21730551-mr-abe-wants-japan-be-normal-military-power>.

<sup>39</sup> The LDP won 281 of the 465 seats on the Diet. This allowed him to gain control of two-thirds of the house with the support of a few independents.



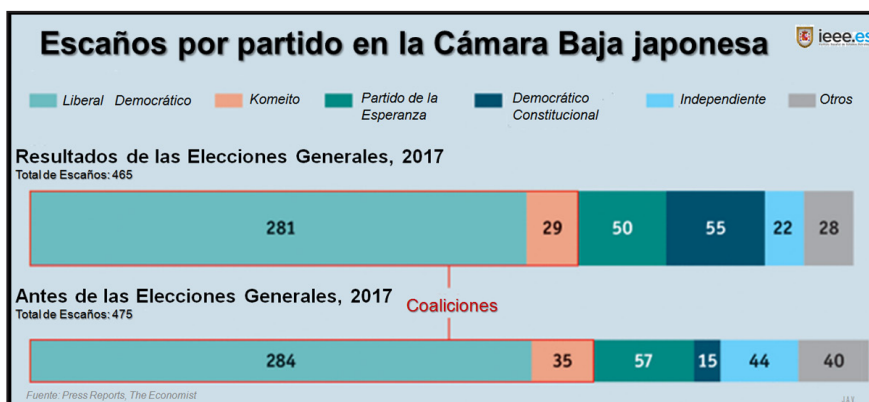


Illustration 3: Seats per party in Japan's lower house.

There is nothing new about Japan intending to change its overall strategy, abandon the Yoshida doctrine<sup>40</sup> and strengthen its alliance with the United States.

We are dealing with a delicate transition, with opportunities for both America and Japan to strengthen their strategic positions in the region vis-à-vis the growing challenges, but they will come up against opposition from China, Russia and North Korea. South Korea has yet to define its stance. In order for this emerging *Abe doctrine* to be successful, it needs to convince first and foremost the Japanese people, among whom a trace of antimilitarism still lingers<sup>41</sup>.

### *The Chinese Communist Party has its new Great Helmsman*

Once again, October was a date of huge political importance for the coming years, not only in China but worldwide.

As every five years, the CCP held its 19th congress and after a week of unprecedented media exposure publicly announced what the various political factions of the party had already been negotiating behind the scenes.

The most noteworthy aspect of the congress was the clues it provided as to who will exercise power and how and on China's vision of the world and its role in it over the next 25 years.

As Graham Allison pointed out, «Xi Jinping Xi was not only 'elected' for a second five-year term as China's president. He was 'crowned' as the 21st-century version of the emperors who ruled the country in earlier millennia»<sup>42</sup>.

<sup>40</sup> The Yoshida doctrine was the defence strategy that prevailed during most of the post-war period and basically reduced the Japanese army to self-defence forces that depended entirely on the security alliance with the US.

<sup>41</sup> More information in Tellis, Ashley J.; Szalwinski, Alison; Wills, Michael (eds.). *Strategic Asia 2017-18: Power, Ideas, and Military Strategy in the Asia-Pacific*. <http://nbr.org/publications/element.aspx?id=963>.

<sup>42</sup> <https://www.newstatesman.com/world/asia/2017/12/chairman-everything-why-chinese-president-xi-jinping-will-change-history>.

The most evident proof was the enshrinement of his idea of China as *official thought* and not simply as a theory, as had occurred in the past with that of Deng Xiaoping. It was especially symbolic that this should have taken place at the start of his second and *theoretically* last term as opposed to after he had stepped down from power, as is usually the custom, in the manner of a legacy and farewell.

All the Chinese leaders have left their own personal mark on the Constitution, but in President Xi's case, the forms and substance have put him on a political par with President Mao Zedong, and on an ideological par – by calling his thought «socialism with Chinese characteristics for a new age» – with the true architect of China's transformation, the Small Helmsman Deng Xiaoping.

As a few analysts are already pointing out, he has succeeded in truly embarking on the *Xi Jinping era*, as if a new emperor.

The first interpretation that springs to mind is that he has already secured power within the apparatus with a Politburo Standing Committee tailored to his needs.

Having dispelled the main doubt – his great ally Wang Qishan will not continue to head the powerful Central Commission for Discipline Inspection having purged, dismissed or investigated potential adversaries and party leaders officially linked to corruption<sup>43</sup> – we must now follow party movements closely to decipher who might occupy this important post alongside the powerful Xi Jinping.

One of the people who could play this role is Wang Huning, who has been placed in charge of propaganda and ideology. But if there is anything Chinese politics has shown it is how difficult it can be to survive politically behind the scenes.

Xi has control of the main institutions: the 7-member Standing Committee, the 25-member Politburo and the 7-member Military Commission, nearly all of them men and all loyal to the new emperor of the first communist dynasty.

But who is Xi Jinping really?

We might use three nouns to help define the new leader's personality. The first is his capacity for *survival*. Like millions of Chinese, he managed to survive the havoc of the cultural revolution. It claimed the lives of some of his closest relatives and humiliated his family, which, like so many others, was exiled to the countryside, but Xi withstood, awaiting a chance to return to the city<sup>44</sup>.

The second quality that defines him is *strategy*, as he succeeded in weaving a web of influential contacts in Beijing among the military and leaders of the different factions that have always characterised Chinese politics. Finally,

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<sup>43</sup> It is reckoned that the number of dismissals may have reached 1.4 million members of a party with nearly 90 million members.

<sup>44</sup> <https://www.nytimes.com/2015/09/25/world/asia/xi-jinping-china-cultural-revolution.html>.

there are his *leadership* skills: Xi is regarded by some as a specialist in the complex art of statesmanship.

After such a long journey, Xi is using all his power to carry out the biggest transformation in China since Mao. More importantly, unlike in Mao's period, he entertains realistic objectives in a country that is already an economic, political, military and cultural power.

In addition, unlike his predecessors, he has put an end to the strategy of keeping a low international profile, focusing on domestic development, on the surrounding seas and on the 14 land borders, and has openly advocated a worldwide strategy.

In his address to Congress he made this clear by declaring that China would stand «tall and strong in the east» in order to achieve the ultimate aim: to recover the Chinese dream<sup>45</sup>, which, according to him – and this is another novelty – is the dream of many other peoples.

For this purpose, to quote Wang Chen, «China will be more and more open, which will be more beneficial for the whole world» because now «all of mankind shares a community, a future shared by all of mankind».

To carry out this strategy, in the spring of 2017 Xi announced a plan called One Belt, One Road.

In May he welcomed 28 heads of state and government to Beijing for a grand celebration to present his major initiative<sup>46</sup>. It was the biggest meeting since the holding of the Beijing Olympics in 2008.

Behind this *Marshall Plan*, as some people have dubbed it, is also a careful strategy with motivations that are not simply based on achieving a fairer international society.

Xi has in mind greater returns for his huge foreign currency reserves, most of which, uncoincidentally, are invested in low-interest US Treasury securities. He is likewise seeking new markets for his construction and transport companies (airports, harbours, roads...), which need foreign contracts to be able to export part of their huge surpluses in cement, steel and other resources, including labour. Although the official unemployment rate has fallen to 3.95 percent<sup>47</sup>, China's *floating population* may reach 300 million in 2020, according to official sources<sup>48</sup>.

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<sup>45</sup> Wang Chen. Politburo Member at the Imperial Springs Forum, 28 29 November in Canton.

<sup>46</sup> Launched in 2013 as One Belt, One Road. China invested millions of dollars in the countries along the former Silk Road to Europe. This project is using some 150 billion dollars per year in the more than 70 countries and international institutions that have signed up to it.

<sup>47</sup> <https://www.reuters.com/article/us-china-economy-jobs/china-says-jobless-rate-lowest-in-years-but-challenges-persist-idUSKBN1CR01F>.

<sup>48</sup> [http://www.chinadaily.com.cn/business/2015-11/12/content\\_22438127.htm](http://www.chinadaily.com.cn/business/2015-11/12/content_22438127.htm).

With this strategy, Central Asia will regain the geopolitical importance that characterised it for centuries. Indeed, it is also essential for Beijing to have a stable backyard in order to control its autonomous regions of Xinjiang and Tibet more effectively. In addition, its growing presence as a result of increasing its projects in the South China Sea area will strengthen its claims vis-à-vis the countries with which it is competing for possession of this area.



Illustration 4. The Silk Road

To sum up, President Xi has three main goals. The first is to return to the Chinese dream, which amounts to restoring China's role as a cultural, economic and above all civilisational reference point. The second is to regain control of the former empire – not only Xinjiang, Tibet, Macao and Hong Kong, which it already has, but also of Taiwan, the last territory that remains to be won back. And the third and last objective is focused on winning back its regional sphere of influence along its borders – formerly known as the *tributary states* – and thereby restoring the former *middle kingdom* to its rightful place in history.

Ironically, the People's Republic of China aims to regain its age-old place in the global community at a time when the United States is distancing itself from the world with its *America first*. As Ban Ki-moon recalled at the Conference on Global Governance and the Role of China, «*America first* is confusing people and not just the United States»<sup>49</sup>.

To quote China's former deputy minister for foreign affairs, He Yafei, «if China does not assume leadership, it can be accused of irresponsibility, and if it does it can be accused of hegemony». Whatever the case, Deng Xiaoping's old policy of keeping a low international profile is no longer an option.

<sup>49</sup> Imperial Springs Forum, Canton (China). 28 and 29 November 2017.

The PRC and President Xi have two key dates marked in red in their diaries. The first is 2021, the centenary of the creation of the Chinese Communist Party in Shanghai. By then they aim to have built a modern, prosperous society. The second is 2049, the centenary of the founding of the PRC, the year by which they hope to have created a completely developed nation.

Under normal circumstances Xi ought only to see the first date, but in view of the degree of power he displays in Congress, many analysts wonder whether, unlike Jiang Zemin and Hu Jintao and going against the unwritten two-term rule of Deng Xiaoping, he will emulate the ancient emperors more than his predecessors in the post.

Everything seems to indicate that China will be a modern socialist state by the mid-twenty-first century. Most of its citizens have realised that the price to pay for a *splendid* future is to keep the communist dynasty in power; indeed, for the world's oldest surviving civilisation a hundred years is but a chapter in a great work that is still being written.

The first foreign dignitary to arrive in Beijing to pay his respects to Xi was, paradoxically, the US president Donald Trump. And there, although perhaps he did not wish to realise, he met the man who is not only the most powerful Chinese leader since Mao but also possibly the most ambitious leader in any country today.

#### *The start of the Trump era and new Asian geopolitics*

A year on from being sworn in as the 45th president of the United States, it is not clear what will become of the radical reforms Donald Trump promised in America's foreign policy<sup>50</sup>.

On 5 November he set off on his first Asian tour, a 12-day trip which, due to political needs and important regional summits, became one of the longest made during his short time in office.

A common issue discussed with all five countries visited was North Korea, but there was another, less striking one than berating the North Korean leader and his nuclear and ballistic missile programme.

From day one President Trump, clearly distancing himself from his predecessor who had promoted the so-called *Pivot to Asia*, resorted to a new geographical and geopolitical definition of the continent, Asia-Pacific or Indo-Pacific. This was an invitation to a new actor, India, to take on a bigger role and abandon its traditional low profile in world politics, perhaps with the hope that between the two of them India and Japan can hold the stirring Chinese dragon in check.

The country chosen to begin the Asian tour had to be Japan, America's traditional and main ally and the Asian country where it has the most troops stationed.

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<sup>50</sup> <https://www.nytimes.com/2016/11/12/world/what-is-donald-trumps-foreign-policy.html>.

It was also a good opportunity to congratulate the new prime minister Abe and discuss over a game of golf how to stem the North Korean threat, how to prevent Kim Jong-un's ballistic missiles from continuing to fly over the Japanese archipelago in the short term, and how to settle trade differences, including the future of the TPP.

Paradoxically, the most specific aspect of Trump's brief stay was Abe's announcement he would reinforce the sanctions unilaterally against his North Korean neighbour. No doubt the most arresting photo of the trip showed President Trump's manner of greeting the Japanese emperor, which went against the protocol. A comparison with President Obama's greeting highlights their two different ways of looking at the world and of relating to its leaders.

Two days after arriving in Tokyo, the American president departed for Seoul, where an anxious President Moon awaited him to carry on *fêting* his main military ally with a reception in the Blue House and a speech in the National Assembly. They did not, however, visit the demilitarised zone (DMZ) to avoid possibly provoking the North Korean leader.

Once again, the agenda was dominated by the threat of North Korea's nuclear programme and the hope of conveying a message which, although based on firmness, would help ease the tension. Instead, true to his style, Trump ended the visit by calling the North Korean regime a *cult* or sect. He reminded the members of the Korean National Assembly that «history is filled with discarded regimes that have foolishly tested America's resolve». If to this we add his speech to the United Nations General Assembly in September, where he threatened to totally destroy the North Korean regime<sup>51</sup>, the level of verbal violence between the two leaders seems difficult to beat.

The next stop was the Chinese capital, where he again congratulated the newly elected Xi Jinping.

The red carpet was rolled out to greet the president of the leading world power in the *Great Hall of the People*. The next meeting continued to be dominated by the same issue, the danger of North Korea and trade, in this second case focused on the huge trade deficit between the two largest economies in the world<sup>52</sup>, which in 2017 beat another negative record for the US.

As was to be expected, the two leaders agreed on the gist but not the content of their declarations. Although Xi Jinping recognises the danger of a nuclear Korean peninsula and the need to put a stop to his theoretical ally's nuclear programme, he does not agree on the coercive measures to be taken to achieve this.

To play down the problem of the trade deficit, the new Great Helmsman recalled that China and the US are embarking on a new historic stage in their relations and will spare no effort to settle their differences appropriately.

<sup>51</sup> <https://www.theguardian.com/us-news/2017/sep/19/donald-trump-threatens-totally-destroy-north-korea-un-speech>.

<sup>52</sup> The trade deficit between the US and China amounted to 347 billion dollars in Beijing's favour in 2017.

President Trump was thus able to go home with the announcement of two major trade agreements worth more than 200 billion dollars, though he failed to clarify whether these deals, which are mere framework agreements or declarations of intent that are not binding, would achieve any tangible results in the short or medium term<sup>53</sup>.

Donald Trump's second to last stop was Vietnam. There he attended the *Asia Pacific Economic Cooperation* (APEC) summit in the city of Danang to decide on the future of the TTP, which, following the US president's constant threats he would not tolerate further *chronic abuse* and his decision to withdraw from it<sup>54</sup>, meant that China's One Belt, One Road initiative had no competition.

In the Philippines, the last stop on his nearly two-week trip, he attended the 50th anniversary celebration of the Association of Southeast Asian Nations (ASEAN) and the 15th ASEAN-India summit.

The visit to Manila helped iron out differences with his Philippine counterpart Rodrigo Duterte, with whom he promoted economic cooperation, completely ignoring the human rights violations.

In conclusion, it seems that the mixture of disdain and adulation that characterised the trip has merely accentuated all these Asian countries' doubts about the first US administration they consider unclassifiable and undecipherable.

Nevertheless, the message seems clear: «The nations of the world must rally behind the United States to confront the nuclear threat from North Korea, but they should expect America to go its own way on trade»<sup>55</sup>.

Reconciling these two messages in the eyes of world leaders seems complicated to say the least, especially for the Chinese leader, who expects to receive economic compensation for every concession made in relation to North Korea.

The year ended with the Trump administration publishing a new National Security Strategy (NSS)<sup>56</sup> which warns that the world may return to a new Cold War.

The new NSS gives priority to domestic over international policy, in consonance with his world vision, and names Russia and China as the *strategic competitors* most dangerous to America's interests, but only behind the senators and Congressmen who oppose his policies. This is a crucial difference with Obama's last NSS, which regarded China as a *strategic partner*.

The situation is somewhat paradoxical bearing in mind the good rapport between President Trump and President Xi and the special relationship between Trump and Putin, probably the only world leader who has not received any criticism from the US president. The NSS refers to both countries as revisionist powers that are deter-

<sup>53</sup> The trade agreements signed amount to more than 200 billion dollars.

<sup>54</sup> <https://ustr.gov/trade-agreements/free-trade-agreements/trans-pacific-partnership>.

<sup>55</sup> <https://www.nytimes.com/2017/11/11/world/asia/trump-asia-danang-vietnam.html>.

<sup>56</sup> <http://nssarchive.us/wp-content/uploads/2017/12/2017.pdf>.



mined to spread their influence in the world even if to do so they have to make their economies less free and, accordingly, less fair.

All in all, the NSS regards them as «two revisionist powers that seek to undermine America's prosperity and create a world opposed to American values»<sup>57</sup>.

President Trump goes back to calling North Korea a *rogue state* and announces he will modernise America's nuclear arsenal – a message that is by no means reassuring either for Pyongyang or for supporters of non-proliferation.

Finally, clearly alluding to the previous administration, the document states that promoting democracy has ceased to be an ideal and an objective, and that climate change is no longer a world threat. In principle, it seems unlikely that such a world vision will do much to improve global governance.

### Asia and its everlasting conflicts

Once again, 2017 showed how the region's most important conflicts remain at a standstill or – in the case of the most dangerous one, the Korean peninsula – have taken a dangerous turn.

Asia-Pacific continues to undergo a huge economic transformation that has triggered a radical change in its societies, but it is unfortunately still caught up in fierce internal struggles over problems and disputes that seem impossible to settle.

Asia has more ongoing territorial quarrels – both maritime and terrestrial – than anywhere else in the world. Indeed, it accounts for nearly 40 percent of all the world disputes that have not been settled by means of bilateral or multilateral negotiations or international arbitration<sup>58</sup>.

The fast-paced economic transformation underway has given rise to new dynamics between the countries involved in the disputes and has heightened the pressure to adapt to a new landscape. At the epicentre of all these conflicts is a common denominator, China, which, thanks to its economic, political and military development, is occupying a larger space in the region to the detriment of other regional powers. Liberal democracies, new democracies and surviving communist regimes such as China, North Korea, Vietnam and Laos must coexist in this space.

Asia has not witnessed a major armed conflict since 1979, owing partly to three reasons: firstly, the balance of power between the regional powers and their military alliances; secondly, and less importantly, regional institutions providing forums for dialogue; and lastly, and probably the most decisive factor, the economic interdependence of all the actors. Although these factors have probably prevented large-scale war from breaking out at some point, they have not helped find a lasting solution to the conflicts, which have been latent for decades.

<sup>57</sup> [https://elpais.com/internacional/2017/12/18/estados\\_unidos/1513617508\\_060136.html](https://elpais.com/internacional/2017/12/18/estados_unidos/1513617508_060136.html).

<sup>58</sup> For further information on maritime disputes in Asia, see Fravel, M. Taylor, *Territorial and Maritime Disputes in Asia*, Oxford Handbook of the International Relations of Asia, Oxford University Press, 2014



However, since last year there have been indications that Asia is facing the most insecure context of the past 25 years in which China, increasingly sure of itself, is asserting itself in the conflicts that affect it most directly, such as those of Korea and the South China Sea.

Nor can we forget the situation in Afghanistan – which will be difficult to solve while the Taliban have a haven in Pakistan – tension between India and Pakistan and, lastly, the crisis triggered by the expulsion of the Rohingya from Myanmar, which attracted worldwide attention in 2017. These people, a minority group, are fighting for survival in a country that has hitherto been considered peaceful but has been ruled for decades by a military dictatorship and socially controlled by forces such as the 960 Movement<sup>59</sup>.

### *North Korea changes the game rules*

For yet another year, North Korea has made all the headlines with its ballistic missile tests and the biggest nuclear trial conducted to date. These tests have overshadowed issues such as human rights except for the tragic death of the young American student Otto Warmbier. After being surrealistically detained for 17 months<sup>60</sup> by the North Korean regime and spending a month in a coma, Warmbier was released to prevent him dying in North Korean territory after being treated questionably to say the least.

Nor has there been much talk of the country's domestic situation, the apparent power struggle between the army and the workers' party<sup>61</sup> or the murder<sup>62</sup> of Kim Jong-nam, the supreme leader's elder stepbrother, at Kuala Lumpur airport in Malaysia in February. He was viewed by some as a possible replacement for Kim Jong-un in the event of a change from the outside to preserve the connection with the Kim dynasty.

There has likewise been a shortage of news about how, thanks to China's eternal assistance, the North Korean economy is still managing to avoid the collapse that many analysts have been predicting since the 1990s, or how to account for the improvement in daily life in the capital, where the experiment in Chinese-style capitalism is slowly becoming apparent. Even less coverage has been given to Pyongyang's interest in tentatively opening up to the world by attempting to in-

<sup>59</sup> [http://www.bbc.com/mundo/noticias/2015/05/150531\\_budismo\\_lado\\_oscurο\\_sri\\_lanka\\_bbs\\_amv](http://www.bbc.com/mundo/noticias/2015/05/150531_budismo_lado_oscurο_sri_lanka_bbs_amv).

