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# FEWER POLICY BRIEF. THE FALL-OUT OF **MILITARY STRIKES AGAINST AFGHANISTAN:** REGIONAL AND GLOBAL RISKS.

# **8 OCTOBER 2001**

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## **EXECUTIVE SUMMARY**

The U.S.-led responses to the terrorist attacks of 11 September 2001 involve a range of military, diplomatic, intelligence and law enforcement measures. Following the recent launch of air strikes against Afghanistan, humanitarian and conflict prevention practitioners are asking what the fall-out will be. This policy brief provides an overview and analysis of the range of measures taken by the antiterrorist alliance, the implications of these for regional stability in the Caucasus, Central Asia, South Asia, Southeast Asia, and West Africa, as well as potential global scenarios and risks.

Three key messages emerge from the analysis:

- The failure to recognise that terrorism sometimes has a popular base in society raises the possibility that the anti-terror campaign will move ultimately against civilians who - for good or bad reasons -- support terrorists. Neglect of the popular basis of different terrorist groups is disconcerting. Civilian casualties may be high in those places where civilian support for terrorism is high.
- Several regions will be affected by a U.S.-led campaign against terrorism. Worst case scenarios are grim with resurgence and escalation of violence, governmental instability, regional polarisation, massive migration flows exceeding four million people, and severe economic consequences.
- On a global level, the choices made for a U.S.-led campaign will change to political, social, economic and humanitarian landscape everywhere. In a best case scenario, the United Nations becomes an integral force in any campaign against terrorism and volatile states are not enlisted to support any targeted strikes against terrorist camps. A number of strategic socio-economic measures are implemented, and the global drive to eliminate poverty, tackle debt, strengthen human rights and democracy, and protect the environment, is bolstered.

## RESPONSES TO THE TERRORIST ATTACKS: 10 DANGEROUS ASSUMPTIONS

Prepared by the Norman Paterson School of International Affairs/Country Indicators for Foreign Policy (Canada) and the Centro de Estudios Internacionales (Nicaragua).

The military strikes against Afghanistan have been launched. In addition, the U.S.-led coalition against terrorism has defined a number of diplomatic, intelligence and law enforcement measures. These are outlined in the matrix below.

Diplomatic	Military	Intelligence	Law enforcement
Creation of a coalition against terrorism     Strong pressure on countries harbouring terrorists to hand them over     Isolation and diplomatic sanctions on supporting nations     Refugee camps along the Pakistan/Afghanistan border	Air strikes and missile attacks on terrorist bases and countries harbouring terrorists     Deployment of Special Forces for "search and destroy" missions in target countries     Military aid to opposition groups acting against regimes that harbour terrorists	Substantial increase in counter-terrorist intelligence work     Emphasis placed on uncovering networks, and financial basis     Full sharing of intelligence among core allies (US/NATO) and selective sharing with external governments     Covert operations against terrorist groups     Increased intelligence efforts nationally and internationally	<ul> <li>Arrests of suspects</li> <li>Increased border controls and security at key sites</li> <li>Seizure of suspected terrorist assets</li> <li>Action on terrorist funding sources (e.g. drugs)</li> <li>Tightened immigration controls</li> <li>Use of the International Criminal Court to bring terrorists to justice.</li> </ul>

U.S./NATO responses to the terrorist attacks face 10 dangerous assumptions.

**Assumption 1.** The management of the symptoms of terrorism, rather than tackling the root causes of conflict that foster the growth of terrorism, is sufficient to defeat terrorism.

Assumption 2. Political instability in allied countries (e.g. Pakistan) can be minimised or is unimportant.

**Assumption 3.** A military approach to terrorism will not have serious implications for nascent democracies. It will not undermine hard-won civilian control over the military.

**Assumption 4.** The discourse among U.S. and NATO leaders will not reduce the scope for constructive dissent and debate in a campaign against terrorism.

**Assumption 5.** An anti-terrorist alliance will survive and last throughout the war with lacking clarity in its aims and approach.

Assumption 6. The global economic consequences of a campaign against terrorism can be managed.