<sup>60</sup> Otto F. Warmbier, a student of Virginia University who was visiting China, decided to make a five-day trip to North Korea. He was arrested in Pyongyang airport at the beginning of January 2016 when leaving and was accused of hostile acts against the government and convicted of attempting to steal a poster that hung on the hotel wall. <https://www.nytimes.com/2017/06/19/us/otto-warmbier-north-korea-dies.html>.

<sup>61</sup> «Kim Jong-un disciplines North Korea's Top Military Organization». Available at <https://www.nytimes.com/2017/11/20/world/asia/north-korea-kim-jong-un.html?smid=tw-nytimes&smtyp=cur>.

<sup>62</sup> <http://www.bbc.com/news/world-asia-39048796>.

roduce tourism as the driving force for future economic resources and by sending teachers, doctors and economists abroad – even children to Barcelona to learn to play football professionally<sup>63</sup>.

But what is truly novel and truly important about this year is the discovery that its nuclear and ballistic programme is closer to completion than initially thought. This has changed the game rules, as being so close to the finishing line, it is highly unlikely that the regime will be deterred by threats, sanctions or possible rewards. Would anyone be in North Korea's situation, with its particular way of understanding the world and the context?

Since Kim Jong-un's rise to power in December 2011, which was unusual in both form and speed, the nuclear and ballistic missile programme has made unprecedented progress. Whereas Kim Il-sung, the eternal president and the current leader's grandfather, did not carry out any nuclear tests and made fewer than 20 or so missile launches, his grandson has outnumbered all the statistics. Since 1984 the North Korean regime has conducted more than 150 tests, over half of them since the young Kim's advent to power.

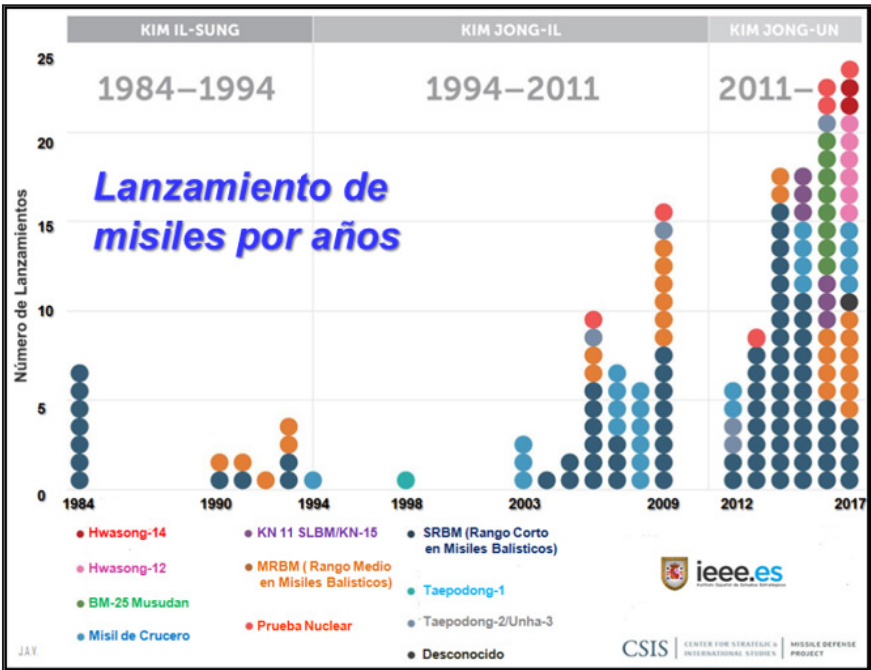
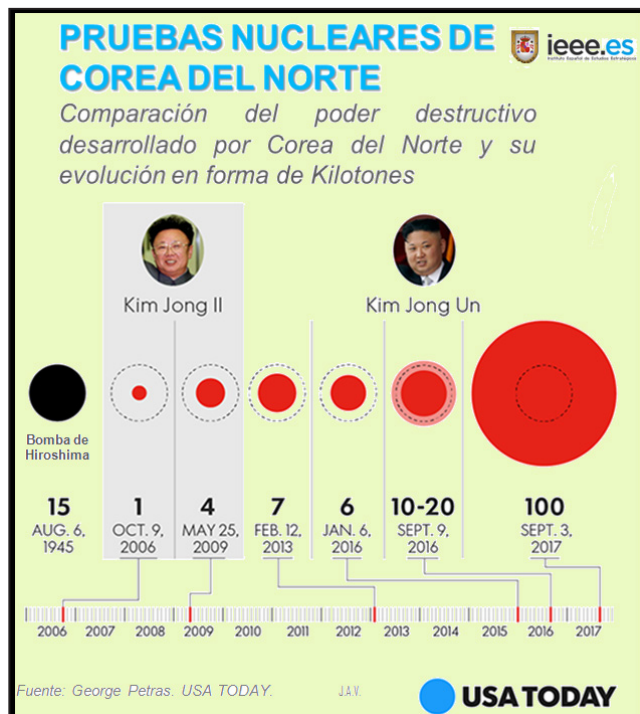


Illustration 5: Missile launches per year.

<sup>63</sup> In 2014 Fundación Marçet in Barcelona took in nearly 20 North Korean children to train them for the under-16 Asian championships of 2014. They beat their Southern Korean opponents in the final (2-1).

Likewise, whereas the current leader's father Kim Jong-Il gave orders for the first two nuclear tests, his son has tripled the figure and has considerably increased the destructive power of the blasts.



**Illustration 6: Comparison of the destructive power developed by North Korea in kilotons.**

At this stage in the game, the only chance of salvation in the event of a possible foreign military intervention – from the US – or an attempt at change from within is to play the nuclear trump card, which is linked to the ballistic programme that makes it possible to carry nuclear warheads aimed against any target.

Installing the THAAD system in America's southern neighbour has merely served to convince the North Korean regime of its limited options for remaining in power, which boil down to completing those programmes as soon as possible.

The various individual economic sanctions imposed by its neighbours and the nine United Nations Security Council resolutions adopted since 2006 in response to the testing of its illegal programmes have not succeeded in stopping them or blocking its access to badly needed Chinese oil<sup>64</sup>.

<sup>64</sup> For an analysis of the various United Nations Security Council resolutions, see <https://www.armscontrol.org/factsheets/UN-Security-Council-Resolutions-on-North-Korea>.

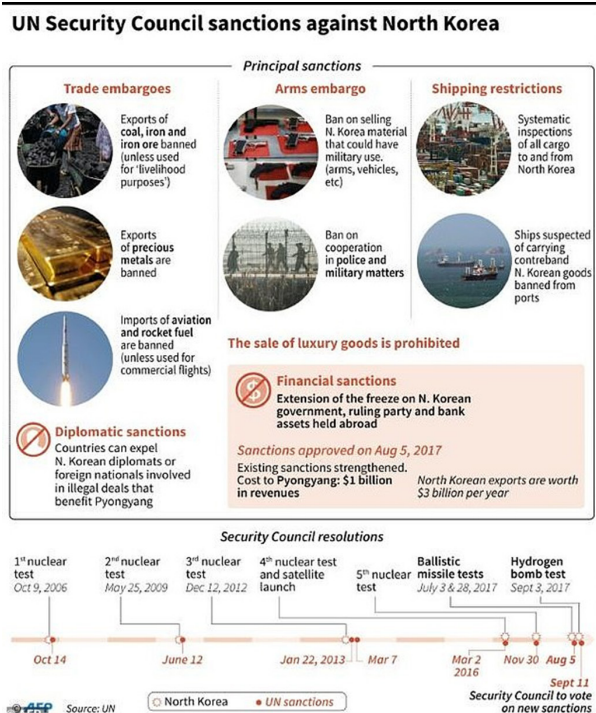


Illustration 7.

Nor did President Trump's November decision to put North Korea back on the list of countries that sponsor international terrorism make much of an impression<sup>65</sup>, for as President Putin recalled, Koreans would rather eat grass than give up a programme that is presented to the population as the last means of salvation from an invasion<sup>66</sup>, as shown by the decrease in the number of desertions to the south in 2017<sup>67</sup>.

Since Trump's advent to the White House and his dialectical war against the northern part of the 38th Parallel, the tests have been higher, stronger and further reaching.

According to the most pessimistic analysts, in 2017 the game rules have changed, and we will probably soon have to recognise North Korea as a nuclear state. In the view of the most optimistic, it could be the start of a new match, with a North Korea that is less insecure and more willing, from a stronger position, to negoti-

<sup>65</sup> «Restoring North Korea to Terrorism Blacklist Dims Hopes for Talks». Available at <https://www.nytimes.com/2017/11/21/world/asia/north-korea-terrorism-trump.html?moduleDetail=section-news-0&action=click&contentCollection=Asia%20Pacific&region=Footer&module=MoreInSection&version=WhatsNext&contentID=WhatsNext&pgtype=article>.

<sup>66</sup> «North Korea nuclear crisis: Putin calls sanctions useless». Available at <http://www.bbc.com/news/world-asia-41158281>.

<sup>67</sup> «Disminuyen las desertiones de Corea del Norte al Sur». Available at <https://mundo.sputniknews.com/asia/201710151073184043-asia-Pionyang-seul/>.

ate peace treaties and even, if Washington dared, mutual diplomatic recognition, as occurred between Beijing and Seoul in 1992.

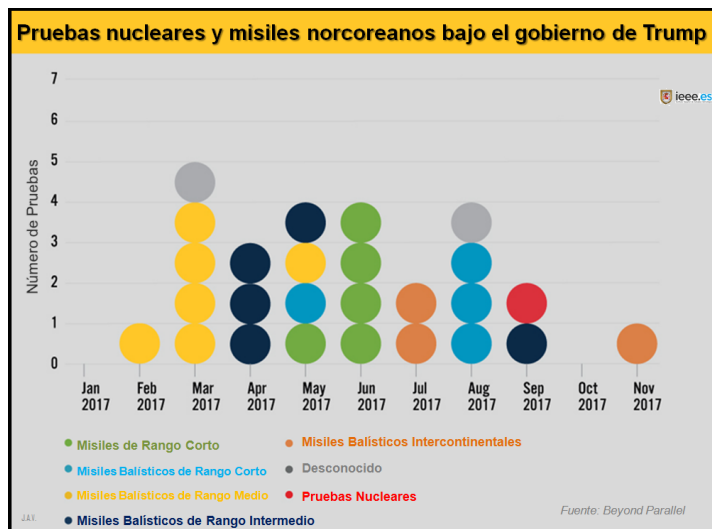


Illustration 8: North Korean nuclear and missile tests during Trump's government.

President Moon's request for military manoeuvres to be suspended until the end of the Winter Olympics in Pyongyang gave way in January 2018 to the first negotiations between the two Koreas in more than two years<sup>68</sup>.

All that is clear is that this drama, which was begun by foreign powers when the peninsula was partitioned, can only be solved with the agreement of the two Koreas and the blessing of the countries which have so far contributed to maintaining the tension, particularly China and the United States.

### *The South China Sea: much more than islands*

The strategic South China Sea area continues to pose a grave danger to the global community, not only because of the strategic competition between the two powers involved but also because the United States does not recognise China's territorial claims in the area<sup>69</sup>.

One of the most notable developments in 2017 was America's radical change of position and China's role<sup>70</sup> in the area under dispute.

<sup>68</sup> «South Korea president suggests joint drills with US could be suspended». Available at <https://www.theguardian.com/world/2017/dec/20/south-korea-president-suggests-joint-drills-with-us-could-be-suspended>.

<sup>69</sup> China's maritime claims overlap with those of Brunei, Indonesia, Malaysia, the Philippines and Vietnam. Nobody wants to go to war, but nor are they prepared to back down.

<sup>70</sup> China is claiming most of the territory, an area defined by what has been called the *nine-dash line*, which stretches for hundreds of miles southwards and eastwards from the

Unlike President Obama, who was opposed to Beijing's strategy of progressively gaining control of the area by building on various reefs, for the time being Trump seems to be turning a blind eye to this measure, which in practice grants Beijing control over 2.5 million km<sup>2</sup> – five times the size of Spain<sup>71</sup>. This is even more paradoxical bearing in mind that China is presented as America's main rival in his new National Security Strategy. It is an odd way of offering to mediate in the conflict, as he made clear in November during his visit to Vietnam<sup>72</sup>.

To quote Ely Ratner of the Council on Foreign Relations, «The South China Sea has fallen victim to a combination of Trump's narrow focus on North Korea and the administration's chaotic and snail-paced policymaking processes».

Unless all the parties involved agree on managing their dozens of rocky outcrops, atolls, sandbanks, reefs and the resources found there, including the nearly five trillion dollars' worth of trade that plies these waters, a solution will be impossible.



Illustration 9. Claims relating to Exclusive Economic Zones

southernmost province of Hainan, but the other countries with claims hold that China has not been able to demonstrate its arguments sufficiently, as the maps it presents, which encompass nearly all of the South China Sea, do not even include coordinates.

<sup>71</sup> <http://foreignpolicy.com/2017/11/16/with-trump-focused-on-north-korea-beijing-sai-ls-ahead-in-south-china-sea/>.

<sup>72</sup> Vietnam, Philippines, Taiwan, Malaysia and Brunei, apart from China, have claims to the area. <https://www.reuters.com/article/us-trump-asia-vietnam/trump-offers-to-mediate-on-south-china-sea-idUSKBN1DC04H>.



Six countries<sup>73</sup> lay claim not only to the energy reserves hidden in its waters but also to the more than 200 small islands, rocks and coral reefs, only three dozen of which are permanently above the water's surface.

These unusual circumstances will make it difficult to reach a final solution in the short and medium term, especially if China continues to construct on the reefs under dispute – small airstrips, ancillary buildings, loading docks and possible satellite antennae – as shown by the images taken by US spy planes in the Spratly Islands<sup>74</sup>.

If history is anything to go by, there are very few reasons to be optimistic about the future of this strategic area. Let us not forget that in the *Declaration on the Conduct of Parties in the South China Sea* signed in 2002, both the ASEAN and China undertook to cooperate and exercise self-control in order to promote a peaceful and harmonious atmosphere, respecting the resolutions of the UNCLOS. A decade on there has been no progress except for a few vague documents on implementing the declaration<sup>75</sup>.

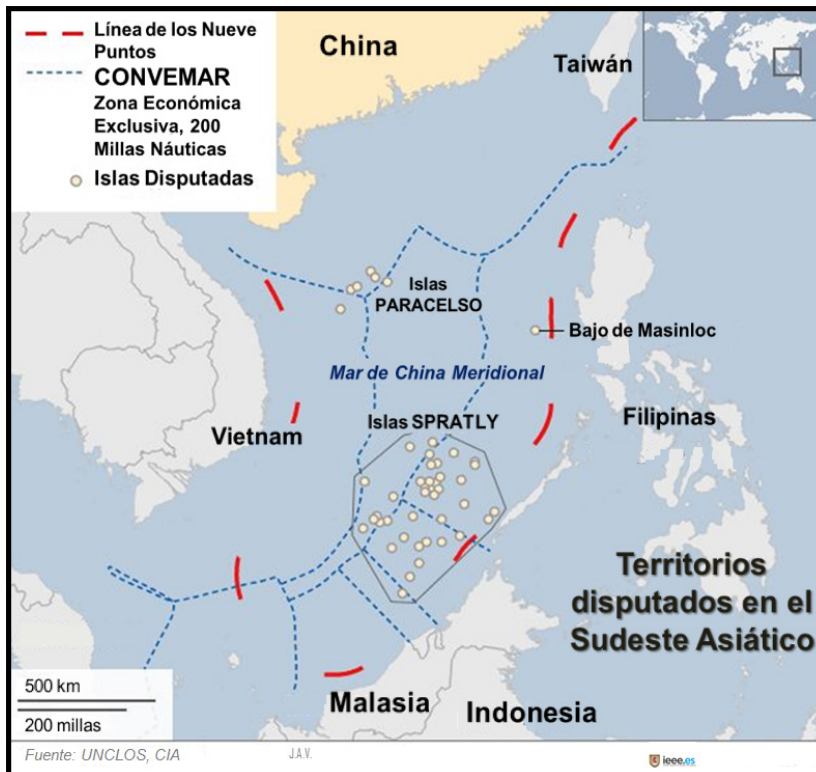


Illustration 10: territories under dispute in South East Asia.

<sup>73</sup> China, Taiwan, Philippines, Vietnam, Malaysia, Indonesia.

<sup>74</sup> In November 2016 President Obama decided to grant a 259 million-dollar aid package to guarantee security in the area to Vietnam, Indonesia, the Philippines and Malaysia, China's rival claimants.

<sup>75</sup> <https://www.brookings.edu/blog/order-from-chaos/2016/07/12/what-does-the-south-china-sea-ruling-mean-and-whats-next/>.

China's president, Xi, has made it clear that he is determined to safeguard the country's sovereignty and security and to defend the territorial integrity of the whole space China is claiming.

More conciliatory, the Philippine foreign affairs secretary, Perfecto R. Yasay, considers that «keeping a peaceful and predictable maritime order is an international priority».

The Vietnamese prime minister Hguyen Yuan Phuc has stressed that his country does not seek rearmament but is entitled to protect its sovereignty, if possible peacefully, diplomatically and in the courts.

Similarly, ASEAN's secretary general recalled that in the South China Sea, over and above claims, what is at stake is the region's peace and stability. As Admiral Harry B. Harris Jr, commander of the US Pacific Command (PACOM) stated, America will continue to fly over, navigate and operate in any international area permitted by law and will support other nations' right to do the same.

Although Korea makes no claims, two-thirds of its trade is conducted via the region, which accounts for nearly 60 percent of the maritime trade of Japan and Taiwan. Eighty percent of China's oil imports ply the same waters.

If to this we add the proven and likely reserves the US Department of Energy reckons there are in the region – some 11 billion barrels of oil and 190 trillion cubic feet of natural gas<sup>76</sup> – then we are dealing with one of the most important reserves in the world. China's estimates are much higher<sup>77</sup>.

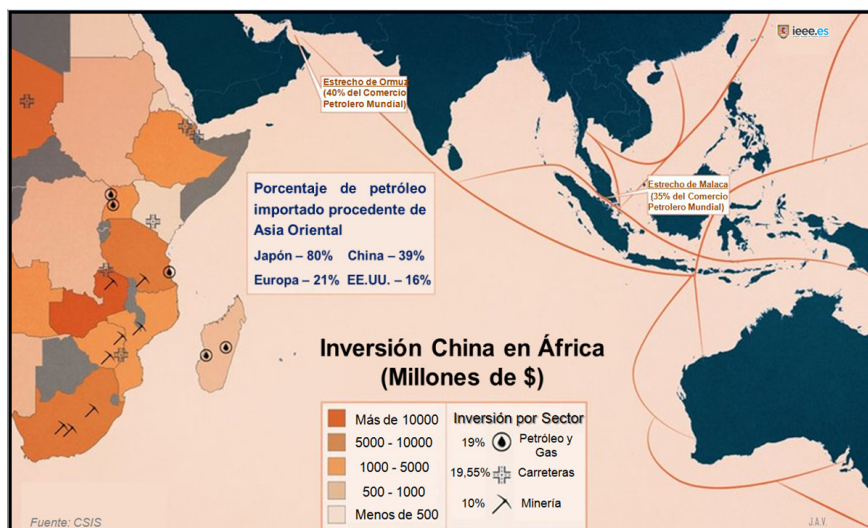


Illustration 11: Oil imports from East Asia.

<sup>76</sup> «Con islas artificiales, China busca dominar el mar del Sur». *El Financiero*, 14 June 2014. Available at <http://www.elfinanciero.com.mx/bloomberg/con-islas-artificiales-china-busca-dominar-mar-del-sur.html>.

<sup>77</sup> Kaplan, Robert D. *Asia's Cauldron: The South China Sea and The End Of A Stable Pacific*.



The most reasonable solution to the conflict would be for the parties to agree to international arbitration, as the Philippines requested from the International Court of The Hague, but following the negative opinion issued on China, which was accused of violating international Maritime law, Beijing has refused to take part, recognise or accept the court's jurisdiction. What major power would be willing to relinquish a second Persian Gulf?

### *Afghanistan: a decade and a half on*

On 7 October 2001 the US began carrying out air strikes on Afghanistan against Bin Laden and his protectors, the Taliban, in retaliation to the 9/11 attacks. According to the UN, 1,662 civilians died in the first half of 2017 (increasingly women and children) and 3,581 were injured, mostly in attacks carried out by the insurgents<sup>78</sup>.

This conflict could end up being the longest and most complex the US has faced, but Trump rarely mentioned Afghanistan during the election campaign and when he did he never gave any clues as to his strategy, except for causing dismay with his statement that he would not withdraw US troops because the neighbouring Pakistan had nuclear weapons<sup>79</sup>.

Some analysts viewed the so-called *mother of all bombs* launched by US aviation on 13 April, the most powerful nuclear bomb, as an omen of a new intervention in the Asian country<sup>80</sup>.

In August Trump admitted in a televised speech that he had changed his mind about the war in Afghanistan. Whereas his first instinct after 16 years of defeats had been to pull out, so he admitted, he not only announced that his troops would remain in Afghanistan but that he would increase the number deployed by between 3,500 and 5,000.

It could have been mere coincidence, but around this time the presidential advisor and ideologist Steve Bannon was dismissed as chief strategist at the White House. Trump's strategy for Afghanistan was starting to resemble that of his predecessor.

Although the Taliban controlled only limited areas of the country, their presence and influence have probably never been stronger since they were ousted from power in 2001. The fragility of the Afghan security forces is evident. The 180,000 soldiers of the national army, trained and equipped by the US, are mostly in static posts that are easy targets for the enemy, and the main mission of the police is to

<sup>78</sup> MASHAL, Mujib; SHAH, Taimoor. «Afghanistan more deadly for women and children, UN says». *The New York Times*, 17 July 2017. Available at <https://www.nytimes.com/2017/07/17/world/asia/afghanistan-civilian-deaths-united-nations-report.html>.

<sup>79</sup> <https://www.economist.com/news/asia/21717835-will-he-pull-out-or-double-down-donald-trump-holds-afghanistans-future-his-hands>.

<sup>80</sup> Massive Ordnance Air Blast. The GBU-43/B bomb was dropped on 13 April on a tunnel complex of Islamic State (IS) in the east Afghan province of Nangarhar.

ensure the security of the members of parliament and civil servants. The National Security Directorate, the main intelligence service, is increasingly taking part in combat operations and doing less to gather intelligence for the government<sup>81</sup>.

The Haqqani network is responsible for the main Taliban attacks in the cities and the Islamic State has stepped up its actions against Shia targets to kindle sectarian violence.

The number of armed confrontations last year was the highest since the UN began recording incidents in 2007.

Afghanistan's relations with Pakistan, a key country in any attempt at solving the conflict, took a turn for the worse in the autumn when thousands of Afghan refugees had to flee from the violence in Pakistan. The refugee crisis was exacerbated by the EU's decision to deport some 80,000 asylum seekers to Afghanistan – a response to a humanitarian crisis that can be explained by political reasons but is difficult to justify on legal grounds<sup>82</sup>.

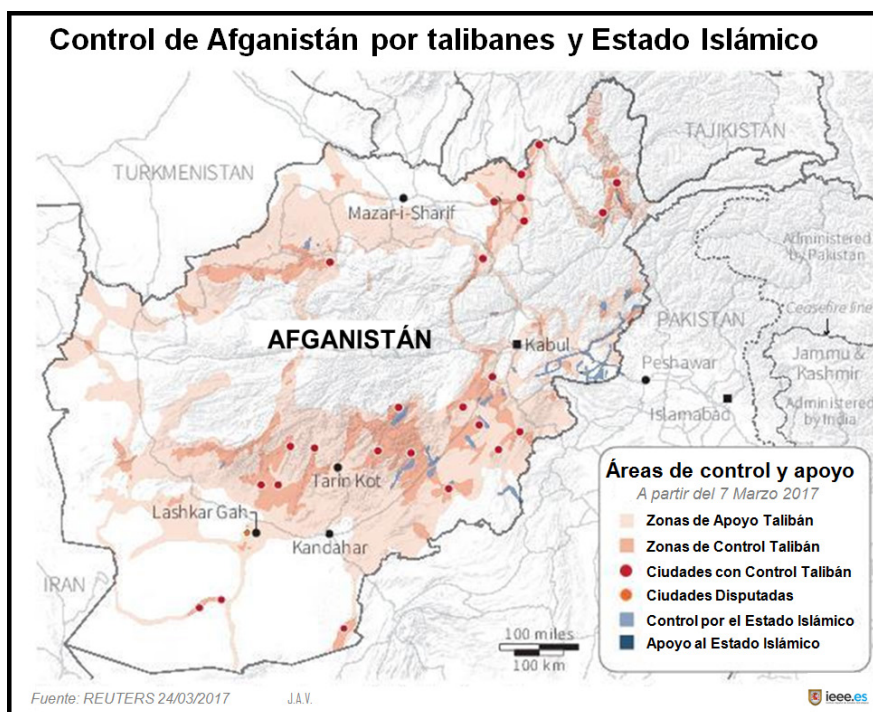


Illustration 12: Areas of Afghanistan controlled by Taliban and the Islamic State.

<sup>81</sup> Sadat, Kosh; Mcchrysal, Stan. «Staying the course in Afghanistan». *Foreign Affairs*, Nov-Dec 2017.

<sup>82</sup> <http://s.newsweek.com/sites/www.newsweek.com/files/styles/embedlg/public/2017/04/14/rtx32ifj.jpg>.

In conclusion, 16 years after the intervention, an international force of more than 12,000 troops is still there. More than 8,000 of them are Americans, including some 2,500 members of the special forces who engage in fighting Al Qaeda and the local branch of the Islamic State.

### *India and Pakistan: seven decades of independence and confrontation*

2017 was a year of commemorations in India and Pakistan, but it also highlighted the complex situation in both countries. They celebrated their independence from the British empire but, after seven decades of traumatic separation, their bilateral relations are still largely dysfunctional.

When the two new states proclaimed their independence in mid-August 1947, optimists hoped that the partition would take place in an orderly manner. The division triggered violent clashes between populations in which at least one million people died and 15 million were separated and uprooted from their homes.

The superiority of India, whose population is six times as large as Pakistan's and its economy eight times as large, has not helped reduce problems with its neighbour – on the contrary.

When prime minister Modi of the Bharatiya Janata Party (BJP) came to power in India in 2014, he promised to bolster the country's traditional foreign policy. He stated that for the first time India was being proactive, not only responding, and he travelled to Pakistan on the first official visit for a decade<sup>83</sup>.

New Delhi and Islamabad are only 700 km apart, but there are no connecting flights between them and trade between the two rivals amounts to barely 2.5 billion dollars per year.

Unfortunately, this perpetual enmity has also distorted their domestic politics, especially in Pakistan, whose army continues to safeguard democracy on the pretext of national security. This has prevented a genuine political transformation and the creation of a modern, advanced state like that which his founder Muhammad Ali Jinnah dreamed of.

Pakistan has also suffered culturally. Excluded from its subcontinental and natural cultural environment, it has had to look to the Arab and Muslim worlds. In contrast, for India this lack of understanding with Pakistan has fostered a policy centred mainly on secular values.

Competition between both already encompasses all possible levels. In July India and Pakistan competed against each other in the cricket championship final, which, ironically, took place in London.

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<sup>83</sup> <http://www.aljazeera.com/news/2015/12/india-pm-modi-surprise-pakistan-visit-151225123932346.html>.

Unfortunately, nor does information flow as it should between the two. Not even the important national news agencies have correspondents in the other country's capital to report on at least part of the reality that concerns them.

Personal contact remains complicated owing to travel restrictions, even for families who are separated, and the difficulty of obtaining visas is a hindrance to bridging gaps that would help people if not forget at least heal the wounds of the wars waged between the countries during their 70 years of separation and independence.

Tension between the two nuclear powers has made the area one of the most volatile places in the world. It is a complex conflict that shows no signs of settling the dispute over Kashmir, the epicentre of its turbulent relationship, as India and Pakistan each claim parts occupied by the other.

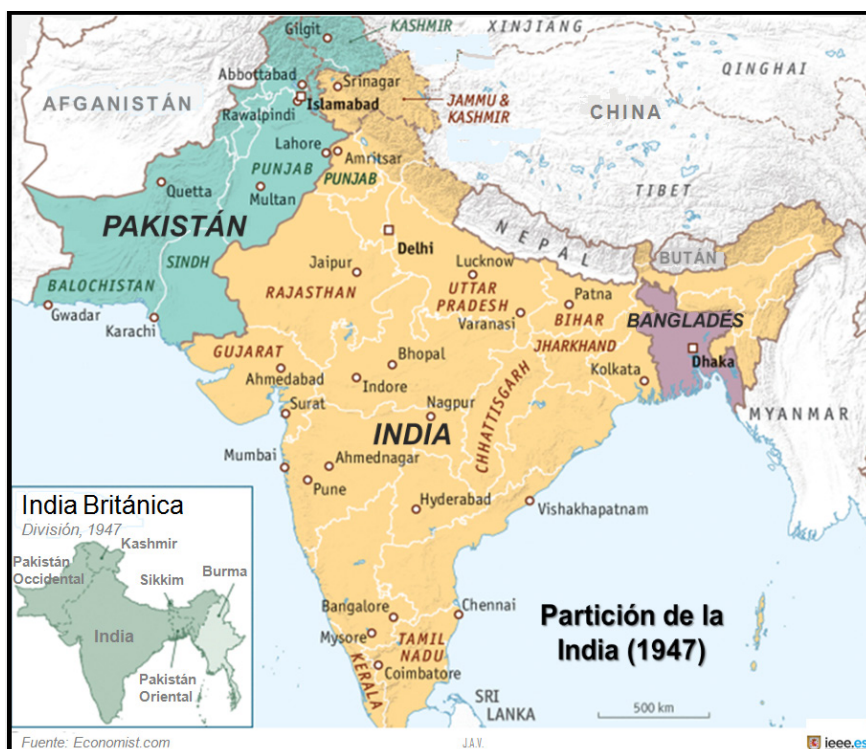


Illustration 13: Partition of India

To further complicate matters, it is reckoned that Pakistan's population – some 200 million people, the vast majority followers of Islam – will soon be outnumbered by the Muslim minority in India, where one out of every seven of its nearly 1.3 million people profess that religion. By 2050 it is likely that India will have overtaken Indonesia as the country with the largest Muslim population in the world.

This circumstance has given rise to speculation that the Indian Muslims would sympathise with Pakistan, and this in turn has fuelled prejudice and discrimination against a minority who are little represented in Indian politics and society in general. Nevertheless, we should not underestimate the power of patriotism in both states.

Many of the challenges yet to be addressed are related not so much to the traditional physical borders as to ideas and feelings – indeed, the partition is still an unfinished process.

### *The Rohingya and their struggle for recognition and survival*

In March 2016 the activist and Nobel Peace Prize winner Aung San Suu Kyi took over the ministries of foreign affairs, education, energy and the president's office<sup>84</sup> given the constitutional impossibility of being appointed president. Her new civil government, after half a century of military dictatorship, promised peace and national reconciliation as one of its main priorities. Little did she imagine that the first outbreaks of violence against the Rohingya minority during her term could endanger the efforts to put an end to nearly 70 years of armed conflict and that her international image could become so badly tainted in such a short time.

The Rohingya<sup>85</sup>, rejected by the country they live in and regard as their home, have become a poignant symbol of twenty-first-century statelessness. Their constant migrations across the region since the 1970s make it difficult to calculate the official statistics for this ethnic group who, according to various sources, have been living in the area since the twelfth century<sup>86</sup>.

The violence began in the month of August, after militants of the Arsa Rohingya<sup>87</sup> attacked more than 30 police stations. The security forces and part of the mainly Buddhist local population retaliated by setting fire to their villages and indiscriminately persecuting the people. Médecins sans Frontières estimates that nearly 7,000 Rohingya were killed during the first month since the outbreak of violence, including more than 700 minors.

According to UNHCR, the number of refugees in camps stood at 307,500 by August. During the following five months the number rose to 600,000<sup>88</sup>.

<sup>84</sup> Everything seems to indicate that, despite holding all these posts, Aung San Suu Kyi remains under the sway of the military. This could explain her lukewarm attitude when it comes to criticising the situation of the Rohingya in her country.

<sup>85</sup> The Rohingya have their own culture and language and are considered descendants of the Arab traders who arrived in the area. However, the respective Myanmar governments, which are predominantly Buddhist, have systematically refused to grant them citizenship and even excluded them from the latest census drawn up in 2014. It does not recognise them as a people but as illegal immigrants from Bangladesh.

<sup>86</sup> <http://www.aljazeera.com/indepth/features/2017/08/rohingya-muslims-170831065142812.html>.

<sup>87</sup> The Arakan Rohingya Salvation Army (Arsa) operates in the mainly Muslim state of Rakhine, in northern Myanmar, where they have suffered the greatest persecution

<sup>88</sup> <http://www.acnur.org/que-hace/respuesta-a-emergencias/emergencia-rohingyas/>.

This is another of the dramatic conflicts in Asia that show no signs of being solved, despite the intermittent media reports. The countries in the area and ASEAN itself, which are loath to meddle in members' internal affairs, have publicly criticised the situation. On 4 December Malaysia's prime minister, Najib Razak, openly questioned the Nobel Prize-winning Aung San Suu Kyi for her *lack of action*.

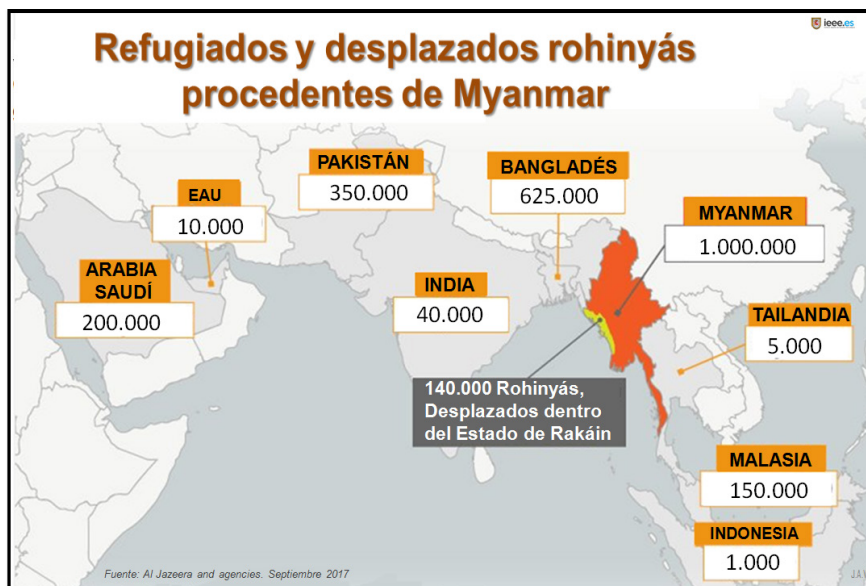


Illustration 14. Rohingya refugees and displaced people from Myanmar

Unless an end is soon put to this dramatic situation, the refugee crisis could worsen and give rise – if it has not already, as the UN warns in some of its reports – to another textbook case of ethnic cleansing.

The Myanmar government considers this group to be a terrorist organisation. Reports such as that of the International Crisis Group (ICG) of 2016 point out that its members have been trained abroad. Its leader, Ata Ullah, was born in Pakistan and grew up in Saudi Arabia.

According to the Office of the UN High Commissioner for Human Rights, the abuse suffered by the Rohingya could constitute crimes against humanity<sup>89</sup>.

## Conclusions

2107 ended with more questions than answers and more uncertainty than certainty. The world remains immersed in changes, with no clear course.

<sup>89</sup> [https://elpais.com/internacional/2017/11/15/actualidad/1510779546\\_230701.html?rel=mas](https://elpais.com/internacional/2017/11/15/actualidad/1510779546_230701.html?rel=mas).



Some of the main problems and global changes we will need to address in the next decades have been identified, such as climate change and social injustice. With Europe at a standstill awaiting the hopefully fruitful results of the French president Macron's efforts, everything seems to indicate that only two models remain.

The first is the American model based on the doctrine of *America first* and giving priority to economic interests over social values. The other – and this is a novelty – is the model advocated by China, which, after many decades, is putting an end to its low profile and for the first time is speaking of a global community of mankind.

As for Asia-Pacific, everything seems to indicate that in 2018 North Korea will continue to make the world headlines. The nuclear problem dates back a long way, but the rules of the game changed in 2017 and we will probably witness the start of a new match in 2018.

Confrontation between President Trump and the new supreme leader Kim may lead to a new cold war in 2018 or, in the worst-case scenario, a nuclear disaster.

In the near future the personalities of both leaders will largely determine whether their war of words and name calling goes any further<sup>90</sup>.

The turning point which Asia-Pacific (or the Indo-Pacific for the new US administration) is currently at has been triggered by a China which no longer conceals its ambition to regain its historic leadership of the region having assured unprecedented economic development and stable political power together with growing military progress.

These changes have rekindled the debate on whether Xi Jinping's China will be a power that will respect the *status quo* of the region, including the South China Sea<sup>91</sup>, or whether it is determined to radically change the foundations of the world as we know it.

Meanwhile, until this becomes clear, the recently re-elected prime minister of Japan, Shinzo Abe, seems determined to turn around his country's foreign and defence policy and change article 9 of the Constitution to return the country to normal and banish the spectres of the past.

If things continue as they are at present, the US and China look set to compete increasingly in a smaller, more populated world with fewer resources. Then, as Graham Allison writes<sup>92</sup>, we will find ourselves ensnared in a new *Thucydides' Trap*, at increasing risk of an armed conflict between Washington and Beijing.

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<sup>90</sup> The latest disparaging remarks the North Korean leader dealt to the US president include *old* and *mentally deranged*, while President Trump retaliated with adjectives such as *short* and *fat* and, more allegorically, *little rocket man*.

<sup>91</sup> For further information on the constructions built by China in the area between 2016 and 2017, see <https://amti.csis.org/constructive-year-chinese-building/>.

<sup>92</sup> GRAHAM Allison. *Op. cit*

According to the IMF, China is growing three times as fast as the United States and in 2014 it became the leading economy in terms of purchasing power parity, ahead of the US. If this trend continues, it will have overtaken America in terms of GDP by 2040.

Will Trump and Xi be capable of managing their relationship peacefully? Maybe, but it will be difficult bearing in mind that they each regard the other as the main hindrance to achieving their aims.

The US president will be put to the test in November 2018, when voters will again go to the polls to choose the 435 congressmen and 33 of the 100 senators, as his party could lose its majority in Congress. In contrast, following the Communist Party Congress in autumn, the Chinese president is assured of his post until 2022 at least.

In view of this situation, conflicts like those in Afghanistan, the situation of the Rohingya in Myanmar and relations between India and Pakistan will continue to pose serious challenges, though they are partly eclipsed by that of Korea, the most significant in terms of its influence on global governance. There will be more answers in 2018.





## Chapter five

### The Maghreb. Major challenges for a region with low integration

Ignacio FuenteCobo

#### Abstract

The Maghreb region continues to face important political, economic, social and security challenges that affect its integration, chiefly the dispute between Morocco and Algeria over the Sahara issue. Underlying this struggle is fierce competition for regional leadership between two actors who each seek to maximise their power and influence at the expense of the other. To this situation of regional antagonism it is necessary to add the difficult economic situation that the region is going through, as well as the security problems derived from the jihadist threat, the war in Libya, and the political and social fragility caused by the so-called Arab Springs.

In a context of lack of regional integration, economic crisis, threats to security, and uncertainty about the future, this chapter aims to analyse the situation in the Maghreb, country by country, focusing on the economic, security and political aspects and attempting to identify the main risks and challenges the region has to address, the problems that are preventing progress from being made towards a common regional integrated space and the responses of each of the states to the major challenges they face in the regional context.

**Keywords**

Maghreb, Morocco, Algeria, Tunisia, Libya, jihadism, economy, security, crisis.

## Introduction

The Maghreb is one of the least integrated regions in the world. It lacks a common project in response to the many security, economic, social and political challenges it faces. Intra-regional trade accounts for less than 3 percent of all trade – whereas more than 60 percent is conducted with the EU – and instead of coordinating their external relations, the states are attempting to secure their own interests and achieve benefits at the expense of the rest.

Since the times of independence, the region's geopolitics has been directly affected by the tricky relations between the two regional powers, Morocco and Algeria, whose 1,600 km-long border has been closed since 1994 and whose bilateral relations are absurdly frozen. The simultaneous advent to power in 1999 of Mohammed VI and Abdelaziz Bouteflika, who was born in the Moroccan city of Oujda, aroused hopes of easing the tension between them. However, these hopes have been dashed, as has faith in the Arab Maghreb Union (AMU), an organisation that aroused great expectations when it was established in 1989 and is now on its last legs. There have been no official visits between the countries' leaders since the Arab League summit in Algiers in 2005, and the lack of normal relations between them is further exacerbated by the political situation and prevents them from jointly addressing the important development and security problems that affect the whole region. It is hardly surprising that the Moroccan minister of foreign affairs and international cooperation, Nasser Bourita, has stated that «relations between Morocco and Algeria are at a standstill on all levels»<sup>1</sup>.