**Assumption 7.** The rise of further domestic social problems can be managed, particularly xenophobia and an influx of refugees.

Assumption 8. The implications for human rights of new legislation in the West and a security clampdown in countries close to the theatre of war, will be minimal or can be ignored.

**Assumption 9.** Terrorism can be defeated militarily. The lessons from history that military responses strengthen the resolve of terrorist groups and their supporters can be ignored.

Assumption 10. The war will not become unmanageable. The terms of a campaign will not give a "free license" among allies to attack groups not directly involved in the 11 September attacks.

## **SCENARIOS FOR REGIONAL AND GLOBAL STABILITY**

This section provides an overview of possible scenarios (regional and global) that may follow the war on terrorism.

#### **REGIONAL SCENARIOS**

Regional stability in several parts of the world will be affected by a U.S./NATO campaign against terrorism. Below follow scenarios drawn by key FEWER analysts for the Caucasus (Chechen epicentre and Daghestan), Central Asia (Ferghana Valley), South Asia (Afghanistan-Pakistan), Southeast Asia (Philippines), and West Africa (Nigeria).

Background Information and Maps

For background information on the countries presented here, see AlertNet at:

http://www.alertnet.org

Additional information and reports on the regions can be accessed on the regional pages of the FEWER web-site at:

<a href="http://www.fewer.org">http://www.fewer.org</a>

For maps of the regions, see the Map Centre of ReliefWeb at: <a href="http://www.reliefweb.int">http://www.reliefweb.int</a>

# Caucasus (Chechen epicentre and Daghestan)

Prepared by the Russian Academy of Sciences/IEA (Russia) and the Peace Mission to the North Caucasus (Russia).

#### Worst case scenario.

- Escalation and regionalisation of the conflict. Chechen armed groups attempt to seize Grozny, Gudermes, Argun, Shali, or other major cities in Chechnya. Terrorist acts will be carried out in Georgia and throughout the North Caucasus. The Federal army mounts large scale offensives.
- The settlement process will become impossible, the Chechen independence movement will become radicalised. Renewed Federal action in Chechnya is justified as part of the global antiterrorist struggle. The number of displaced exceeds 100,000.
- Radical Islamic ideologies spread throughout the region. In the run up to elections in Daghestan (2002), violence is likely.

#### Realistic scenario.

- U.S.-led strikes in Afghanistan and a wider regional war may lead to reduced funding for separatist and terrorist activities in Chechnya. Chechen fighters will continue to be influenced by the radical Islamic ideology, but the number of the Arab fighters in the region will decrease.
- The Russian army will continue operations to end the resistance and eliminate Chechen leaders, especially those who are believed to receive support from Osama bin Laden. These operations may be accompanied by intense population screenings. The remaining forces of the irreconcilable fighters will shift to isolated terrorist attacks throughout the North Caucasus.
- After at least a partial success of this strategy is assured, the federal authorities may explore
  settlement options and seek to negotiate acceptable terms of surrender with some groups of
  fighters in the Chechen resistance movement. Elections to a representative power body may be
  organised after a settlement is reached and the situation stabilises. Reconstruction of the
  Chechen Republic then receives a new impetus, but the threat of terrorist acts in the region
  remains high.

## Central Asia (Ferghana Valley)

Prepared by the Russian Academy of Sciences/IEA (Russia).

# Worst case scenario.

- Protracted war in Afghanistan and subsequent response measures by the Taliban lead to
  activation of the Islamic Movement of Uzbekistan (IMU) fighters and large-scale incursions in the
  Ferghana Valley. Violent and oppressive responses by regional governments may lead the Hizb utTahrir to rethink their non-violent stance and attempt a mobilisation of supporters for armed
  struggle.
- Ethnic minorities will move in large numbers exceeding two million people. There will be a flow of refugees from each side to their ethnic homeland, a chaotic, disorganised, and panic-stricken exodus of large numbers of people.