The reason for this disagreement basically stems from the Western Sahara conflict, which has pitted the countries against each other for more than 40 years and conceals the deep-seated struggle the two states have been waging for regional supremacy since they gained their independence. The capitals hold clashing stances, and the requirements each lays down for normalising relations are unacceptable to the other. For Rabat, the condition is to reopen the border. For Algiers, it is to find a global solution to the Sahara conflict, one of the oldest in the world which has been *frozen* ever since the United Nations Settlement Plan of 1991. The latest expression of this enmity came at the EU-African Union summit held in Abidjan in late November 2017, where the countries clashed over the invitation to the Saharan Arab Democratic Republic (SADR). It seems evident that.

In order for policies or economies to be reconciled in the Maghreb, it is necessary first to reconcile history.

Tunisia is a critical country on account of its fragility and what it stands for as an example of the possibility of establishing democratic regimes in Arab countries.

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<sup>1</sup> LAMLILI Nadia. «Nasser Bourita: les relations Maroc-Algérie sont au point mort à tous les niveaux». *JeuneAfrique*, 10 September 2017. Available at <http://www.jeuneafrique.com/mag/468623/politique/nasser-bourita-les-relations-maroc-algerie-sont-au-point-mort-a-tous-les-niveaux/>.

It continues to be essential to Northern Africa to keep Tunisia stable. However, its closeness to Libya exposes it to dangerous influence, as proven by the attack carried out by Daesh in March 2016 on the border town of Ben Guerdane. Even though the terrorist group is seriously declining in the Middle East and Libya, there is a risk that many of the thousands of Tunisian fighters in these theatres could return and exploit the existing social unrest, especially among young people, triggered by the country's financial straits. The local elections – the first since the 2011 revolution, initially slated for December 2017 and postponed to 2019 – will be a good indication of the extent to which it will be possible to maintain the stability that was achieved in the country in 2013 with the political agreement between the two main Tunisian parties Nidaa Tounes and Ennahda.

Six years after the revolution that triggered the fall of the dictator Gaddafi, Libya has gone from being one of the richest countries in the world to a failed state. In recent years the country has lacked the political, financial and even social stability needed to put an end to the constant struggle between all the factions, even though there are no insurmountable ethnic, religious or ideological differences between its peoples. Whereas Daesh has been defeated in the northern city of Sirte, the Government of National Accord (GNA) in Tripoli remains weak and incapable of controlling the true agents of power in Libya: the regional armed groups and local militias that hold sway over large swathes of territory, including the capital. At the same time, following the military successes of the Libyan National Army (LNA), General Jalifa Haftar, who supports the rival Tobruk government, is currently Libya's strongman.

### **Morocco. A stable situation with some uncertainty**

#### ***Political consequences of the Arab Spring***

Following the political and social havoc wreaked by the Arab Spring of 2011 in Morocco, where the so-called *20 February movement*<sup>2</sup> took place with more limited protests than in other Arab countries, Mohammed VI went ahead with a major reform of the Constitution and the country's political scene<sup>3</sup>.

The most important modifications included establishing human rights as a basic principle, recognising gender equality and Berber as an official language together with Arabic, granting the prime minister and parliament new powers, and promoting a review of the judiciary.

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<sup>2</sup> CEMBRERO Ignacio. «Miles de personas marchan en Marruecos para reclamar más democracia». *El País*, 20 February 2011. Available at [https://elpais.com/internacional/2011/02/20/actualidad/1298156402\\_850215.html](https://elpais.com/internacional/2011/02/20/actualidad/1298156402_850215.html).

<sup>3</sup> CEMBRERO Ignacio. «Mohamed VI anuncia un recorte de sus poderes en respuesta a las protestas». *El País*, 10 March 2011. Available at [https://elpais.com/internacional/2011/03/09/actualidad/1299625222\\_850215.html](https://elpais.com/internacional/2011/03/09/actualidad/1299625222_850215.html).

At the same time, under the new Constitution, the king ceased to be *sacred*, though article 46 established that «the integrity of the king shall not be violated». Likewise, article 41 stated that the monarch was still the *emir al mouminin* (commander of the faithful) and the country's most powerful religious authority. Article 47 made it compulsory for the king to appoint the prime minister (head of government) from among the members of the party which had won the most seats in the parliamentary elections and to appoint the members of government at the prime minister's recommendation. Article 48 stipulated that the king continued to preside over the cabinet meetings, continued to be the «commander in chief of the Armed Forces», and appointed the most powerful religious leaders<sup>4</sup>. In practice, the king did not relinquish any of his prerogatives and preserved the power to veto all important decisions.

On 7 October 2016, Morocco went to the polls for the second time since the Constitution was amended, in national parliamentary elections that were regarded as an acid test of the efficiency of the reforms established and implemented until then. The Islamic Justice and Development Party (PJD), which is Islamist and close to the ideology of the Muslim Brothers, won once again, increasing its advantage with respect to the previous elections, whereas the Authenticity and Modernity Party (PAM) made up of human rights activists and promoted by the king, came second<sup>5</sup>.

Although on 10 October 2016 Abdelilah Benkirane was appointed as the new prime minister by the king, he stepped down on 15 March 2017 after holding the post for five months owing to his inability to form a government coalition.

He was replaced by fellow PJD member Saad Eddine el-Othmani, a psychiatrist and pragmatic politician open to dialogue<sup>6</sup>. The new prime minister managed to form a coalition government of six parties: in addition to the PJD, the social-democratic National Rally of Independents (RNI), headed by Salaheddine Mezouar; Mohamed Sajid's Constitutional Union (UC), which is liberal and monarchic; the People's Movement (MP), a rural conservative party whose secretary-general is Mohand Laenser; the Socialist Union of Popular Forces (USFP), a classical party founded in 1975 as an offshoot of Driss Lachgar's National Union of Popular Forces; and, finally, the minority Progress and Socialism Party (PPS), which is neo-communist but respectful of Moroccan traditions and has Nabil Benabdala as its secretary general.

<sup>4</sup> «Morocco's new political landscape». *European Parliament Think Tank*, 11 April 2017. Available at [http://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS\\_ATA\(2017\)599424](http://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_ATA(2017)599424).

<sup>5</sup> MARTIN ISAAC J. «El partido islamista gana las elecciones de Marruecos entre denuncias de fraude y abstención». *El Mundo*, 8 October 2016. Available at <http://www.elmundo.es/internacional/2016/10/08/57f853a922601d99428b456d.html>.

<sup>6</sup> SOTO PACO. «Benkirane se impone a El Othmani en el PJD marroquí». *Atalaya entre dos orillas*, 16 July 2017. Available at <http://atalaya.com/content/benkirane-se-impone-el-othmani-en-el-pjd-marroqu%C3%AD>.

Although heterogeneous, this coalition has nonetheless brought Morocco political stability, as it controls 240 of the 395 seats on the House of Representatives.

### The African Union: a diplomatic battleground between Morocco and Algeria

After the elections, the next most decisive event on Morocco's political scene in 2017 was its joining the African Union (AU), a political union made up of 55 African states (including the SADR), which was established in 2001 as a replacement for the Organisation of African Unity (OAU) set up in 1963 to attempt to unite the African states and promote peaceful coexistence and economic growth in the continent<sup>7</sup>. On 31 January 2017, 32 years after leaving the OAU, Morocco returned as the 55th member of the African Union with a historic speech by King Mohammed VI delivered in Addis Ababa and setting out two aims<sup>8</sup>: to contribute to collective action for Africa by playing an active role at all the meetings of the AU, such as by proposing an African agenda for migration and sending the Rwandan president Paul Kagame a written proposal on the reform of the AU; and to make the kingdom's voice heard within the AU, especially on the subject of the Western Sahara.

Morocco's membership of the AU marked the culmination of an intense African policy pursued by the kingdom in recent years in which strong friendships have been forged throughout the continent. Weaving this web of good relations has made it possible to overcome the reluctance of both Algeria and South Africa, which were opposed to its joining due to differences over the Western Sahara conflict. The fact that Morocco has not had to recognise the borders of the SADR, as intended by Algeria, Nigeria, South Africa and Mozambique, should be considered a significant diplomatic victory for King Mohammed VI<sup>9</sup>.

Amid this atmosphere of change marked by the major reform of the AU, which was directed by Kagame until January 2018, Morocco has been guided by a twofold aim: to take part fully in addressing all the new challenges the continent faces as a member of the AU and, above all, to expel the Polisario Front using a skilfully orchestrated policy of isolation<sup>10</sup>. If 2017 was the year Morocco joined the AU, 2018 is that of its incorporation into all the structures of this pan-African group, where it enjoys a growing role in the great geopolitical game that is being played out across the continent through a policy focused on four directions: joining the Economic Community of West African States

<sup>7</sup> «Is the African Union still relevant?» *Aljazeera*, 3 July 2017. Available at <http://www.aljazeera.com/programmes/insidestory/2017/07/african-union-relevant-170703172902850.html>.

<sup>8</sup> LAMLILI Nadia. *Op.cit.*

<sup>9</sup> PEREGIL Francisco. «El regreso de Marruecos a la Unión Africana abre una nueva era en el conflicto del Sahara». *El País*, 7 February 2017. Available at [https://elpais.com/internacional/2017/02/06/actualidad/1486405067\\_123809.html](https://elpais.com/internacional/2017/02/06/actualidad/1486405067_123809.html).

<sup>10</sup> GAFFEY Conor. «Why Has Morocco Rejoined the African Union After 33 Years?» *Newsweek*, 2 February 2017. Available at <http://www.newsweek.com/morocco-african-union-western-sahara-551783>

(CEDEAO/ECOWAS), actively joining the main structures of the AU, royal visits and actions to put an end to Polisario.

Morocco thus aspires to strengthen its presence in three key structures that decide on eminently political issues in Africa: the Banjul-based African Commission on Human and People's Rights (ACHPR); the Pan-African Parliament (PAP) in Midrand, near Johannesburg (South Africa); and, above all, the Peace and Security Council in Addis Ababa, as this is the body which deals with all the crises that occur on the continent and prepares the most important decisions of heads of states. Belonging to the key structures of the AU will enable Morocco to put an end to initiatives on the Sahara which it regards as adverse, as occurred in July 2017, when the ACHPR, presided by the South African Faith Pansy Tlakula, attempted to adopt a report full of expressions considered by Morocco to be hostile: *occupied territories, decolonisation, annexation*, etc. In other words, after an absence of three decades, Morocco now seeks to modify *from within* the African Union's position with respect to the Sahara, an extremely sensitive issue. If the AU cannot support the solution of autonomy for the time being, it should at least respect neutrality.

For Rabat Brahim Ghali's *entité* known as the Saharan Arab Democratic Republic (SADR) might be recognised by the AU, but it is not by the international community. This provides Morocco with a powerful argument for preventing Saharan representatives from attending the meetings between the AU and its international partners. This occurred in November 2016, when Morocco, in protest against the presence of a Saharan delegation, pulled out of the Arab-African summit at Malabo, dragging several Gulf States along with it.

However, the battle promises to be particularly intense and impassioned in 2018, as the Polisario Front enjoys significant support in Algeria, South Africa and other countries in South Africa. Every setting and every meeting will provide an opportunity for confrontation, as occurred for example at the 5th Africa-European Union Summit of 29-30 November in Abidjan, whose name was modified in mid-September at Algeria's request to *African Union and European Union Summit*, a circumlocution which enabled the SADR to attend as a member of the AU, blocking the way for any protests from Morocco.

But Rabat's African policy is not limited to opposition to the SADR; it furthermore seeks broad south-south integration with Morocco and Nigeria as the cornerstones. Morocco's accession to the Economic Community of West African States (ECOWAS) on 16 December at Lomé (Togo) was the first step in this direction and was linked to a project for a gas pipeline stretching from Nigeria along the whole west coast of Africa to Morocco. A second step was for Nigeria to invest in the phosphate sector. This amounts to a pragmatic attitude on the part of both countries which, although opposed over the Sahara issue, are aware that the business is beneficial to both and that Morocco's membership of ECOWAS (based in Abuja) will lend this regional organisation greater weight. As ECOWAS's presi-



dent Marcel de Souza has often stated, «it will be a marriage without divorce and without *Brexit*»<sup>11</sup>. For better and for worse.

These actions mark the culmination of the aggressive economic diplomacy directed at sub-Saharan Africa – especially western Africa, considered a comfort zone of the Alawite kingdom – carried out for the past 15 years by King Mohammed VI through royal visits, economic forums, meetings between business leaders and the signing of bilateral agreements. The success of this strategy is reflected in the fact that today most major Moroccan companies are present all over the continent, and Morocco's membership of ECOWAS, an organisation made up of 15 countries, may be regarded as a logical consequence that is of interest to both parties and was decided on in a «sovereign and free» manner<sup>12</sup> by the heads of state.

The success of this policy helps understand why Tunisia is also interested in joining ECOWAS, which is considered a model and good example of a successful community, while the return of Mauritania in December 2017 seemed imminent. This would signify the last nail in the coffin of the ill-fated Arab Maghreb Union – technically inoperative since its beginnings in 1989 owing to irreconcilable differences between Morocco and Algeria over the Western Sahara – which would be partially absorbed by ECOWAS<sup>13</sup>.

### *Stifled protests in the Rif*

Morocco has been rocked by the protests of the Berber people's movement known as *Hirak Rif* or *Anhezi n Arrif*, which is widespread in the Rif region in the north, since October 2016 following the murder of Mohcine Fikri<sup>14</sup>, a fisherman crushed by a rubbish truck when his goods were confiscated. The protests, which can be considered «the largest display of public anger in Morocco since the Arab Spring in 2011»<sup>15</sup>, included demands such as protection for the Berber language of the Rif, releasing political prisoners, investigating and prosecuting those responsible for Fikri's death, demilitarising the region, social improvements and investment in building hospitals, universities, libraries, theatres, roads and installations for processing fish and, lastly, greater transparency regarding the use of the funds invested in local development.

<sup>11</sup> ELRAM Idriss. «Intégration: le Maroc et la CEDEAO accélèrent». *Le Point Afrique*, 20 August 2017. Available at [http://afrique.lepoint.fr/economie/integration-le-maroc-et-la-cedeao-accelere-30-08-2017-2153224\\_2258.php](http://afrique.lepoint.fr/economie/integration-le-maroc-et-la-cedeao-accelere-30-08-2017-2153224_2258.php).

<sup>12</sup> BADRANE Mohamed. «CEDEAO: L'intégration du Maroc n'est qu'une question de temps». *Aujourd'hui le Maroc*, 31 August 2017. Available at <http://aujourd'hui.ma/politique/cedeao-integration-du-maroc-nest-quune-question-de-temps>.

<sup>13</sup> Rasheed Akinkuolie. «Morocco: ECOWAS membership controversy». *The Guardian*, 18 October 2017. Available at <https://guardian.ng/opinion/morocco-ecowas-membership-controversy/>.

<sup>14</sup> Peregil Francisco. «La muerte de un vendedor ambulante desata las protestas en Marruecos». *El País*, 1 November 2016. Available at [https://elpais.com/internacional/2016/10/30/actualidad/1477856648\\_881744.html](https://elpais.com/internacional/2016/10/30/actualidad/1477856648_881744.html).

<sup>15</sup> «Morocco's unrest is worsening». *The Economist*, 6 July 2017.

The seriousness of the situation forced King Mohammed VI to issue a communiqué on Sunday 25 June 2017 blaming the situation on what he described as *delays* in the project begun in October 2015 called *Al Hoceima, Mediterranean lighthouse*, which was aimed at developing the area<sup>16</sup>. The king blamed his ministers for submitting unrealistic projects and threatened not to let them «go on holiday this summer», as well as accusing demonstrators of politicising his «development and social projects»<sup>17</sup>.

The Solomonic response of the Moroccan king, aware of the need to pay greater attention to the rebellious Rif region, which had been sorely abandoned since the country gained its independence and which he had attempted to address practically such as by spending summer holidays in Al Hoceima, sought «pacification and not an escalation of the situation»<sup>18</sup>.

The lingering protest movement largely reflects Morocco's structural weaknesses, which regularly spark protests in different towns and cities all over the country. These weaknesses are caused by the feeling of social injustice among the lower classes owing to the lack of prospects for young people and deficient social services. The liberalisation and privatisation of the Moroccan economy during the first decade of the century has only benefited a small minority close to the political power and has failed to boost productivity and, accordingly, the creation of decent jobs, especially for young people. This situation triggered the outbreak of the 20 February 2011 movement and was recognised by the king himself when he raised the problem of creating and redistributing wealth in Morocco in 2014<sup>19</sup>.

The intensity of the protests revealed a crisis in the traditional political system of intermediation based on a high concentration of power around the palace. Citizens' traditional mistrust of the institutions<sup>20</sup> (parliament, political parties, trade unions, civil society organisations, etc.) was reflected, for example, in the low turnout at the legislative elections in October 2016 (only 25

<sup>16</sup> «Mohamed VI fulmina a cuatro ministros por los retrasos del plan de desarrollo de Alhucemas». *ABC*, 24 October 2017. Available at [http://www.abc.es/internacional/abci-mohamed-fulmina-cuatro-ministros-retrasos-plan-desarrollo-alhucemas-201710242224\\_noticia.html](http://www.abc.es/internacional/abci-mohamed-fulmina-cuatro-ministros-retrasos-plan-desarrollo-alhucemas-201710242224_noticia.html).

<sup>17</sup> «SM le Roi préside à Casablanca un Conseil des ministres». *Maghreb Arabe Press*, 25 June 2017. Available at <http://www.mapexpress.ma/actualite/activites-royales/sm-le-roi-preside-a-casablanca-un-conseil-des-ministres-2/>.

<sup>18</sup> «Rif-Macron: Le roi du Maroc est préoccupé par la situation». *Le Point* 15 June 2017. Available at [http://afrique.lepoint.fr/actualites/rif-macron-le-roi-du-maroc-est-preoccupe-par-la-situation-15-06-2017-2135546\\_2365.php](http://afrique.lepoint.fr/actualites/rif-macron-le-roi-du-maroc-est-preoccupe-par-la-situation-15-06-2017-2135546_2365.php).

<sup>19</sup> SAÂD Saïd. «Contestation dans le Rif: le Maroc face à ses demons». *Jeune Afrique*, 9 August 2017. Available at <http://www.jeuneafrique.com/mag/461672/politique/contestation-dans-le-rif-le-maroc-face-a-ses-demons/>.

<sup>20</sup> SALEM Ariane. «HCP: Défiance généralisée des Marocains à l'égard des institutions et de leurs concitoyens». *Medias24*, 24 April 2015. Available at <https://www.medias24.com/SOCIETE/154437-HCP-Defiance-generalisee-des-Marocains-a-l-egard-des-institutions-et-de-leurs-concitoyens.html>.

percent of registered voters). The perception that the institutions do not represent them, and the lack of a change of direction leading to improvements in the Moroccan population's economic and social conditions, especially in the Rif, put the country at risk of socio-political instability, the consequences of which would be damaging to the country and to the Mediterranean region as a whole.

### *Encouraging economic prospects*

Since 2014 Morocco has enjoyed a period of economic prosperity that has been enhanced by the Industrial Acceleration Plan (IAP). Launched amid much fanfare and a certain amount of scepticism in 2014 by the minister of the economy, trade and investment, Moulay Hafid Elalamy, the plan has nonetheless been credited with «beginning a growth dynamic in many areas of industry»<sup>21</sup>. The results of this strategic vision have indeed exceeded the established expectations and have given rise to a wave of enthusiasm about the future of Moroccan industry as the engine of growth instead of an agriculture overly dependent on rainfall levels.

Principales Factores de la Economía en Marruecos <small>Fuente: World Economic Outlook Database</small>					
Indicadores Económicos	2014	2015	2016	2017	2018
PIB (Miles de Millones de USD)	109,881	100,593	103,615	105,623	110,865
PIB per cápita (USD)	3311,761	3002,501	3063,071	3092,911	3215,987
Índice de Inflación	113,061	114,809	116,646	118,045	119,816
Tasa de Desempleo	9,879	9,707	9,4	9,3	9,5
Balanza de Transacciones Corrientes (Miles de Millones de	-6,226	-2,165	-4,02	-2,714	-2,183
Balanza de Transacciones Corrientes (En % del PIB)	-5,666	-2,153	-3,88	-2,57	-1,969

**Illustration 1. Main economic indicators for Morocco. Source: World Economic Outlook Database. Compiled by the author.**

The various industrial programmes included in the plan have in common the fact that they envisage an industrial Morocco that is well positioned in the main sectors and, accordingly, has a high added value. This unquestionably innovative approach has attracted important multinationals such as the French group PSA Peugeot-Citroën, whose plant under construction in Kenitra, near Rabat, will initially produce 90,000 vehicles per year from 2019<sup>22</sup>, but could eventually turn out as many as 200,000 units. The US aircraft manufacturer Boeing likewise signed

<sup>21</sup> IRAKI Fahd. «Moulay Hafid Elalamy: Nous voulons mettre les citoyens marocains au cœur du processus de développement». *Jeune Afrique*, 2 August 2017. Available at [http://www.jeuneafrique.com/mag/461680/economie/moulay-hafid-elalamy-nous-vou-lons-mettre-les-citoyens-marocains-au-coeur-du-processus-de-developpement/?post\\_type=post-print&p=461680&preview=true](http://www.jeuneafrique.com/mag/461680/economie/moulay-hafid-elalamy-nous-vou-lons-mettre-les-citoyens-marocains-au-coeur-du-processus-de-developpement/?post_type=post-print&p=461680&preview=true).

<sup>22</sup> «Peugeot-Citroën invertirá 557 millones en una fabrica en Marruecos». *El País*, 19 June 2015. Available at [https://elpais.com/economia/2015/06/19/actuali-dad/1434744766\\_883330.html](https://elpais.com/economia/2015/06/19/actuali-dad/1434744766_883330.html).

an agreement in September 2016 to invest in developing its *ecosystem* in the Tangiers area, resulting in 120 subcontracts and the creation of more than 8,500 jobs for specialists<sup>23</sup>.

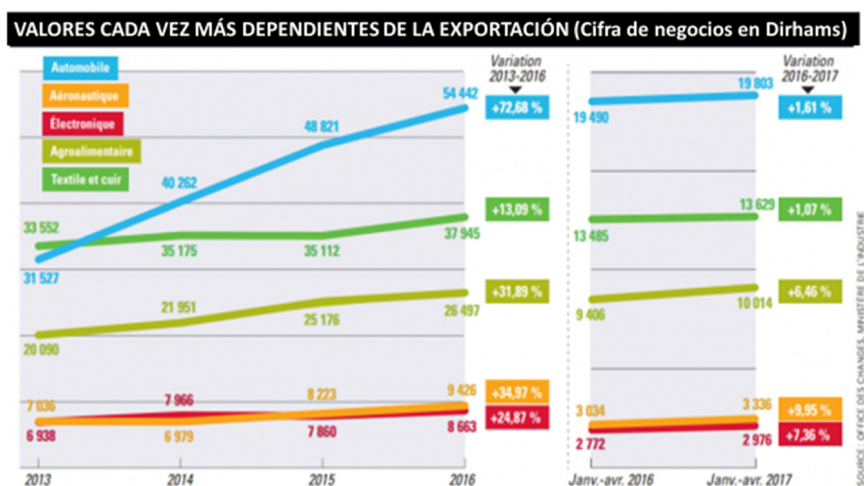


Illustration 2. Source Jeune Afrique. <http://www.jeuneafrique.com/mag/461692/economie/maroc-comment-le-plan-dacceleration-industrielle-a-depasse-les-objectifs-fixes/>.

## Algeria. A year of transition

### More of the same policy

2017 can be considered a year of continuation in political matters, as it witnessed a certain improvement in the field of security and a worrying economic situation. The local elections of 23 May called on nearly 22 million voters to go to the polls. As is traditional practice in Algeria, the National Liberation Front (FLN) once again emerged as the leading political force on the National Assembly, with 603 of the 1,541 municipalities, followed by RND (National Rally for Democracy), FLN's partner, which won in 451 municipalities<sup>24</sup>.

Although FLN lost power if the election results of 2017 are compared with those of 2014, the main losers were the Islamists, who won in only 49 municipalities; Amara Benyounes' Algerian Popular Movement (MPA), an ally in power with 62 municipalities;

<sup>23</sup> IRAKI Fahd. «Maroc: comment le plan d'accélération industrielle a dépassé les objectifs fixes». *Jeune Afrique*, 2 August 2014. Available at <http://www.jeuneafrique.com/mag/461692/economie/maroc-comment-le-plan-dacceleration-industrielle-a-de-passe-les-objectifs-fixes/>.

<sup>24</sup> SOTO Paco. «El FLN gana las elecciones locales en Argelia, pero su poder retrocede». *Atalayar entre dos orillas*, 25 November 2017. Available at <http://www.atalayar.com/content/el-fln-gana-las-elecciones-locales-en-argelia-pero-su-poder-retrocede>.

and the two secular opposition parties, Socialist Forces Front (FFS) and Rally for Culture and Democracy (RCD), which won in 64 and 37 municipalities respectively. The party headed by former prime minister Ali Benflis, who stood for president twice (in 2004 and 2014), suffered a painful defeat, as it only won in five municipalities.

The salient feature of the elections was the low turnout (46.83 percent), though it was slightly higher than the 35 percent recorded for the legislative elections of May 2017. The significant boycott by the majority of the nearly 22 million voters, who were asked to choose out of some 50 parties, four alliances and many independent lists, indicates that Algerians are highly indifferent to both the power system and the political class, which was incapable of convincing voters to go to the polls, despite the appeals even of the 80-year-old President Bouteflika, who has been suffering from ailing health since his stroke in 2013<sup>25</sup>. This latest desertion by voters does not bode well for the forthcoming presidential elections of 2019.

### *A troubled economic situation*

Historically, the Algerian economy has been based largely on the redistribution by the government of revenues from hydrocarbons, and the state has been the main driving force behind growth and job creation. This growth model was already unsustainable when oil prices were high, but the fall in hydrocarbon prices has plunged Algeria into a very difficult economic situation for some years<sup>26</sup>.

However, contrary to what might be thought, it is not a problem of adjusting the balance of payments, as Algeria still has foreign currency reserves to fund its imports for several years. As of the end of 2017, the balance of payment deficit was in the range of 18-20 billion dollars, but since it has some 110 billion dollars in reserves<sup>27</sup>—more than half of the 180 billion it had three years ago—the Algerian authorities have about four to five years to make up for this deficit.

However, the main problem lies in public finances and, specifically, the state budget, whose deficit over the past two years accounts for nearly 15 percent of GDP, more than Greece's at the peak of the economic crisis<sup>28</sup>. The reason is that since 2014 state expenditure, which was calculated on the basis of oil prices of more than 100 dollars per barrel, has remained the same, whereas revenues have dropped sharply, resulting in a large budget deficit that has continued to grow.

<sup>25</sup> ALILAT Farid. «Algérie: le FLN grand vainqueur des élections locales». *Jeune Afrique*, 24 November 2017. Available at <http://www.jeuneafrique.com/496422/politique/algerie-le-fln-grand-vainqueur-des-elections-locales/>.

<sup>26</sup> «Argelia podría verse obligada a recurrir al FMI si no acaba con su dependencia del crudo». *Expansión*, 11 June 2017. Available at <http://www.expansion.com/economia/2017/06/11/593d7095e2704e0e628b4682.html>.

<sup>27</sup> «El Gobierno argelino presenta al Senado su nuevo plan de acción». *La Vanguardia*, 18 June 2017. Available at <http://www.lavanguardia.com/internacio-nal/20170628/423747781168/el-gobierno-argelino-presenta-al-senado-su-nuevo-plan-de-accion.html>.

<sup>28</sup> «Déficit público de Argelia». *Expansión/Datos Macro*. Available at <https://www.datos-macro.com/deficit/argelia>.

To address it, the Algerian government has dipped into the so-called *fund for regulating revenues*<sup>29</sup> that was set up to offset sharp falls in energy revenues as a result of price fluctuations on the international markets. This fund, which had remained stable for 15 years and contained between 50 and 60 million dollars, had been used up by February 2017<sup>30</sup>, forcing the state to become indebted, first internally by taking out a national loan of 5 billion dollars in 2016 and later externally by means of a 900-million-dollar loan granted by the African Development Bank (AFDB)<sup>31</sup>. The problem is not so much that this money has been used to sustain the state rather than for investment; the worst thing is that these loans are insufficient to cover the huge deficit, which continues to grow. Therefore, unless there is a substantial improvement in international hydrocarbon prices or a reduction in state expenditure, the government will have serious problems balancing its budgets from 2018 onwards.

In view of this gloomy situation, Algeria needs to reform its growth model, which is too dependent on income from hydrocarbons and on state expenditure, and to progress towards a model of growth driven by the private sector. This will require it to tighten its belt and save money by cutting costs and revamping a state that has long been living beyond its means<sup>32</sup>. At the same time, it will have to get into debt by turning to the domestic market, as external debt is not an option due to ideological reasons<sup>33</sup>.

Principales Factores de la Economía en Argelia <small>Fuente: World Economic Outlook Database</small> <small>ieee.es</small>					
Indicadores Económicos	2014	2015	2016	2017	2018
PIB (Miles de Millones de USD)	231,18	164,779	160,784	173,947	177,682
PIB per cápita (USD)	5458,875	4123,297	3944,425	4187,783	4197,939
Índice de Inflación	164,77	172,653	183,699	192,517	200,795
Tasa de Desempleo	10,6	11,214	10,498	11,692	13,235
Balanza de Transacciones Corrientes (Miles de Millones de USD)	-9,436	-27,29	-26,313	-21,413	-18,129
Balanza de Transacciones Corrientes (En % del PIB)	-4,419	-16,561	-16,366	-12,31	-10,203

**Illustration 3. Main factors of the Algerian economy. Source: World Economic Outlook Database. Compiled by the author.**

<sup>29</sup> «El primer ministro argelino defiende recurrir a la 'financiación no convencional' para atajar la crisis». *Expansión*, 17 September 2017. Available at <http://www.expansion.com/economia/2017/09/17/59beb691268e3ed52e8b4576.html>.

<sup>30</sup> ZEIDAME Karim. «Le fonds de regulation des recettes vide pour acheter en vain la paix sociale». *360AFRIQUE.COM*, 10 January 2017. Available at <http://afrique.le360.ma/algerie/economie/2017/01/10/8822-algerie-le-fonds-de-regulation-des-recettes-vide-pour-acheter-en-vain-la-paix-sociale-8822>.

<sup>31</sup> ZEIDAME Karim. «Alger recourt finalement à l'emprunt extérieur avec un prêt de la BAD». *360AFRIQUE.COM*, 4 November 2016. Available at <http://afrique.le360.ma/algerie/economie/2016/11/04/7216-alger-recourt-finalement-lemprunt-exterieur-avec-un-pret-de-la-bad-7216>.

<sup>32</sup> IMF Country Report No. 17/142, ALGERIA. Washington D. C., June 2017.

<sup>33</sup> ABDI Hani. «Ouyahia va-t-il s'inspirer du programme économique de son parti?» *Algerie patriotique*, 7 September 2017. Available at <https://www.algeriepatriotique.com/2017/09/07/ouyahia-programme-economique-du-rnd/>.

Prime minister Ahmed Ouyahia's economic programme, constrained by the red lines drawn by President Abdelaziz Bouteflika, envisages a monetary policy based on the Bank of Algeria's issuing money to directly fund the economy, in a similar way to the measures adopted by Japan in the 1990s to address the Asian financial crisis and the United States in 2008 to tackle the *subprime* mortgage crisis<sup>34</sup>.

The government's plan is to issue money for essentially financial investments, while continuing to reduce state expenditure, so that the combination of these processes prevents inflation from rising. However, it remains to be seen how citizens used to paying four times less for petrol than neighbouring countries will react to an increase in energy prices; and also how the state, reluctant to carry out any subsidy reforms, will modify its social orientation. It is therefore most likely that the adjustment effort will be progressive until prices are close to those of neighbouring countries, which are poorer in terms of income. The question is to what extent is Ouyahia's government willing to reduce public subsidies<sup>35</sup> and trim the weight of the public sector in the country's economy, which still has some 1,300 state enterprises, mostly SMEs, which employ nearly 400,000 people<sup>36</sup>.

An additional problem is Law 51-49 on investment and foreign debt<sup>37</sup>, which empowers the Algerian state to supervise foreign companies' investments, following the model of the oil-producing emirates. The change established by this law is another of the president's red lines, as is the provision on foreign debt, which is inherited from a period when the state's reserves enjoyed considerable liquidity to the extent that it was able to pay external debt in advance. But this self-sufficiency does not make sense under current circumstances<sup>38</sup>. Algeria, which does not have much control over infrastructure policies, should liberalise its market and establish closer relations with the international institutions in order to undertake its main projects under technical conditions that make them feasible.

<sup>34</sup> YACOUBA Aboubacar. «Algérie: Ouyahia justifie le recours à la 'planche à billets'». *La Tribune Afrique*, 17 September 2017. Available at <https://afrique.latribune.fr/economie/strategies/2017-09-17/algerie-ouyahia-justifie-le-recours-a-la-planche-a-billets-750611.html>.

<sup>35</sup> «Government to maintain its policy of subsidies in 2018». *Algeria Press Service*, 21 September 2017. Available at <http://en.aps.dz/economy/20216-government-to-maintain-its-policy-of-subsidies-in-2018>.

<sup>36</sup> OULD Djamilia. «Algérie: ce que contient le projet de privatisation à l'origine de la discorde entre Bouteflika et Ouyahia». *Jeune Afrique*, 17 January 2018. <http://www.jeuneafrique.com/514346/economie/algerie-ce-que-contient-le-projet-de-privatisation-a-lo-rigine-de-la-discorde-entre-bouteflika-et-ouyahia/>.

<sup>37</sup> BENABDESLEM Brahim. «The new legal framework for foreign investment in Algeria: Progress to be confirmed?». *Bird&Bird*, 24 February 2017. Available at <https://www.twobirds.com/en/news/articles/2017/global/africa-newsletter-feb/new-legal-framework-for-foreign-investment-in-algeria>.

<sup>38</sup> FAUJAS Alain. «Investissements étrangers en Algérie: le casse-tête du 51/49». *L'Algérie à l'heure africaine, Jeune Afrique*, 7 décembre 2016. Disponible en <http://www.jeuneafrique.com/mag/378683/economie/investissements-et-rangers-algerie-casse-tete-5149/>.



The question arises of whether the president of the republic and the economic chiefs will agree to embark on painful reforms at the risk of undermining the regime's popularity. Algeria is not bankrupt and reliant on international donors, nor is it required by the international institutions to impose a strict reform programme. Indeed, the fact that the country does not feel it is being held accountable despite being aware of the economic risks it is running is precisely the biggest danger its public finances face.

In any case, as Ahmed Ouyahia himself recognises<sup>39</sup>, unless there is a hike in oil prices, the country is at risk of bankruptcy or resorting to foreign debt and a battery of *draconian social measures* that would cause a major loss of its hitherto so staunchly defended economic sovereignty.

### *Bouteflika's succession*

However, the main political debate currently concerns the succession of Bouteflika and his ability to carry on serving as president. This is a recurrent topic that was already discussed in the summer of 2013 while the president was in hospital in France recovering from a stroke suffered on 27 April that year.

The problem of the *end of the reign* of Bouteflika, who rarely sets foot outside his Zeralda residence, which has been converted into a hospital, is currently under debate and opinions are divided. On the one hand, there are those who are in favour of Bouteflika stepping down before his term ends, though he could continue to be president in name. If this were to happen, there would possibly be a clash between the different sectors of power (the army, headed by 77-year-old Major General Ahmed Gaïd Salah, chief of staff of the army and deputy defence minister; the intelligence services; the leaders of the FLN; and those closest to the former president, beginning with the head of state's brother Saïd Bouteflika, though it does not seem that such a scenario would be able to «permanently destabilise the Algerian system as a whole»<sup>40</sup>. Then there are the members of the various institutions, who are in favour of his remaining in power and refuse to question his continuance.

But everything relating to Bouteflika is cloaked in a secrecy, as proven by the surprising dismissal of Abdelmadjid Tebboune, who was considered one of Bouteflika's faithful men. Appointed prime minister on 25 May 2017, he was sacked without consideration or further explanations two months and 21 days after taking office. Tebboune's removal from power may possibly be attributed not so much to Bouteflika as to the power circles, which may be making decisions without the president's knowledge. This leads us to question to what extent he exercises legal power. Indeed, the

<sup>39</sup> ALILAT Farid. «Bouteflika, une énigme qui inquiète l'Algérie». *Jeune Afrique*, 25 September 2017. Available at <http://www.jeuneafrique.com/mag/474854/politique/bouteflika-une-enigme-qui-inquiete-lalgerie/>.

<sup>40</sup> SEMMAR Abdou. «Crise de Succession de Bouteflika: les deux scenarios prévus par un rapport». *Algerie Part Les dessous de l'actualité*, 3 September 2017. Available at <https://algeriepart.com/2017/09/03/crise-de-succession-de-bouteflika-deux-scenarios-prevus-rapport-francais/>.



president no longer receives members of government and rarely meets his prime ministers. Zéralda, where Bouteflika lives, is cared for and works, has become an impenetrable fortress where it is difficult to distinguish truth from falsehood, rumour from news.

The opacity of the Algerian system does not help decipher the mystery surrounding a president who no longer travels abroad and rarely leaves his residence to attend the Councils of Ministers. The last time Bouteflika granted audience at his residence was in March 2017, and he has not spoken in public since May 2012, when he addressed his fellow countrymen at a meeting in Setif. All contact is thought to be via his younger brother Said Bouteflika, who is regarded as a very special advisor given the president's state of health.

In view of this situation, various voices are calling for the implementation of article 102 of the Constitution – as amended in 2016 – laying down the conditions under which the president could be removed from office owing to serious and lasting illness. However, this possibility comes up against the almost insuperable stumbling block of the Constitutional Council controlled by Bouteflika, which appoints four of the twelve members. Similarly, the task of ratifying the decision falls to Parliament, where the two presidential parties hold an absolute majority.

A few analysts have proposed a *Tunisian-style* solution<sup>41</sup>, as witnessed in November 1987 when President Burguiba was deposed by the prime minister and his constitutionally designated successor Zine El Abidine Ben Ali assumed power after a team of seven doctors declared Burguiba mentally unfit to perform his duties. The problem is that Algeria has no Ben Ali – not even Said Bouteflika, who is considered the *regent of Zéralda*<sup>42</sup> and enjoys the support of the business community, and the days when the generals appointed and dismissed presidents at will are a thing of the past.

Indeed, the military institution still staunchly supports Bouteflika and is hardly likely to do anything to have the president removed. As its chief, General Ahmed Gaid Salah, has stated, the Algerian army continues to be *republican*<sup>43</sup> and still considers Bouteflika *amoud-jahid*<sup>44</sup> (historic independence fighter) who «gave them his all». In fact they even support a further term in office.

The monarchic conception of power and conviction he is the providential man the country needs make Bouteflika unlikely to step down from the presidency and organise his own succession. On the contrary, since returning after his illness, he has not ceased to strengthen his power by modifying the rules of succession to hold on to his

<sup>41</sup> IKHEN Rachid. «Succession à Bouteflika/ Un scénario à la tunisienne». *Algérie Focus*, 14 August 2017. Available at <http://www.algerie-focus.com/2017/08/succession-a-bouteflika-scenario-a-tunisienne/>.

<sup>42</sup> BEAU Nicolás. «Les clés de la succession de Bouteflika». *Monde Afrique*, 5 December 2017. <https://mondafrique.com/alger-chefs-regions-militaires-maitres-de-succession/>.

<sup>43</sup> AHMED Gaid Salah à Blida. «L'ANP est une armée républicaine». *L'Expression*, 10 December 2016. Available at <http://www.lexpressiondz.com/actualite/255813-l-anp-est-une-armee-republicaine.html>.

<sup>44</sup> ALILAT Farid. «Bouteflika, une énigme qui inquiète l'Algérie». *Jeune Afrique*, 25 September 2017. Available at <http://www.jeuneafrique.com/mag/474854/politique/bouteflika-une-enigme-qui-inquiete-lalgerie/>.

post. Therefore, it is most likely that the issue of his succession will be postponed *ad vitam aeternam*, with the conviction that «once taken, power cannot be given back».

### Tunisia. A fragile country facing major challenges

#### *A rocky transition to democracy*

Six years since the fall of the regime led by Ben Ali, Tunisia has made significant progress along the path to democracy. However, the successive governments have not managed to carry out the economic reforms needed to improve the situation of the population or put an end to terrorism. Strengthening the democratic process, improving security and boosting the economy are the major challenges Tunisia faces today.

With respect to the first, after the adoption of the Constitution on 26 January 2014, followed by legislative elections on 26 October and 23 November and the first free democratic presidential elections with universal suffrage on 21 December 2014, Tunisia is engaged in the last stage of its transition<sup>45</sup>, which should end with the establishment of the Supreme Judicial Council (CSM) and the Constitutional Court and the holding of municipal elections. However, lately the transition seems to have ground to a halt, owing partly to the jurisdictional bodies' shortage of financial and logistic resources, which inevitably has an impact on the functioning of democracy and guarantees of the rule of law.