#### Realistic scenario.

- Regional governments, supported by Russia, seek to neutralise the Islamic Movement of Uzbekistan, or the Movement looses its legitimacy through incidents of bloodshed that seriously undermine the mujaheddin's image and cut off the bulk of their supporters and sympathisers.
- Drug trafficking is likely to grow along with greater instability. Regional governments and law enforcement agencies may put a break to instability, as may the drug traffickers themselves, as the threats of instability to the shadow economy are also significant.
- The relationship between different ethnic groups will remain, despite serious challenges, largely positive. Possible refugee flows from Afghanistan and border destabilisation will adversely affect the internal situation in Tajikistan.

# South Asia (Pakistan, Afghanistan)

Prepared by the Swiss Peace Foundation/FAST (Switzerland).

#### Worst case scenario.

- Afghanistan has been destroyed after over 20 years of war and three consecutive years of
  drought have accentuated the current humanitarian crisis. The present situation will deteriorate
  further. While many Islamic governments deplore the attacks on the U.S. and support a targeted
  fight against terrorism they (governments and civilian population alike) may interpret an act of
  aggression against the Taliban regardless whether they agree with the Taliban regime as an act
  of aggression against the Islamic world. This may create the worst case scenario of Huntington's
  "clash of civilisations", evoked by the West.
- The call for a *jihad* gathers momentum. The eight imprisoned foreigners of Shelter Now International are executed by the Taliban in Afghanistan, hardening Western determination to topple the regime.
- In Pakistan, President Musharraf's support for Western action further accentuates the already deep divide between secular and extremist forces in the country. A major backlash by Islamic groupings sympathetic to Afghanistan is very likely, as recent assassination rumours against Musharraf have shown. This could lead to a reshuffling in the army, with Musharraf being ousted as president and/or a civil war between secular and extremist elements in the country. In the instability that follows, India takes advantage and the Kashmir peace process collapses. Pakistan's nuclear arsenal is compromised by instability and/or civil war, giving rise to new security threats.

#### Realistic scenario.

- In Afghanistan, the worst case scenario is probably the most realistic one, and the worst humanitarian scenario is still likely.
- It is also difficult to reject either of the worst case scenarios put forth for Pakistan. Appeasing the
  West and offering logistic support to the U.S. will infuriate the country's ultra-Islamic groups. The
  Pakistani leader may not last until the elections in 2002 and it may become apparent who really
  controls politics in Pakistan. The possibility of a civil war still looms.

## Southeast Asia (Philippines)

Prepared by the Gaston Z. Ortigas Peace Institute (The Philippines).

#### Worst case scenario.

- The situation in the Philippines would follow from the scale and nature of the U.S. led coalition's responses. Links between bin Laden and the Abu Sayyaf Group (ASG) could be activated and resources poured to strengthen the ASG. If anti-Muslim rhetoric and attacks are stepped up, the Moro Islamic Liberation Front (MILF), now in alliance with the Moro National Liberation Front (MNLF) and currently engaged in peace negotiations with the Philippine government, could again take up its secessionist struggle through armed conflict. The National Democratic Front, reacting to possible use of Philippine facilities by the U.S. and/or presence of U.S. troops, or to the deployment of Philippine forces with the coalition, would also step up its armed attacks.
- If the conflict spreads in the Middle East, a substantial segment of the 1.4 million Filipinos working in Middle East countries might have to be repatriated. The huge losses in dollar revenues as well unemployment crisis would deepen the current economic crisis and delay recovery. The poverty situation and volatile atmosphere would provide fodder to forces, linked to former president Estrada, that are still trying to destabilise and topple the Arroyo government.