But this is true particularly at the local level, where democracy is weaker and worries Tunisians. In 2011 the local councils were dissolved and special delegations were appointed provisionally until the holding of municipal elections – the first step in the decentralisation process that is also provided for by the Constitution of the Second Republic. Originally scheduled for October 2016, the election was postponed to March, then to December 2017 and finally to March 2018<sup>46</sup>. The consequence of this unsettling indecision is that the management of the cities and their infrastructure and services (especially in the field of sanitation) is highly deficient.

Parliamentarians' deliberate effort to put a brake on the electoral process is a sign of political confrontation and negotiation, particularly between the two majority parties, Nidaa Tounes and Ennahda. The voting procedure for the municipal elections will thus consist in allocating most of the 7,000 seats to the list with the largest number of votes, while the rest of the seats will be assigned proportionally, leaving little room for small parties. The lack of clarity of this system makes governing the territory difficult and is conducive to abstention (according to a

<sup>45</sup> DAHMANI Frida. «Tunisie: la transition démocratique tourne en rond». *Jeune Afrique*, 6 December 2017. Available at <http://www.jeuneafrique.com/mag/496138/politique/tunisie-la-transition-democratique-tourne-en-rond/>.

<sup>46</sup> «Tunisie: les élections municipales finalement fixées au 25 mars 2018». *Jeune Afrique*, 6 October 2017. Available at <http://www.jeuneafrique.com/480808/politique/tunisie-les-elections-municipales-finalement-fixees-au-25-mars-2018/>.

survey conducted by Sigma Conseil in October 2017, 68.8 percent of Tunisians are not going to vote in the municipal elections)<sup>47</sup>.

With a semi-parliamentary system that assigns the Assembly of the Representatives of the People (ARP) wide-ranging powers, a Chamber subject to ambiguity among the two main bloc parties and a weak opposition, the country seems to be steering its newfound democracy solely with the non-aggression agreement reached in August 2014 and the government alliance of 2015 between the president and founder of Nidaa Tounes, Beji Caid Essebsi, and the Islamist leader Rached Ghanouchi<sup>48</sup>. In a context of economic depression and nostalgia for a strong state like that of President Ben Ali's former regime, this agreement, highly questioned by the population, has its days numbered. The danger is that breaking it could postpone *sine die* the reforms envisaged in the Constitution adopted in 2014, and this would fuel further social opposition<sup>49</sup>.

### *The terrorist threat remains*

Since the revolution of 2011 Tunisia has been witnessing a rise in low-intensity jihadist violence in different forms. Since then terrorists have carried out attacks with a significant local and international impact. Initially, in 2011 and 2012, the jihadist movement attempted to structure itself politically around a Salafist movement, Ansar Sharia, which very soon opted for violence<sup>50</sup>. Proselytising activities (on the social media and in public spaces, prisons, secondary schools, universities, mosques, public places, etc.) resulted in strict moral control in poor neighbourhoods where the supposed members of Ansar Sharia profaned and set fire to the *zaouia* (tombs, mausoleums or religious buildings) of the Sufi brotherhoods and destroyed the protective *walis* (saints).

<sup>47</sup> SAMOUD Wafa, «Sondage: 68,8 % des Tunisiens comptent s'abstenir aux municipals». *HuffPost Tunisie*, 25 October 2017. Available at [http://www.huffpostmaghreb.com/2017/10/24/intentions-de-vote-municipi\\_n\\_18367190.html](http://www.huffpostmaghreb.com/2017/10/24/intentions-de-vote-municipi_n_18367190.html).

<sup>48</sup> «Túnez logra un Gobierno con laicos e islamistas tres meses después de votar». *ABC*, 3 February 2015. Available at <http://www.abc.es/internacional/20150203/abci-tunez-gobierno-islamistas-laicos-201502021939.html>.

<sup>49</sup> ATTIA Syrine. «La Tunisie retombe dans ses travers autoritaires, selon International Crisis Group». *Jeune Afrique*, 18 January 2018. Available at <http://www.jeuneafrique.com/515012/politique/la-tunisie-retombe-dans-ses-travers-autoritaires-selon-international-crisis-group/>.

<sup>50</sup> «Moyen-Orient/Afrique du Nord, Tunisie: violences et défi salafiste». International Crisis Group. *Rapport Moyen-Orient/Afrique du Nord N.º137*. Available at <http://old.crisisgroup.org/fr/regions/moyen-orient-afrique-du-nord/afrique-du-nord/Tunisia/137-tunisia-violence-and-the-salafi-challenge.html>.

Following the September 2012 attack on the US embassy<sup>51</sup> organised partly by AnsarSharia, the radical Islamists began to toughen their operational approach and opted increasingly for terrorist activities with a strategic impact, leading to more skirmishes between the security forces and small jihadist commandos in western border zones. In March and June 2015, more than 60 foreign tourists were killed at the Bardo Museum in Tunis<sup>52</sup> and at the Hotel Marhaba in Port el Kantaoui (a tourist resort on the east coast)<sup>53</sup> in attacks for which Daesh claimed responsibility. On 11 November 2015 a dozen members of the presidential guard died in a suicide attack for which Daesh also claimed responsibility<sup>54</sup>. But the biggest qualitative leap came in March 2016, when a commando of 60 jihadis, mainly Tunisians, attempted to attack the military barracks and National Guard post in Ben Guerdane, 30 km from the Libyan border, to seize control of the city and create an embryonic *wilaya* (province) of Daesh in Tunisia<sup>55</sup>.

Although many jihadi cells have been regularly dismantled since then, there are still various active cells that are reasonably capable of organising violent operations in Tunisia and of posing a threat to Algeria at its eastern borders. This is probably part of Daesh's strategy of spreading from its strongholds in the neighbouring Libya by creating dormant cells scattered across the territory, chiefly in urban and peri-urban areas. In addition, it is possible that nearly 150 armed jihadis of the Okba Ibn Nafa organisation (close to AQMI)<sup>56</sup> and Jounoud al-Khilafa (close to Daesh) may still survive in the mountainous and wooded areas along the border between Tunisia and Algeria. Although weakened by the action of the army and National Guard, they seem to still enjoy a certain amount of local support among the most underprivileged sectors of the population<sup>57</sup>.

At the same time, Tunisia is the main supplier of North African combatants in the Middle East. Between 5,000 and 7,000 Tunisian citizens have gone to Iraq and Syr-

<sup>51</sup> PETRE Cristine. «Tunisian Salafism: the rise and fall of Ansar al-Sharia». FRIDE. *Policy Brief*. No. 209, November 2015. Available at [http://fride.org/descarga/PB209\\_Tunisian\\_Salafism.pdf](http://fride.org/descarga/PB209_Tunisian_Salafism.pdf).

<sup>52</sup> BLANCO Patricia R. «17 extranjeros y dos tunecinos mueren en un atentado en Túnez». *El País*, 10 March 2015. Available at [https://elpais.com/internacional/2015/03/18/actualidad/1426680354\\_220858.html](https://elpais.com/internacional/2015/03/18/actualidad/1426680354_220858.html).

<sup>53</sup> MENESES Rosa. «Al menos 38 muertos en un atentado en Túnez contra dos hoteles». *El Mundo*, 26 June 2015. Available at <http://www.elmundo.es/internacional/2015/06/26/558d397eca47413f1a8b458f.html>.

<sup>54</sup> GONZÁLEZ Ricard. «Un atentado en Túnez contra la guardia presidencial causa 12 muertos». *El País*, 25 November 2015. Available at [https://elpais.com/internacional/2015/11/24/actualidad/1448383543\\_043330.html](https://elpais.com/internacional/2015/11/24/actualidad/1448383543_043330.html).

<sup>55</sup> BÉCHIR Michaël. «Seven Ways to Steady a Tunisia under New Attack». In *Pursuit of Peace*, Commentaire de l'International Crisis Group, 9 March 2016. Available at [blog.crisisgroup.org](http://blog.crisisgroup.org).

<sup>56</sup> GHARSSALI Najem. «Okba Ibn Nafaa a été détruite à 90 %». *TunisieNumérique*, 13 July 2015. Available at [tunisienumerique.com](http://tunisienumerique.com).

<sup>57</sup> «Violence djihadiste en Tunisie: l'urgence d'une stratégie nationale». *Briefing Moyen-Orient et Afrique du Nord de Crisis Group*. No. 50, Tunis/Brussels, p. 5, 22 June 2016.

ia to wage jihad<sup>58</sup>, and their return constitutes one of the greatest challenges the authorities need to address given the possibility of their continuing their struggle on Tunisian soil.

The security situation made it necessary to declare a state of emergency in February 2016, after the attack on the presidential guard of 24 November 2015 in Tunisia (12 agents were killed); since its establishment, it has been extended more than 10 times, most recently in November 2017<sup>59</sup>. This measure grants special powers to the police and authorises the prohibition of strikes and meetings «likely to cause... disorder» and the adoption of measures «to guarantee control of the press»<sup>60</sup>.

The stabbing of two policemen by an extremist outside the parliament building on 1 November 2017 has fuelled the debate on the draft law on the *protection* of the security forces and corps (police, gendarmes and military), which is fiercely criticised by civil society owing to its impact on citizens' rights and freedoms. However, it seems evident that, in order to be effective, the state's response cannot be exclusively repressive but must bear in mind the strategy of the jihadist groups that seek to exploit the feeling of injustice of certain population sectors, which tends to spread among citizens during the aftermath of terrorist attacks.

Although, under the mandate of the president of the republic, on 12 February 2015 the National Security Council decided to devise a national strategy for combating terrorism, it was not until December 2016 that Kamel Akrouf, chief advisor to the president, revealed the blueprint with a comprehensive vision focused on four pillars: prevention, protection, persecution and response<sup>61</sup>. The medium- and long-term success of this antiterrorist strategy will depend on its ability to go beyond strictly security measures (defence, domestic affairs and justice) and envisage mechanisms that can be improved in accordance with an assessment of their impact on the ground and on the population.

Although around 20 percent of the state budget goes on security (2016) –twice more than in 2011, the year Ben Ali was ousted– a certain improvement has been noted in combating terrorism and in Tunisians' tricky relations with the ministry of the interior, which are usually eclipsed by counterterrorism. The white papers drafted to moralise the security system have led to a considerable change in the behaviour of police officers, though many of their

<sup>58</sup> ABAD J. M. et. al. «¿De dónde proceden los yihadistas? ¿Qué condenas se les imponen?» *El País*, 09.04.2017. [https://elpais.com/internacional/2017/04/07/actualidad/1491582612\\_084302.html](https://elpais.com/internacional/2017/04/07/actualidad/1491582612_084302.html).

<sup>59</sup> «L'état d'urgence en Tunisie prolongé de trois mois». *Le Figaro*, 10 November 2017. Available at <http://www.lefigaro.fr/flash-actu/2017/11/10/97001-20171110FILWWW00251-tunisie-l-etat-d-urgence-prolonge-de-3-mois.php>.

<sup>60</sup> Décret no. 78-50 du 26 janvier 1978, réglementant l'état d'urgence.

<sup>61</sup> «Exclusif-Kamel Akrouf révèle la Stratégie nationale de lutte contre l'extrémisme et le terrorisme en Tunisie». *Leaders*, 11 December 2016. Available at <http://www.lea-ders.com.tn/article/21179-tout-sur-la-strategie-nationale-de-lutte-contre-l-extremisme-et-le-terrorisme>.

former types of conduct, particularly in matters of individual freedoms, still remain.

In addition, the conflict in Libya and the emergence of terrorism – the major threats to Tunisian security – are spurring the modernisation of the army, which is boosting its capabilities for addressing these threats. Tunisia has requested international cooperation to refurbish 12 T-5E and F-5F Tiger fighter planes and over the next few years intends to purchase drones, Hercules-type transport aircraft, 100 Kirpi transport vehicles, 24 helicopters with night vision and a surveillance system for the borders with Libya from 2018<sup>62</sup>. But acquiring modern military capabilities will require Tunisia to undergo a deep reform of its military structures and operational procedures, including the need to reflect on the establishment of a professional army.

### *The good and the bad of the Tunisian economy*

The Tunisian economy six years after the revolution has many vulnerabilities that are affecting its growth. Heavily conditioned by the impact of the terrorist attacks of 2015, the economy has gradually improved and grew by 2.3 percent in 2017, and a figure of 2.8 percent is expected in 2018<sup>63</sup> thanks to the recovery of the sectors related to phosphate processing, tourism and a good tourist season. The budget deficit is now the greatest cause for concern, as is the current-account balance, which is putting considerable pressure on the dinar. The chronic fiscal deficit and the heavy depreciation of public debt are pushing up the country's foreign debt, which climbed to 69 percent of GDP in 2017, compared to 43 percent in 2011<sup>64</sup>.

The depreciation of the dinar, which speeded up for two years (-24 percent against the euro), will strengthen the tendency to generate imported inflation, leading to a steep rise in the cost of living. Therefore, in such a troubled social context, there is an urgent need to adopt and rapidly implement reforms that will enable the economy to grow by around 5 percent in 2020.

This appears to be the intention of the national unity government reorganised in September 2017 and presided by Youssef Chahed, who espoused the objectives of the IMF programme for 2020 in his inaugural speech to the Assembly: a budget deficit of 3 percent of GDP and 70 percent debt. The idea is to go

<sup>62</sup> DAHMANI Frida. «Tunisie: la sécurité du territoire, en jeu central de la politique du gouvernement». *Jeune Afrique*, 25 September 2017. Available at <http://www.jeuneafrique.com/473448/politique/tunisie-la-securite-du-territoire-enjeu-central-de-la-politique-du-gouvernement/>.

<sup>63</sup> «Túnez revisa al alza sus previsiones de crecimiento para 2017». Oficina Económica y Comercial de España en Túnez, February 2017. Available at <http://www.icex.es/icex/es/navegacion-principal/todos-nuestros-servicios/informacion-de-mercados/paises/navegacion-principal/noticias/NEW2017696363.html?idPais=TN>.

<sup>64</sup> «La deuda pública crece en Túnez». *Expansión Datos Macro*. Available at <https://www.datosmacro.com/deuda/tunez>.

ahead with the austerity measures despite the criticism and to comply with the 2018 budget, which envisages a reduction in the deficit to 4.9 percent of GDP in 2018 compared to the estimated 6 percent in 2017, and GDP growth of 3 percent in 2018 compared to 2.3 percent in 2017<sup>65</sup>.

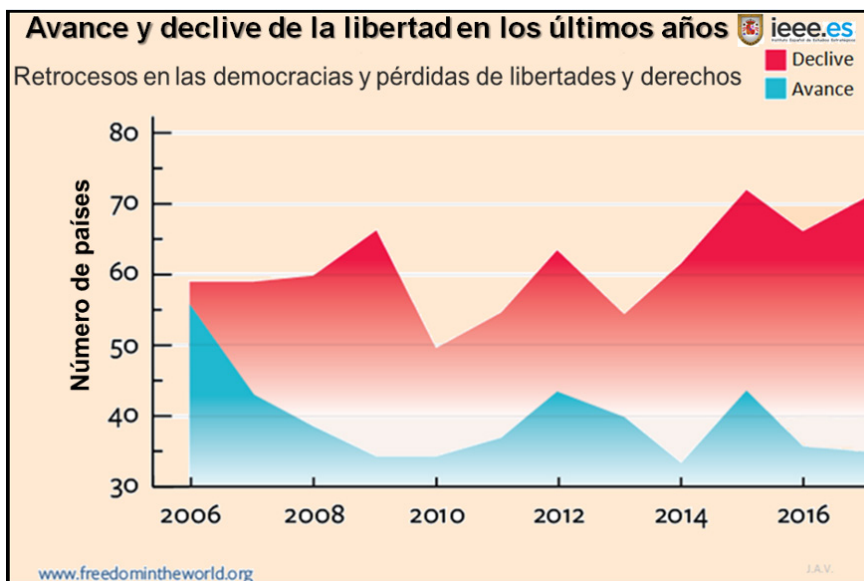


Chart 4: Twelve years of global decline.

The rise in prices as a result of the entry into force of the Law on Finances on 1 January 2018 almost immediately triggered a wave of protests all over the country and sparked growing tension. This tension was capitalised on by the *Fech Nestanew?* (What are we waiting for?) youth movement, which made its public appearance on 3 January. Its members are the young people of the revolution, who are used to taking to the streets and present the movement as a citizens' campaign with a horizontal *leaderless* structure organised by means of their Facebook Account. Their calls for action have been widely supported in cities such as Gafsa (southwest), Sfax (east) and Tabarka (northwest)<sup>66</sup>.

Their main demand is for the repeal of the Finances Law of 2018, which they claim is worsening the problems of governance. They regard the austerity policy

<sup>65</sup> «El primer ministro de Túnez seguirá adelante con las medidas de austeridad pese a las críticas». *Europapress/Internacional*, 21 November 2017. Available at <http://www.europapress.es/internacional/noticia-primer-ministro-tunez-seguira-adelante-medidas-austeridad-pese-criticas-20171121162019.html>.

<sup>66</sup> ATTIA Syrine. «Qui sont les militants de *Fech Nestanew*, qui mobilise contre la vie chère en Tunisie?» *Jeune Afrique*, 11 January 2018. Available at <http://www.jeuneafrique.com/508961/politique/qui-sont-les-militants-de-fech-nestanew-qui-mobilise-contre-la-vie-chere-en-tunisie/>.

implemented by Chahed's government as illegal, as it puts much of the burden on the underprivileged classes, who are having to pay the price of his poor management, corruption and political bankruptcy<sup>67</sup>.

Although it claims to be a peaceful movement, it is very possible that unless the Tunisian government correctly interprets the lessons of the revolution unleashed against Ben Ali, also for economic reasons, the 2011 slogan «Bread, water and down with Ben Ali» will be heard again in Tunisia's streets, only this time directed against Nidaa and Ennahdh»<sup>68</sup>.

Preventing this will require the Tunisian government to implement a programme of comprehensive reforms to bolster public finances and reduce the payroll of the public administration, which drains a large part of the country's resources. What is not so clear is how it will manage to avoid laying off thousands of civil servants and raising taxes, a measure to which the trade unions and business associations are opposed, as is much of the population. Priorities should be to improve the business climate and attract investment, crack down on the black market and corruption and carry on with the process of territorial reform and government decentralisation.

### Libya. The war continues

#### *One country, several power centres*

The low-intensity civil war and the huge domestic fatigue Libya has been suffering from for several years began in 2014, when the country was split into two rival governments in Tripoli and Tobruk, which interacted with a host of local actors whose loyalties lay with the cities and tribal communities. The lack of an effective government and a political culture in a country where the national representative institutions were extremely weak played into the hands of the local militias that questioned the leaders and prevented a unified government from being formed.

In response to this anarchic situation, pressure from the international community led by the United Nations led to the signing on 17 December 2015 of a peace agreement known as the Libyan Political Agreement (LPA) in the Moroccan city of Sijirah between the representatives of the two rival parliaments that were functioning simultaneously in the country: the General National Congress (GNC) and the House of Representatives (HoR). The agreement envisaged forming a «national unity» government of 32 members directed by the secular and openly

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<sup>67</sup> *Ibid.*.

<sup>68</sup> DAHMANI Frida. «Tunisie: les manifestations contre la cherté de la vie tournent à l'affrontement violent». *Jeune Afrique*, 9 January 2018. Available at <http://www.jeuneafrique.com/508376/politique/tunisie-les-manifestations-contre-la-cherte-de-la-vie-tournent-a-l-affrontement-violent/>.



pro-western politician Faye al-Sarraj<sup>69</sup>, who would also become president of the presidential council and head of state. It likewise envisaged the establishment of a consultative high council of state based in Tripoli, to which the representatives of the GNC would belong. The HoR would be recognised as Libya's only legitimate parliament.

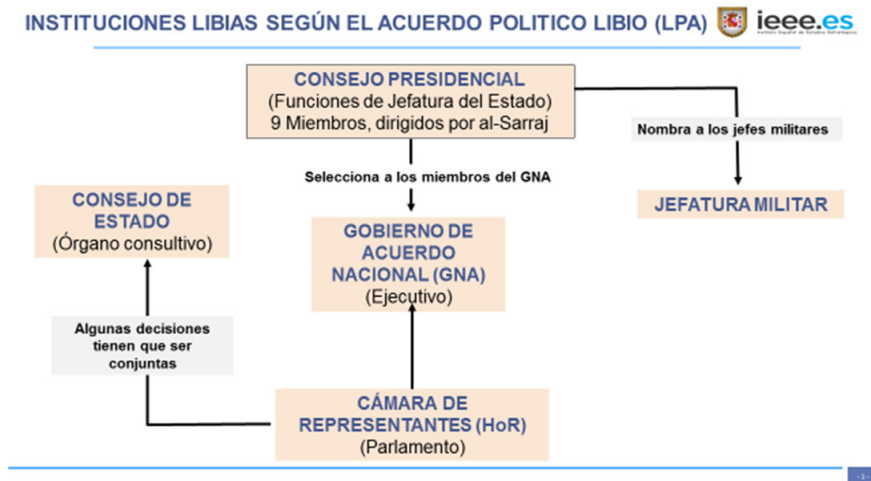


Illustration 5. Libyan institutions according to the Libyan Political Agreement (LPA).  
Compiled by the author.