#### Realistic scenario.

- Although the Philippine government has declared full support to the "war on terrorism", actual action will more likely be limited to: (a) intensified intelligence work and co-ordination; (b) a final push to get most of the leaders of the Abu Sayyaf; and (c) allowing U.S. use of Philippine facilities (for stopover, refuelling, staging area, etc.).
- The MILF with the MNLF will not take up the call for jihad, but most Muslim Filipinos will feel aggrieved by any attack on Muslim populations. On the other hand, anti-Muslim sentiments have again been stoked among Christians especially in Mindanao and this will provide a difficult atmosphere for the GRP-MILF peace talks. However, if the Government is finally successful in routing the Abu Sayyaf with minimal civilian casualties and damage, the sense of security provided would be good for the talks as well as for economic normalcy.
- The GRP-NDF peace talks will remain stalled, not only because of opposing views on the role of the Philippines in the U.S. led response to terrorism, but also because the situation bolsters the military's dominant role in the Arroyo administration. Security measures being proposed tend to curtail human rights, including those of foreigners in the Philippines, even while the country protests the recent arrests of Filipinos in Belgium.
- Some return of Filipinos working in the Middle East countries at risk of war is likely. With the
  U.S. as the major market for exports of the Philippines and other Asian countries, an economic
  slowdown will worsen. Budgets for the military and the police will continue to increase despite
  the severe budget deficit.

## Southeast Asia (Indonesia)

Prepared by the Norman Paterson School of International Affairs/Country Indicators for Foreign Policy (Canada)

#### Worst case scenario.

- Attacks by the U.S. and allies against Afghanistan result in militant groups holding true to their
  promises. Attacks are launched against U.S. and other foreign nationals, as well as their interests
  in Indonesia. U.S. and other foreign companies begin to halt operations and evacuate foreign
  staff, and foreign investment in Indonesia begins to drop significantly. Combined with a decline in
  domestic consumer activity, Indonesia's economic recovery efforts stumble, resulting in increased
  unemployment and heightened incentives for violence.
- The police prove largely unwilling and unable to prevent attacks. Alternatively, increasingly stringent security measures are applied, and President Megawati Sukarnoputri is seen as a tool of
  - American interests, alienating the Muslim population, and straining Megawati's relationship with the Muslim political parties that helped her come to power two months ago, destabilising her government.
- Christian-Muslim tensions are significantly heightened, communities become polarised, and communal attacks begin to occur against places of worship across the country. Reconciliation efforts and processes in existing local conflict areas such as the Malukus and Aceh collapse, levels of violence increase significantly.

## Realistic scenario.

 Increased protest demonstrations are likely, but attacks against foreign nationals and interests could occur in a more isolated or widespread fashion depending on the U.S./allied response.
 Foreign companies and Embassies will remain on high alert, though

## Background Information: Indonesia

In anticipation of the US retaliation to the attacks of 11 September, protest demonstrations by students and Muslim solidarity groups have occurred across Indonesia, focussing primarily on American government facilities. While these protests have largely been peaceful, some militant Muslim groups such as Laskar Jihad, which has been active in the communal conflict between Christians and Muslims in the Malukus, have called for Jihad, and have begun recruiting volunteers to go to Afghanistan to fight a holy war against the US and its allies. Such groups have also said that if the U.S. launches an attack on Afghanistan or other Muslim countries, they will target U.S. interests in Indonesia, including government and commercial facilities, and will conduct sweeps for Americans and other foreigners to round them up for expulsion.

Some elements of the media and some public figures are also stirring up anti-American sentiments. Even the mainstream Indonesian Ulemas Council (MUI), the country's highest Islamic authority, has made a qualified call for "jihad fii sabilillah" (fight in the path of Allah) should the U.S. attack Afghanistan, although has stressed that it uses Jihad in a broad sense that does not necessarily connote physical war. Other moderate Muslim groups and public figures have condemned the talk of sweeps, and have said that talks of Jihad, even in the broad sense, only heighten tensions unnecessarily.

- widespread evacuations will likely not take place unless the level of violence is significantly high.
- Some religious leaders and political figures will continue to urge moderation and tolerance, while others will continue to stir up anti-U.S. or anti-Christian sentiments. Christian-Muslim tensions will be heightened in any case, and communal attacks will probably occur, but again whether or not they occur in an isolated fashion or escalate into a more generalised conflict depends largely on the nature of the US/allied response as well as the response of the government, security forces and police.
- Police will likely respond to attacks if and when they occur, but it does not appear altogether
  likely that significant crackdowns on militant groups will be undertaken. Megawati's government
  will experience strains in any scenario. However, the absence of any exaggerated repressive
  actions will result in there being no significant destabilisation of her government. Reconciliation
  efforts and peace processes in existing local conflict areas will probably suffer setbacks as levels of
  violence increase, but probably not as seriously as in the worst case scenario.

# West Africa (Nigeria)

Prepared by the West Africa Network for Peace-building (Ghana).

#### Worst case scenario.

- The spontaneous link of the inter-communal and inter-religious violence in Nigeria to the terrorist attacks in the United States could intensify if a violent reprisal begins on any perceived or real Islamic state. Already, threats of war in Afghanistan have received sharp reactions from a number of states, especially in Northern Nigeria (Kano, Jos Plateau, Zamfara, etc). Christian fundamentalists in Nigeria are already victimised by frequent violence, imposition of Shari'ah law, and other threats. Christians liken their situation to 'Armageddon' and call for a crusade. Intercommunal violence increases.
- President Obasanjo, perceived to be sympathetic to the West, is overthrown and a northern extremist installed, similar to the late dictator Sani Abacha. Islamic rule by Shari'ah expands. Southeastern, oil-rich states, responding to Islamic militancy, revive their secessionist struggle (ended in the 1970s by the Biafran War) and the Nigerian nation-state begins to unravel.
- Fleeing refugees of the most populous state in Africa overwhelm smaller neighbouring states like Benin, Togo, Niger and Cameroon. Instability widens as Christians and Muslims are pitted against one another throughout the region. The peace processes in Liberia, Sierra Leone, Guinea-Bissau and Cote d'Ivoire collapse. West African 'Christian' leaders, winning sympathy from the West, intensify their rhetoric and link it to the counter-terrorist effort. U.S.-sponsored agents try to assassinate those who support terrorists and appear to side with Christians in West Africa. Libya's Qaddafi responds by arming Islamic groups in the region. The African Union (successor to the Organisation of African Unity and promoted by Libya) collapses.

## Realistic Scenario:

- The U.S. global campaign against terrorism remains extremely difficult to define. As a result, the
  proliferation of conflicting goals provokes more conflict. The Islamic and Christian population in
  West Africa choose sides. The 2003 general elections in Nigeria are disrupted. Shari'ah conflicts
  are intensified by U.S.-led strikes. West Africa, highly dependent on aid, could get less aid, thus
  increasing poverty and regional instability.
- All but three countries in West Africa will hold general elections in 2002 and 2003. Dictators
  who were usurped by the growth of democracy in the sub-region could seize the opportunity of
  Western shift of focus to the fight against terrorism, and return to dictatorial tendencies, similar
  to those seen in the Cold War era. Hard-earned achievements towards democracy, progress,
  and regional integration could be lost.

## **GLOBAL SCENARIOS**

Several global scenarios can be envisaged. These are provided below under the headings of worst case, realistic, and best case scenarios.

<sup>&</sup>lt;sup>1</sup> Religious fanaticism and solidarity is demonstrated in Nigeria in the way that any issue with a religious connotation quickly generates violent hostility among Muslims and Christians.

#### **Worst Case Scenario**

Strategic scenario. A military campaign is launched initially against terrorist bases in Afghanistan, then Sudan, and Syria, including targeted air strikes and "search and destroy missions" by Special Forces of the assembled alliance. Afghanistan, Syria and Sudan retaliate with attacks on the neighbouring countries (Pakistan and Israel, for instance) that support the U.S.-NATO alliance. The Taliban mount a crushing offensive against the Afghan opposition (Northern Alliance), which is defeated. Taliban forces are subsequently mobilised for action elsewhere. A counter-attack is launched by Al-Queda against Western targets in the countries where it has operatives.