Although this political design envisaged creating an integrated national structure, the fact is that Libya currently has several centres of power that compete and clash with each other. The first is the Presidential Council (PC) headed by Faye al-Sarraj and located at the Abu Sittah naval base near the centre of Tripoli, which resulted from the signing of the Libyan Political Agreement (LPA) of December 2015. At the same time Al-Sarraj presides over the Government of National Accord (GNA) in Tripoli. In theory, this government enjoys the support of the international community, chiefly the United States, France and Italy. However, the existence of another two centres of power, the lack of support of the HoR and the main militias and, above all, the non-existence of a unified national army, have prevented the GNA and prime minister Al-Sarraj from exercising their authority.

The reason for Al-Sarraj's lack of authority can be sought in the very origin of the GNA. The political talks that gave rise to it from September 2014 onwards, in which 40 prominent figures took part, did not truly represent Libyan society democratically; instead, they were merely an attempt by the international community, chiefly the United Nations, the United States and the European Union, to put an end to the war and unify the country.

<sup>69</sup> «National unity government announced». *Libya Herald*, 19 January 2016. Available at <https://www.libyaherald.com/2016/01/19/national-unity-government-announced>.

Although from the outset, especially since the establishment of Fayeze al-Sarraj's government in Tripoli in March 2016, all the state institutions should have become integrated as agreed at Sijrat, this had not occurred. Al-Sarraj's nomination was never voted on by the HoR and his legitimisation was reduced to the signing of an informal document supporting his nomination by 100 members of the House. Similarly, the list of proposed ministers was never ratified by the respective parliaments. Therefore, although his authority was internationally recognised, it was questioned at home.

Nevertheless, Al-Sarraj has proved capable of taking two important steps towards consolidating his power base. First, he has earned the loyalty of the two most powerful economic institutions, the Central Bank and the National Oil Corporation, and the support of several municipalities in the west and south of the country.

Secondly, from the military point of view, he has achieved the main and almost only victory of which the GNA can boast – and it is no mean feat: the expulsion of Daesh's organisation from the port of Sirte<sup>70</sup>.

On 18 September 2016 a coalition of brigades, mainly from the coastal city of Misrata, launched operation Al Bunyan al Marsous (Solid Foundation)<sup>71</sup>, which was designed to drive Daesh away from the coast of the Gulf of Sidra. With substantial western support – chiefly US air support – the militias of Misrata captured Sirte, the last stronghold of Daesh, on 6 December after an offensive lasting several months. Nevertheless, it was a pyrrhic victory, as the cost in terms of human lives was very high (700 members of the assault force and 2,500 jihadists died<sup>72</sup>), as well as ambiguous, as it was achieved thanks to the mobilisation of the militias as opposed to the action of an integrated national army – there is no such thing.

In addition, the fatigue of the forces taking part in operation Bunyan al Marsous limited their ability and willingness to hunt down the remnants of Daesh in the desert and prevented this group from being destroyed<sup>73</sup>. Instead, the occupation of Sirte sparked a competition to gain control of the city, which degenerated into

<sup>70</sup> AMARA Hani. «Libyan Forces Clear Last Islamic State Holdout in Sirte». *Reuters*, 6 December 2016. Available at <http://www.reuters.com/article/us-libya-security-sirte-idUSKBN13V15R>.

<sup>71</sup> «Libyan Troops Clash with ISIS Militants Leaving 6 Dead and 17 Injured». *Libyan Gazette*, 17 May 2016. Available at <https://www.libyanguzette.net/2016/05/17/libyan-troops-clash-with-isis-militants-leaving-6-dead-and-17-injured/>.

<sup>72</sup> BOBIN Frédéric. «Un an après l'accord de Skhirat, la dérive de la Libye paraît inexorable». *Le Monde*, 17 December 2016. Available at [http://www.lemonde.fr/idees/article/2016/12/17/un-an-apres-l-accord-de-skhirat-la-derive-de-la-libye-parait-inexorable\\_5050664\\_3232.html#3WF7pThxk19KpvE1.99](http://www.lemonde.fr/idees/article/2016/12/17/un-an-apres-l-accord-de-skhirat-la-derive-de-la-libye-parait-inexorable_5050664_3232.html#3WF7pThxk19KpvE1.99).

<sup>73</sup> IBRAHIM Abdullah Ben. «Al-Bunyan Al-Marsoos Commander: Libya Has No Army Now». *Libya Observer*, 6 July 2017. Available at <https://www.libyaobserver.ly/inbrief/al-bunyan-al-marsoos-commander-libya-has-no-army-now>.

further clashes with Daesh and rival forces loyal to the HoR<sup>74</sup> that continue to this day.

The second power centre is the General National Congress based in Tripoli. It has been active since 25 August 2014, when the Islamists decided to maintain it as Parliament, even though its term had officially ended in June when the HoR was elected. The advantage of controlling the city of Tripoli and the military capabilities provided by the Islamist militias of Misrata grant it an autonomy that would be unthinkable in other circumstances.

The General National Congress (GNC) has the international support of Qatar, Turkey and Sudan, the first two of which play the same roles as in the Syrian war<sup>75</sup>. Qatar's contribution is considerable and includes financial support for the GNC and contraband weapons, while Turkey is presumed to have supplied weapons to the militias that depend on the GNC by sea. This support also extends to the Tuareg forces that control southwest Libya, including the *amazigh* area of Ghat, and can be considered indirect allies of the GNC.

The GNC is dominated by the Muslim Brotherhood through a coalition of Islamist armed groups and militias of Tripoli and the port city of Misrata. Known as Libya Dawn, it was established in 2014 in response to General Haftar's operation Karama (Dignity). The military support provided by this coalition has enabled the GNC to secure certain tactical victories, such as driving the Zintan militias out of Tripoli in the summer of 2014. Nevertheless, this coalition has ceased to exist as an integrated military structure since the Sjjrat agreements of 2015 and has split into various groups that are defined in accordance with their degree of support for Al-Sarraj's government.

The self-styled National Salvation Government, also based in Tripoli, is under the authority of the General National Congress. Led by Prime Minister Jalifa al-Ghweil, it does not control any important institutions. In addition, the United Nations peace plan and the formation of the Government of National Accord (GNA) headed by Fayez al-Sarraj came as a harsh blow to the government of al-Ghweil, which was dissolved on 5 April 2017, when most of its members resigned.

On 14 October 2016, men loyal to Al-Ghweil stormed the seat of the Council of State and took over the Hotel Rixos al-Nasr, subsequently seizing control of certain parts of the capital and surrounding cities such as Al-Khums. On 20 March 2017 an alliance of militias related to the GNA launched an offensive against the National Salvation Government in which Al-Ghweil was purportedly wounded

<sup>74</sup> IBRAHIM Abdullah Ben. «Khalifa Haftar and ISIS Militants Launch Simultaneous Attacks in Sirte Outskirts». *Libya Observer*, 2 June 2017. Available at <https://www.libyaobserver.ly/news/khalifa-haftar-and-isis-militants-launch-simultaneous-attacks-sirte-outskirts>.

<sup>75</sup> SOLER Eduard. «¿Quién apoya a quién en Oriente Medio? Una guía para no perderse en el baile de alianzas». *La Vanguardia* 16 April 2017. Available at <http://www.lavanguardia.com/internacional/20170416/421648104361/alianzas-modernidad-liquida-oriente-medio-siria-yemen-libia.html>.

and again forced into exile, so that the National Salvation Government has practically been disbanded.

The third centre of power is the House of Representatives (HoR) or Parliament of Tobruk, which took over from the previous General National Congress as the legislative body. The problem is that the GNC – which had served as the law-making body since 2012 – should by rights have been dissolved when the elections were held, but this was not the case. The cause was the election result, which accorded a highly contested legitimacy to the HoR. Although the electoral roll numbered 3.5 million voters in 2014, only 1.5 registered to vote in the elections – 41 percent of those included in the census – and only about 600,000 votes were cast, a turnout of around 18 percent<sup>76</sup>, much lower than the 60 percent of the previous elections held in 2012<sup>77</sup>.

In addition, the fact that the elections were won by the secular parties and the Islamists lost considerable ground with respect to the previous parliament – only 30 seats<sup>78</sup> – and, above all, the moving of the seat of Parliament to the port city of Tobruk, more than 1,000 km to the east of the country, led 26 of its 188 members with Islamist leanings to refuse to be part of it, claiming it was unconstitutional<sup>79</sup>. Even so, the House of Representatives or Parliament of Tobruk was recognised in the Sijrat accords as the only legitimate legislative authority, and should have voted for Es-Sarraj as head of the GNA – which it has not done to date.

One of the most surprising aspects of the current situation is the HoR's rehabilitation of the hitherto dishonoured Gaddafi family. At the end of May 2017, the HoR granted the dictator's son Saif al-Islam Gaddafi an amnesty for the acts committed during the revolution of 2011 and freed him from house arrest in the city of Zintan, 90 km southwest of Tripoli.

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<sup>76</sup> «Libyans mourn rights activist amid turmoil». *Aljazeera*, 26 June 2014. Available at <http://www.aljazeera.com/news/middleeast/2014/06/libyans-mourn-rights-activist-amid-turmoil-2014626161436740827.html>.

<sup>77</sup> KIRKPATRICK David. «Braving Areas of Violence, Voters Try to Reshape Libya». *New York Times*, 7 July 2012. Available at <http://www.nytimes.com/2012/07/08/world/afri-ca/libyans-vote-in-first-election-in-more-than-40-years.html>.

<sup>78</sup> «Libya publishes parliamentary election results». *Turkish Weekly*, 22 July 2014. Available at <http://www.turkishweekly.net/news/169449/-libya-publishes-parliamentary-election-results.html>.

<sup>79</sup> «El presidente del ya desaparecido CGN y el gran muftí dicen que el nuevo Parlamento es inconstitucional». *Informativos Telecinco*, 6 August 2014. Available at [http://www.telecinco.es/informativos/internacional/presidente-desaparecido-CGN-Parlamento-inconstitucional\\_0\\_1839600014.html](http://www.telecinco.es/informativos/internacional/presidente-desaparecido-CGN-Parlamento-inconstitucional_0_1839600014.html).



Illustration 6. Libya: the fragmentation of the country. Compiled by the author

### *The situation on the military fronts*

The HoR has lent unconditional support to the anti-Islamist general Jalifa Haftar, head of the so-called Libyan National Army (LNA), who has become Libya's strongman<sup>80</sup> after three years of successfully fighting the Islamist forces of Libya Dawn. At the end of 2016, Haftar's forces seized control of much of the Gulf of Sidra, coming to control nearly the whole Cyrenaica region in the east, including two-thirds of oil production. In May 2017, with the assistance of the Egyptian air forces, they captured the Hun and Wadran bases in the central region of Juffran, blocking access to the southwest of the country. This spate of military successes ended at the beginning of July 2017, when the LNA forces defeated the last pockets of resistance of the militias of the Shura Council of Bengasi, allies of Libya Dawn, putting an end to a battle that had lasted three years.

<sup>80</sup> «Profile: Libya's Military Strongman Khalifa Haftar». *BBC*, 15 September 2016. Available at <http://www.bbc.com/news/world-africa-27492354>.

The victories achieved at the end of 2016 and beginning of 2017 in the Bengasi region<sup>81</sup> have brought the key oil infrastructure, the main military sites and important population centres under Haftar's control, making him a decisive player<sup>82</sup>.

Nevertheless, the war is not over. The LNA and other groups continue to fight, with uneven success, against the militias aligned with the GNA over control of Sirte on the central coast of Libya and over the Tripoli region. The main clashes between the two forces are currently centred on the city of Sabratha, located 70 km east of Tripoli, which is defended by the Brigade of the Martyr Anas al-Dabashi and other armed groups loyal to the GNA. The city of Sabratha in the province of Zawiyah has a strategic value for General Haftar's LNA, as gaining control of it would allow him to spread his influence in northwest Libya and lay siege on Tripoli.

We cannot rule out the possibility that the other open front, the struggle to control Sirte, could also escalate as the members of Daesh defeated in December 2016 return<sup>83</sup>. It is highly likely that in the near future, taking advantage of the fact that their adversaries on both sides are busy fighting each other, the remnants of Daesh, reinforced by those who return from Syria and Iraq, will begin mobilising outside the city and will attempt to win back their former stronghold. The relationship between Daesh's Katibat al-Battar and Salman al-Abedi, who carried out the attack in Manchester Arena in the UK in May 2017, shows that Libya's lack of security continues to pose a threat to international security, even if Daesh does not control cities<sup>84</sup>.

Nor is the battle over in the east. The city of Derna continues to be under siege from forces loyal to General Haftar<sup>85</sup> and on 31 October 2017 at least 17 people died and more than 30 were injured in an air strike. From 2011 to 2014 the city was in the hands of Ansar al-Sharia, a militant group close to Al Qaeda, but at the end of 2014 it was seized by the jihadis of Daesh. In July 2015 they were expelled by the Shura Council of Mujahideen in Derna, con-

<sup>81</sup> AL-WARFALLI Ayman. «Libya's Eastern Commander Declares Victory in Battle for Benghazi». *Reuters*, 5 July 2017. Available at <https://www.reuters.com/article/us-libya-security-benghazi-idUSKBN19Q2SK>.

<sup>82</sup> ESTELLE Emily; young Min. «Fighting Forces in Libya: July 2017». *AEI's Critical Threats Project*, 28 July 2017. Available at <https://www.criticalthreats.org/analysis/fighting-forces-in-libya-july-2017>.

<sup>83</sup> ESTELLE Emily. «ISIS's Courses of Action. Out of Sirte». *AEI's Critical Threats Project*, 29 July 2016. Available at <https://www.criticalthreats.org/analysis/isiss-courses-of-action-out-of-sirte>.

<sup>84</sup> ZELIN Aaron Y. «Manchester Attack Highlights Foreign Fighters in Libya». Washington Institute for Near East Policy, 24 May 2017. Available at <http://www.washington-institute.org/policy-analysis/view/manchester-attack-highlights-foreign-fighters-in-libya>.

<sup>85</sup> ASSAD Abdulkader. «Libyan Eastern Force's Mi35M Drops Bombs on West Derna as Troops Prepare to Land-Attack the City». *Libya Observer*, 11 July 2017. Available at <https://www.libyaobserver.ly/news/libyan-eastern-force-mi35m-drops-bombs-west-derna-troops-prepare-land-attack-city>.

sidered one of the most radical Islamist forces in Libya, which is currently in control of the city<sup>86</sup>.

These were too many fronts to cope with for a Libyan National Army which, more than a genuine military force, is a motley assortment of military units such as the special forces known as Saiqa, tribal and federalist militias of Cyrenaica<sup>87</sup> whose authority is not recognised by the many professional military in either the east or the west. Many of them refused to take part in operation Dignity launched by Haftar in May 2014 against the Islamist militias and have even cooperated with their adversaries of the Libya Dawn coalition in the Tripoli area.

Also questionable is the loyalty of the militias who are part of the LNA. One of the most important, that of the small mountainous town of Zintan in the west, played a significant role between 2011 and 2014 as an ally of General Haftar's forces until being defeated by the forces of Libya Dawn and driven out of Tripoli. The loss of a few strategic places such as Tripoli airport, which was destroyed during the clashes, led part of these militias to join the so-called tribal army of west Libya, distancing themselves from Haftar.

All in all, Haftar's military predominance is questionable and his victories may be short-lived. The Libyan National Army might now be the largest and best organised, but its cohesion and survival depend on the agreement between a broad range of tribes united only by their opposition to the rival Islamist militias of Libya Dawn.

### *Libya and the wars by proxy*

In the international realm, Libya has become a breeding ground for confrontation between the various ideological currents that rocked the Arab world. The support lent by Qatar and Turkey to the GNA<sup>88</sup> and by Egypt and the United Arab Emirates to the HoR<sup>89</sup> has merely served to exacerbate domestic tensions, making the country yet another theatre in the proxy wars being waged in various parts of the Arab world between the two main branches of Sunni Islam, *Wahabi* and that represented by the Muslim Brothers.

<sup>86</sup> GLENN Cameron. «Libya's Islamists: Who They Are And What They Want». *Wilson Center*, 8 March 2016. Available at <https://www.wilsoncenter.org/article/libyas-islamists-who-they-are-and-what-they-want>.

<sup>87</sup> «Profile: Libya's Military Strongman Khalifa Haftar». BBC, 15 May 2016. Available at <http://www.bbc.com/news/world-africa-27492354>.

<sup>88</sup> FISHMAN Ben. «The Trump Administration and Libya: The Necessity for Engagement. Policy Analysis». The Washington Institute, May 2017. Available at <http://www.washingtoninstitute.org/policy-analysis/view/the-trump-administration-and-libya-the-necessity-for-engagement>.

<sup>89</sup> MULVANY Peter. «Libya: Haftar Lobbies for US Support to Fight Terrorism». *Middle East Confidential*, 6 February 2017. Available at <https://me-confidential.com/15003-libya-haftar-lobbies-for-us-support-to-fight-terrorism.html>.

But Haftar holds the trump cards in this war. As well as by Egypt and the United Arab Emirates, he is supported by Saudi Arabia directly and by the United States, Britain and especially Russia indirectly, as was clearly demonstrated by the presence of the Libyan general on the aircraft carrier *Admiral Kuznetsov* in January 2017, when the boat was returning to Russia after its combat mission off the Syrian coast. Since 2014 Egypt has been supplying light and heavy arms to Khalifa Haftar's Libyan National Army, including MiG-21 fighter planes<sup>90</sup>, while the United Arab Emirates have lent it financial support and have a small air base east of Libya.

A clear sign of Egypt's and the Emirates' constant active support for Haftar was reflected by the opening in July 2017 of a large Egyptian military base in the western desert near the Libyan border in a ceremony attended by General Haftar and the crown prince of the UAE, Mohammed bin Zayed Al Nahyan.

Egypt and the United Arab Emirates have a strong geopolitical interest in curbing the influence of Qatar and Turkey and providing support for the GNA, which in Egypt's case can be explained from a security perspective. Egypt needs to quash terrorism in Libya, whose armed groups have been a main source of weapons for Egyptian terrorists and whose territory has become a rear area from which to prepare terrorist attacks that are carried out in Egypt.

Although Egypt's President Abdelfattah al-Sisi is reluctant to intervene directly in Libya's civil conflict, he is in favour of lending Haftar military support in the belief that this is the best way of creating a strategic buffer zone at the country's western border to protect it from the danger of Islamism seeping in from Libya. The frequent Egyptian air strikes on terrorist targets in Libya appear to be part of President Al-Sisi's policy of «attacking terrorist training camps, both in [the country's] own territory and abroad [to] protect our people and our national security from the evil»<sup>91</sup>.

Although the leading powers have been showing limited strategic interest in putting an end to the conflict, the possibility that General Haftar may launch an offensive against Tripoli has nonetheless given rise to a new western diplomatic initiative to avoid the collapse of the GNA and ensure that the country does not become fragmented. The peace talks promoted by France at the initiative of President Emmanuel Macron in July 2017 resulted in a ceasefire and a ten-point joint declaration that includes dissolving the militias and calling elections for a later date. The proposal of the UN Support Mission in

<sup>90</sup> VARO Laura J. «El tráfico de armas en Libia impulsa la amenaza terrorista en la región». *El Mundo*, 2 March 2015. Available at <http://www.elmundo.es/internacional/2015/03/02/54f42cdce2704ea5578b456d.html>.

<sup>91</sup> «Egipto bombardea campos de entrenamiento yihadistas en Libia como respuesta a la masacre de cristianos». *El Mundo*, 26 May 2007. <http://www.elperiodico.com/es/internacional/20170526/egipto-bombardea-campos-entrenamiento-yihadistas-libia-respuesta-masacre-cristianos-6065007>.



Libya (UNSMIL) to limit the powers of the president of the GNA likewise probably seeks to establish a space for negotiation that could be acceptable to the HoR and to General Haftar himself.

Haftar's ideological stance does not make things any easier. Although the leading powers recognise that the general will need to play a significant role in any new administration representing national unity, his obsession with destroying the Libya Dawn militias makes it very difficult to imagine him playing a decisive integrating role in the future of a unified Libya. On the contrary, his intolerance of the Islamists and his intention to destroy *political Islam*<sup>92</sup> are playing into the hands of the violent Islamist groups, including the Salafist and jihadi groups that operate within the Al Qaeda network<sup>93</sup> which continues to have an active web of members and supporters in Libya who are prepared to exploit the population's grievances<sup>94</sup>. The local Islamist groups belonging to the Al Qaeda network are particularly well positioned to garner the support of vulnerable populations who regard Haftar as an existential threat<sup>95</sup>. Western support for Haftar, which is perceived as foreign meddling, may give the appearance of stability in the short term, but it will neither resolve Libya's civil war nor stem the growth of Salafist jihadism.

### *Gaddafi is back*

As pointed out earlier, one of the most surprising aspects of the current situation was the HoR's reinstatement of the hitherto dishonoured Gaddafi family. At the end of May 2017, the HoR granted the dictator's son Saif al-Islam Gaddafi an amnesty for the acts committed during the revolution of 2011 and freed him from house arrest in the town of Zintan. As for Gaddafi's other children, the revolution claimed the lives of two of them, Mutassim and Khamis, while Hannibal fled to Lebanon and Saadi remains in custody in Tripoli, accused of war crimes. Lastly, Gaddafi's wife Safia, their eldest son Mohammed and their daughter Aisha are in exile in Oman.

<sup>92</sup> GHAFAR Adel; TOALDO Mattia. «Does the Road to Stability in Libya Pass through Cairo?» Brookings Institution, 1 June 2017. Available at <https://www.brookings.edu/blog/markaz/2017/06/01/does-the-road-to-stability-in-libya-pass-through-cairo/>.

<sup>93</sup> ESTELLE Emily. «Warning Update: Feared Return of the Qaddafi Regime Will Galvanize Salafi-jihadi Groups in Libya». *AEI's Critical Threats Project*, 12 June 2017. <https://www.criticalthreats.org/analysis/warning-update-feared-return-of-the-qaddafi-regime-will-galvanize-salafi-jihadi-groups-in-libya>.

<sup>94</sup> PACK Jason; SMITH Rhiannon; MEZRAN Karim. «The Origins and Evolution of ISIS in Libya». Atlantic Council and Eye on ISIS in Libya, 20 June 2017. Available at <http://www.atlanticcouncil.org/publications/reports/the-origins-and-evolution-of-isis-in-libya>.

<sup>95</sup> ZELIN Aaron Y. «The Rise and Decline of Ansar al-Sharia in Libya» Hudson Institute, 6 April 2015. Available at <https://www.hudson.org/research/11197-the-rise-and-decline-of-ansar-al-sharia-in-libya>.

The amnesty has brought a significant favourable change to a ruling family who were formerly reviled by most of the Libyan population. In fact Libyans are now increasingly openly expressing their nostalgia for the stability Gaddafi's government stood for compared to the current civil war. Nevertheless, it seems unlikely that Saif would be accepted by most Libyans as a new leader. His role will be limited to garnering the support of the pro-Gaddafi tribes for the HoR forces in their expected advance on Tripoli. They will include the Qadhadhfa in southwest Libya, the Warfalla who control the central city of Bani Walid, and the Warshafana who hold the key to maintaining the territory just south of the capital. All three tribes supported Gaddafi during the revolution and are regarded with suspicion by both contenders: the forces of Libya Dawn and Hafter's Libyan National Army.

### *A recovering economy with important unanswered questions*

As for the Libyan economy, the World Bank report<sup>96</sup> of October 2017 indicates that it is still below its potential owing to the war, even though the oil sector is growing. After four years of recession, Libya's economy began to show signs of recovery in the first half of 2017 thanks to the resumption of hydrocarbon production at the main oilfields. Libya's oil production has tripled over the past year, going from 290,000 barrels per day (bpd) in June 2016 to nearly a million bpd currently, and it is expected to reach 1.32 million bpd by the end of the year. The predicted GDP growth of 25.6 percent in 2017<sup>97</sup> will lead to a substantial increase in income per capita, which will rise to 65 percent of the 2010 level, though inflation has accelerated and the population's purchasing power has decreased as a result.

The main reason for this increase in production was that the HoR forces captured the main oil installations, including the most important ports along the Gulf of Sidra. In September 2016 the Tobruk government agreed to reopen the terminals so that crude oil could begin to flow, and in April 2017 the militias of Zintan agreed to lift the blockage imposed on the oil pipeline linking the two main oilfields of Sharara and The Elephant in the southwest with the western oil port of Zawiya. In May 2017 the Misrati militias of Libya Dawn withdrew from the oilfields, leaving them in the hands of the Tobruk army and allied troops of the south.

<sup>96</sup> World Bank. *Libye: rapport de suivi de la situation économique (October 2017)*. World Bank. Available at <http://pubdocs.worldbank.org/en/698821507729294682/MEM-Oct2017-Libya-FRE.pdf>.

<sup>97</sup> IISS. «High noon for Libya's Potemkin government». IISS. *Strategic Comments*, 23:7, 4 August 2017.

Principales Factores de la Economía en Libia					
Indicadores Económicos	2014	2015	2016	2017	2018
PIB (Miles de Millones de USD)	213,52	164,78	160,78	173,95	177,68
PIB per cápita (USD)	5459	4123	3944	4188	4198
Índice de Inflación	2,9	4,8	6,4	4,8	4,3
Tasa de Desempleo	10,6	11,2	10,5	11,7	13,3
Balanza de Transacciones Corrientes (Miles de Millones de USD)	-9,44	-27,29	-26,31	-21,41	-18,13
Balanza de Transacciones Corrientes (En % del PIB)	-4,4	-16,6	-16,4	-12,3	-10,2

Illustration 7. Main economic indicators for Libya. Source: World Economic Outlook Database. Compiled by the author

Having gained control of most of the country's oil infrastructure, in May the HoR threatened to sell oil independently. The rival GNA reacted by depriving the National Oil Corporation (NOC) of its powers to enter into contracts and sell by means of Decree 270. The NOC was stripped of the special status it had enjoyed until then, which allowed it to operate semi-independently when establishing the selling price of oil and to sign offers without the endorsement of either of the rival Libyan governments<sup>98</sup>. The main risk is essentially that if the GNA controls oil sales, the rival Tobruk government will probably seize direct control of the Sirte basin, reviving its threat to sell oil independently.

Therefore, any improvement in economic prospects will depend chiefly on the progress that is made in pulling the country out of its political standstill and in improving the security situation. If the current status quo continues, Libya's economy will progressively deteriorate and slide into bankruptcy. With the current rate of spending, if the context of war and insecurity continues, the foreign currency reserves will be drained – a prospect that is having a serious impact on the country's future expectations. In the medium term, if it succeeds in restoring peace and security, growth could increase over the coming years, so that the budget balance and current account balance would improve substantially and a surplus could be achieved from 2020 onwards. At the same time, the foreign currently reserves, which amounted to 108 billion dollars in 2013 and had dropped to 44 billion by the end of 2016, could reach 60 billion dollars during the period from 2018 to 2020.

However, this is a very fragile macroeconomic situation, as it requires a certain political stability and immediate action to hold current spending in check, especially wages and subsidies, and to improve the governance of the financial sector in order to stabilise prices. Whatever the case, in the medium term the country must undertake deep structural reforms to enable it to stabilise the macroeconomic framework and promote job creation driven by the private sector.

<sup>98</sup> For example, the NOC's president Sanalla signed sales and import contracts in 2015 with the Swiss-based Glencore and Vitol, and in February 2017 reached an initial sale agreement with the Russian Rosneft.

In particular, it will be necessary to boost tax revenues and improve the management of public financial and human resources, promote the development and diversification of the private sector, reform the financial sector and improve the business environment.

### *Libya as a migration corridor and slave market*

Migration flows have not ceased to grow since the end of the Syrian refugee crisis in 2015. Libya is the main route for migrants travelling to Europe from Africa, the Middle East and Asia. A total of 73,000 migrants arrived in Italy from Libya during the first six months of 2017, 20 percent more than in the same period in 2016, the year a record number of 151,000 migrants found their way into Italy.

Deaths of migrants at sea have also spiralled, as more than 2,000 drowned in 2017 despite the efforts of the vessels of EU Operation Sophia to save them. Italy has focused on reducing migration from Libya, training Libyan coastguards and supporting the EU's funding of migrant detention centres in the country. But these measures are proving to be insufficient owing to the inability of al-Sarraj's government to take effective steps to crack down on the lucrative business of people trafficking, in which some of the militias on whose support it relies are involved.

The fact that Libya is viewed chiefly as a transit route for migrants has led less attention to be paid to the serious problem of internally displaced people. The many people displaced internally – 226,164 in June 2017 according to the IOM – stand little chance of returning in the current situation of instability and are exerting substantial pressure on the social services. Although the host communities have taken in most of the internally displaced people, the continuation of the situation is putting a strain on their basic resources and services, which are becoming scarce.

But the greatest tragedy Libya is witnessing today is the emergence of a thriving slave market which, to quote the president of the Ivory Coast, Alasane Dramane Ouattara, is «a totally unacceptable situation that recalls the worst hours in the history of mankind»<sup>99</sup>.

To tackle the problem of migrants in Libya, who fall victim to arbitrary arrests, torture, rape and exploitation, three decisions were made at the AU-EU summit held on 29 and 30 November 2017 in Abidjan<sup>100</sup>.<sup>100</sup> The first was to

<sup>99</sup> DUHEM Vincent. «Après le scandale de l'esclavage en Libye, l'immigration au cœur du sommet UA-UE». *Jeune Afrique*, 29 November 2017. Available at <http://www.jeuneafrique.com/497937/politique/apres-le-scandale-de-lesclavage-en-libye-limmigration-au-coeur-du-sommet-ua-ue/>.

<sup>100</sup> «Lest trois décisions du sommet UA-U E contre l'esclavage en Libye». Dossier Sommet UA-UE: une nouvelle ère? *Jeune Afrique*, 1 December 2017. Available at <http://www.jeuneafrique.com/498448/politique/les-trois-decisions-du-sommet-ua-ue-contre-lesclavage-en-libye/>.

step up regional cooperation by creating an *intervention force* that involves the police and intelligence services and is aimed at dismantling slave networks and their funding, which are closely related to arms and drug traffickers and the terrorist movements that operate throughout the Sahelian strip.

This intervention force is not oriented to military action and it will not be able to intervene in Libya. Its mandate is limited to strengthening pre-existing international cooperation with a view to achieving more and better results in combating people trafficking in Libya.

The second measure agreed on is to carry out *emergency operations to evacuate* African immigrants from Libya. Initially these operations would be limited to urgently rescuing some 3,800 immigrants mostly from west Africa identified in a camp near Tripoli and living in inhuman conditions. However, in December 2017 there were between 400,000 and 700,000 African migrants in Libya scattered among 42 camps. This rescue can therefore only be considered a first step on which Libya, the European Union, the African Union and the United Nations are working together, as more lasting solutions to the migration problem are required.

The third measure would be to establish an AU investigation committee, among other things to propose setting up hotlines for young people with the aim of discouraging them before they make the decision to emigrate. This is a fundamental aspect of any comprehensive strategy designed to put an end to slavery in a continent in which more than 60 percent of the population is aged under 25 and hundreds of thousands of young people attempt to emigrate to Europe every year, driven to despair by unemployment, poverty and lack of prospects in their countries despite the enviable growth rates of some of them.

## Conclusions

The Maghreb continues to be a region with huge challenges where integration is conditioned chiefly by the quarrel between Morocco and Algeria over the Sahara. Underlying the dispute is fierce rivalry for regional leadership between two regional powers that seek to maximise their sway and influence at the cost of the other. Coupled with this regional dispute are the economic difficulties the region is experiencing and the security problems deriving from the jihadi threat, as well as the fragility of the various transition processes stemming from the Arab Springs.

As for Moroccan-Algerian relations, since Morocco returned to the AU on 30 January 2017, tension has progressively risen. Tension, insults and disagreement not only between leaders but especially between the populations, who are highly sensitive to localism and nationalism, have driven a wedge between two countries and two societies that share the same language, the same religion and the same habits and customs and whose economies are perfectly complementary. To cite just one example, the Kingdom of Morocco currently settles for being paid

transit duties on the gas pipeline that crosses its territory to Europe, when it could benefit from Algeria's hydrocarbon resources.

Reciprocally, a strategic partnership between the Office Cherifien des Phosphates (OCP), a world leader in mining, and the Algerian company Sonatrach, a foremost African company in terms of turnover, could lead to the emergence of a major petrochemicals industry and even a world leader in the production of fertilisers, with major market opportunities in countries such as India, China and Brazil. This complementarity could also extend to the area of agrobusiness, where Algeria is the biggest importer on the south shore of the Mediterranean, while its neighbour produces huge amounts of citrus fruits, cereals, tomatoes and olive oil.

Even in other industries such as automobiles it is absurd that Algeria should import the Renault Logan from Romania when it is assembled in Tangiers; that in order to purchase from each other companies in both countries should be forced to do so via Europe; and that airfares between Algeria and Casablanca should cost 60 percent more than those between Paris and those cities<sup>101</sup>.

In the case of Morocco, the current situation is one of political stability, which is disrupted only by the incidents in the Rif, mainly in the city of Al Hoceima, where the intensity of the mass protests reveals the crisis of the traditional political intermediation system based on the high concentration of power around the palace. This means that, unless changes are made to improve the Moroccan people's economic and social conditions, especially in the Rif, the country runs the risk of lapsing into a dangerous socio-political instability which would have highly negative consequences for the country and for the region.

Morocco should also keep up its fight against the Islamist radicalism that has caught on among the most underprivileged sectors of society and, like the rest of the countries in the region, pay special attention to the possible return of foreign combatants to prevent them carrying on the war in their countries of origin and creating new pockets of jihadism that destabilise the institutions.

As for Algeria, Bouteflika's regime seems capable of withstanding the many pressures to which it is subjected, at least in the short and medium term, despite the constant speculation about his health, in circumstances complicated by the economic crisis and the jihadist threat. While the slowness of the democratic transition is exacerbating the challenges posed by the lasting low prices of hydrocarbons, it is highly likely that change, although modest, will occur more easily in the economic field. The opening up of the country's economy would facilitate greater investment in the hydrocarbons sector to boost exports and exploit shale gas, and would make it possible to create jobs for a mainly young population. This is the biggest challenge Algeria faces and, if satisfactorily addressed, would help weaken nationalism.

<sup>101</sup> BEN Marwane. «Algérie-Maroc: «It's the economy, stupid!»». *Jeune Afrique*, 6 November 2017. Available at <http://www.jeuneafrique.com/mag/489703/politique/algerie-maroc-its-the-economy-stupid/>.

In Tunisia the political transition has been relatively peaceful compared to in countries like Egypt, Libya, Syria and Yemen as there is agreement on the approach to the reforms. If it is maintained, the country could become an example for other states to follow. Nevertheless, the economy has been negatively affected by political and social risks leading to low GDP growth, which was limited to 1.3 percent in 2016, increased to a modest 2 percent in 2017, and is due to reach 2.5 percent in 2018. In addition, the country's external accounts are in bad shape, with a current account deficit that has improved only slightly from -9.1 percent in 2014 to -7.5 percent in 2017 and is due to reach -6.5 % in 2018<sup>102</sup>.

As for security, a major effort has been made in recent years to crack down on terrorism in the country. In fact, terrorists are operating in a smaller area, though they are not diminishing in number<sup>103</sup>. But Tunisia's main security problem is the possible return of hundreds of jihadis recruited by foreign militias. Nevertheless, the measures recently adopted by the government, chiefly the antiterrorist law according to which any Tunisian who has committed a terrorist act abroad will face 12 years' imprisonment<sup>104</sup>, have put an important brake on the possible spread of jihadism by returning jihadis.

Libya continues to be gripped by institutional instability with three governments (Es-Sarraj in Tripoli, Al-Thani in Al-Bayda and Al-Ghweil in exile) and two parliaments operating simultaneously, one in Tripoli and the other in Tobruk<sup>105</sup>. General Haftar's military victories have secured him control of two-thirds of the country, and most of the oil industry, pushing the GNA to the brink of disaster. Designed to act as a unity government capable of putting an end to the civil war that is ravaging the country, the GNA has proven incapable in its year and a half of existence either of winning the support of the population, especially in the east, or of forming a unified army in which to integrate the manifold militias.

More than unify Libya's political situation, all the GNA has managed to do is accentuate the existing divisions and bring a rival government onto the scene. Although in theory it enjoys the support of the United Nations, the GNA has in fact become little more than the appearance of a government that has no control over the territory or the militias. Proof of this is that the Presidential Council, which ought to be located in Tripoli, is forced to operate from a naval base because

<sup>102</sup> Euler Hermes Economic Research. «Domestic and external factors weigh on the outlook». *Country Report Tunisia*, March 2017. Available at <http://www.eulerhermes.com/economic-research/blog/EconomicPublications/tunisia-country-report-mar17.pdf>.

<sup>103</sup> GALLFEB Carlotta. «Tunisia Fears the Return of Thousands of Young Jihadists». *The New York Times*, 25 February 2017. Available at <https://www.nytimes.com/2017/02/25/world/europe/isis-tunisia.html>.

<sup>104</sup> GONZALEZ Ricard. «Túnez debate cómo abordar el retorno de sus yihadistas en el extranjero». *El País*, 26 December 2016. Available at [https://elpais.com/internacional/2016/12/26/actualidad/1482758604\\_296660.html](https://elpais.com/internacional/2016/12/26/actualidad/1482758604_296660.html).

<sup>105</sup> CEMBRERO Ignacio. «A la inseguridad en Libia se suma ahora el caos institucional». *El Mundo*, 28 August 2014. Available at <http://www.elmundo.es/internacional/2014/08/28/53ff76c622601dbb638b457e.html>.

insecurity is rife. Even the support of the main institutions, such as the Libyan Central Bank and the National Oil Company, is only partial and their directors generally ignore the GNA's authority when it comes to selling oil and signing contracts.

As the judicial system and local authorities are controlled by the militias, President Al-Sarraj lacks the authority to enforce his decisions. At the same time, the population's scant support for the GNA has rendered it incapable of recruiting its own security force, and effective control of the capital therefore remains in the hands of the militias, as does much of the country. It is therefore no exaggeration to state that, unless new peace initiatives are launched, the GNA has its days numbered and the United Nations' attempt at a *national unity* government could therefore be considered a failure<sup>106</sup>.

Nor is the military situation conducive to unification, as General Jalifa Haftar's Libyan National Army, which favours the rival Tobruk government and opposes the GNA, is the main military force currently operating in the country. Its military successes in the east and south are strengthening its situation on the ground and make it the main dialogue partner in any attempted solution. Its opposition to the Sijirrat accords and the GNA would be conducive to the partition of the country, and the fact that it controls two-thirds of Libyan oil but only one-third of the population would enable it to be economically self-sufficient. Such a solution would be disastrous for western Libya, as the remaining oil exports would be too paltry to support the population.

Such a scenario is, however, unlikely. Most Libyans are in favour of a unity government provided it achieves peace and stabilises the country, but a formula that satisfies all the factions has yet to be found and diplomatic efforts to date have proved insufficient or have simply failed.

Everything will depend on the results of the military operations. It is highly likely that Haftar will be successful given the strong external support he enjoys. If, with the backing of Egypt and the Emirates, the LNA manages to keep up its military advance, completing the siege of Derna in the east and capturing Tripoli in the west<sup>107</sup>, Haftar will be in a position to allow the Tobruk government to refuse any compromise with Al-Sarraj given the prospects of an absolute military victory. In this case, the United Nations and a few European countries could opt for supporting Libya's most powerful military coalition, putting into practice the theory of the need for an *iron surgeon* as the best solution to the conflict. The diplomatic crisis in Qatar, which is proving detrimental to many of Haftar's opponents, and

<sup>106</sup> «One year on, the UN-backed government is at a loss. A viable Libyan Government must be built from the bottom up». Danish Institute for International Studies, December 2016. Available at [http://pure.dii.dk/ws/files/724044/Libya\\_WEB.pdf](http://pure.dii.dk/ws/files/724044/Libya_WEB.pdf).

<sup>107</sup> «Haftar Praises the PC and Says Qatar Is Arming Libyan Terrorists». *Libya Herald*, 30 May 2017. Available at <https://www.libyaherald.com/2017/05/30/hafter-praises-the-pc-and-says-Catar-is-arming-libyan-terrorists/>.



the expected changes in the foreign policies of America and France would strengthen Haftar's position with respect to any possible negotiations<sup>108</sup>.

It is also possible that the opposite may occur: that Haftar's advance on Tripoli will fail or his coalition will split up, leading to fresh opportunities to begin a new round of peace talks in which Haftar would no longer play a determining role and in which it might be possible to put an end to the cycle of internal violence and constant external intervention.

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<sup>108</sup> FISHMAN Ben. «The Qatar Crisis on the Mediterranean's Shores». Washington Institute for Near East Policy, 12 June 2017. Available at <http://www.washingtoninstitute>.

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