Political and social scenario. The "Holy War" called for by the Taliban gathers momentum, anti-Western demonstrations are organised, and pressure mounts on moderate Islamic groups and governments. The Pakistani government is overthrown, and its nuclear technology is made available to a range of countries and terrorist groups. Terrorist and fundamentalist rebel groups increase attacks in the Middle East, Central, South and Southeast Asia, West and North Africa, North Caucasus, with attacks on Western targets in other parts of the world. The war escalates, with U.S.-NATO attacks not only on terrorist groups, but also on different rebel movements. A series of conflict prevention efforts collapse -- in Israel-Palestine, India-Pakistan, Chechnya, Nigeria, and Sudan. Xenophobia against Muslims and other minorities reaches unprecedented levels in Western Europe, Russia and North America. Muslim groups in different parts of the world (e.g. Indonesia and Malaysia) launch jihads and internal conflicts increase. A counter-alliance is formed among moderate and extremist governments and groups, and Huntington's "clash of civilisations" starts to unfold. The world splits along religious lines.

Economic scenario. Shock to confidence leads to reduced household and business spending and provokes a more serious and prolonged recession. International flows of goods, people and finance decline as a result of security barriers and concerns. The world becomes increasingly divided along North-South and religious lines, leading to a disruption in economic relations, financial crisis in emerging markets, and oil price increases.

Humanitarian scenario. Instability caused in different parts of the world by the fall-out of U.S.-NATO attacks leads to massive refugee and migration flows in an excess of five million people. With the onset of winter in many parts of the world, delivery of aid becomes impossible. Suffering among civilians reaches untold of proportions. Humanitarian agencies are overwhelmed and chaotic relief operations follow. Shifts in priorities among international organisations, pressured by an anti-terrorist alliance to support the campaign, leads to further suffering and the loss of hard-gained advances in poverty alleviation, debt relief, human rights and democratisation, and the protection of the environment.

# Realistic Scenario

Strategic scenario. The U.S. and NATO countries, with selected allies (Pakistan, Russia) launch targeted military strikes (air and special ground forces) against Bin Laden and Afghanistan. The Afghan opposition (Northern Alliance) receives unprecedented support and mounts an offensive against the Taliban, and pressure mounts on the regime to hand over Bin Laden. Alliance members initiate increased intelligence gathering and sharing efforts in order to uncover terrorist networks, hideouts, and assets. A series of arrests follow in Europe and North America.

Political and social scenario. Afghanistan retaliates against Pakistan, and the Pakistani government is increasingly destabilised, plagued by domestic violence and dissent in the military. The U.S.-NATO alliance launches air strikes against terrorist targets in Syria, Iraq and Sudan, with joint military efforts in other countries. After breaks in the cease-fire, Israel launches a series of attacks in the Palestinian Territories and Lebanon. Hamas and Palestinian counter-attacks follow on Israel, backed by Syria. The Middle East peace process collapses. Terrorist attacks are staged in different parts of the world against European and North American targets. Anti-Western demonstrations follow in the Muslim world. As in the worst-case scenario, xenophobia against Muslims increases in Europe, Russia and North America. A counter-movement emerges of moderate and extremist states, and the potential for Huntington's "clash of civilisations" increases.

Economic scenario. Minor, temporary, and largely undetectable effect on eventual economic recovery. Normal economic relations resume with new security measures imposing only moderate inconvenience. No major rifts appear in the international community, though there is some deflection of attention away from, and subordination of, international economic issues to discussions on terrorism.

Humanitarian scenario. Attempts are made to reduce instability in different parts of the world that follows U.S.-NATO attacks. Significant refugee and migration flows are nonetheless seen, although below the level of four million people. With the onset of winter in many parts of the world, delivery of aid becomes increasingly difficult. As in the worst case scenario, suffering among affected civilians reaches unprecedented levels. Humanitarian agencies struggle to cope, and are overwhelmed in some regions. Pressure remains limited on international organisations to modify priorities and support the campaign. Some set-backs are nonetheless seen in poverty alleviation, debt relief, human rights and democratisation, and the protection of the environment.

#### **Best Case Scenario**

Strategic scenario. U.S. and NATO political leaders, in consultation with the U.N., agree on a set of political, economic, social and military measures. These include the use of selected embargoes, identification and seizure of terrorist assets in banks, narrow military strikes against clearly defined targets where terrorist activities are evidenced, and expanded programs aimed at addressing the conditions in which terrorism thrives.

Political and social scenario. Pakistan and Tajikistan are not drawn on for operational support and remain stable. The role of the UN is increased, and anti-terrorist efforts are sanctioned by the UN Security Council. Conflict prevention activities in key hot spot areas are bolstered. Security measures are stepped up in Europe and North America to prevent further attacks. Xenophobia is tackled through popular awareness-raising, responsible journalism, and constructive statements by politicians in Europe and North America.

Economic scenario. New investment in security measures coincides with expected general economic recovery. The international community unites in combating terrorism, and this spirit of co-operation prevails in international economic discussions. Security concerns are alleviated, and commercial and financial markets continue to become more integrated.

Humanitarian scenario. With a bolstering of conflict prevention efforts, the instability in different parts of the world that follows U.S.-NATO attacks is reduced. Significant refugee and migration flows are nonetheless seen. With the onset of winter in many parts of the world, delivery of aid is increasingly difficult, but humanitarian aid agencies are strengthened in order to manage the crisis. International organisations increase efforts to eliminate poverty, reduce debt, and expand human rights and democracy, and environmental protection.

## **GLOBAL RISKS**

A number of risks can be identified with a U.S./NATO campaign against terrorism:

**New security threats.** Instability in South Asia (notably in Pakistan and Afghanistan) will yield new security threats. Instability in Pakistan, for example, may result in nuclear weapons being shared with Islamic terrorist groups. Terrorist and non-state actors may use weapons of mass destruction.

Multiethnic societies may witness the rise of xenophobia. As the war on terrorism progresses, multiethnic societies will experience a rise of xenophobia and attacks on Muslim communities. Unless decisive action is taken, including awareness-raising, political leadership, societies will become more polarised and the incidence of racist acts will rise.

**Business world-wide is affected.** The financial costs of coping with a less secure world may increase. Travel and transportation may become more expensive and slower. Some people may become less likely to enter international markets. A marked trend towards isolation could hurt developing countries and emerging markets by making it harder for them to attract foreign

investment or financing. Finally, businesses may be subjected to new regulations and seek to strike a new balance between operating efficiency and security.

The mandate and activities of international institutions are adversely affected. International institutions must now take terrorism into account both in terms of protecting themselves and in terms of their operational goals. They will be under pressure to launch anti-terrorism programmes. The IMF and the World Bank, for example, may be called on to assist certain countries, in certain ways, simply because they are participating in a "war" on terrorism. A balance will need to be struck between the proper activities of these organisations, and the realpolitik of fighting terrorism.

**Business becomes a target of terrorism.** As the attacks on the World Trade Centre show, business is a prime target of terrorism. Oil pipelines, air travel and tourism, and American/British brands may be next. Further attacks will affect stock markets and economic stability world-wide.

Major setbacks are experienced in conflict prevention and resolution efforts. Efforts to prevent and manage crises in the North Caucasus, Middle East, Central Asia, Horn of Africa, West Africa, South and Southeast Asia, and Latin America may be adversely affected by a all-out war on terrorism.

Major humanitarian disasters arise. Anti-terrorist operations in Afghanistan will immediately affect conflicts in the North Caucasus, Central Asia and the Middle East. Increased refugee flows and mass exodus will follow operations. Humanitarian organisations will be overwhelmed.

**Reversals on human rights world-wide.** The war on terrorism is likely to have severe human rights implications both in the West and in the regions of anti-terrorist operations. In the West, xenophobia and anti-terrorist activities will infringe on individual freedoms. Regions affected by the war may see the radicalisation of moderate regimes, giving rise to increased human rights abuses.

**Setbacks for democracy.** The bolstering of military forces in countries where democracy is nascent may compromise hard-won civilian control over the military. The military may take advantage of the legitimacy given by a U.S.-NATO campaign and increasingly influence democratic institutions.