



## TEN YEARS ON: IS IT THE END OF THE 9/11 MOMENT?

*by Sir Robert Fry*

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In his recent book “On China”, Henry Kissinger rather immodestly, but entirely knowingly, echoes the title of Clausewitz’s seminal work, “On War”. If you’re Henry Kissinger, you can do that. If you’re Henry Kissinger you can also offer a view of unrivalled authority on the politico/strategic landscape of the modern era, which is why his suggestion that China in the 21<sup>st</sup> Century might reprise the role of Germany in the 20<sup>th</sup> demands some attention. After the pre-occupation with terrorism of the last 10 years, this sounds rather different. In fact, it might sound like the return of great power politics. Two US led coalitions have stumbled to score draws in successive messy, protracted and insidious conflicts against terrorism, and, as the stampede for the strategic exits gathers pace in Afghanistan, the eyes of policy makers may turn to more tractable affairs.


One of those could be the challenge to US naval hegemony in the Western Pacific. Chinese maritime capability now includes a missile inventory with the capacity to deny sea control in the Asian littoral to US carrier groups; since Midway, the totemic symbol of American military power in the Pacific. But why would China pick a conventional fight when its ownership of US foreign debt offers profound strategic leverage without a shot ever being fired? Political ends may be timeless but the means to prosecute them are rapidly changing and currency, water, cyber and nuclear instruments may be the weapons of the post 9/11 era.

It was Timothy Geithner, speaking after the fall of Lehman Brothers, who first raised the spectre of currency wars with charges that China was manipulating the Yuan in a form of exchange rate mercantilism. But this is a complex and ambiguous area and Sino/American relations are underwritten by what looks like a re-run of the Cold War concept of Mutually Assured Destruction, with the greenback playing the role of nuclear weapons. Any large scale dumping of Chinese dollar holdings would not only torpedo its role as a reserve currency but also devalue remaining Chinese reserves, leaving both nations in a mutually dependent financial embrace.

A more immediate cause of conflict is the voracious appetite of emerging economies for resources; above all, water. The Nile Basin, the swathe of the Middle East fed by the Tigris and Euphrates and, perhaps most important of all, the Tibetan headwaters of the North Indian river systems all provide potential flashpoints for inter-state confrontation, with the last of these coinciding with a Sino/Indian territorial dispute. Water will be a weapon in its own right; it is also likely to be the recurring pretext for the use of others.

While water wars are in prospect, cyber wars are an existential reality. With the capacity to bring down critical national systems, cyber weapons succeed nuclear weapons in their capacity for mass effect.





But unlike nuclear weapons which have been used only twice in human history, cyber weapons are used habitually on a daily basis, targeting everything from private bank accounts to national infrastructure. The front line is not some remote geography; it's the other side of the firewall. It is this very ubiquity that makes it difficult to distinguish between a criminal act and enemy action and if the crooks, geeks and cyber terrorists are to be isolated a formal and declaratory deterrent framework may be necessary to distinguish the enthusiastic amateur from the determined state actor. Then there is the baleful prospect of nuclear conflict. The Soviet Union and America came close to a nuclear exchange during the Cold War and this despite the simplicity of bilateral engagement, a hotline mechanism for consultation, an intimate reciprocal knowledge of nuclear warfighting doctrines and a weapons inventory which permitted escalation from battlefield use to strategic exchange, without blowing up the world at the press of the first button.

How much more dangerous then will South and West Asia be in the years ahead? An Iranian weapon could provoke Turkey, Syria and Saudi Arabia into nuclear procurement. We would then confront a simultaneous, multilateral deterrent matrix, with no regulatory mechanisms and the sort of crude weapons inventories that would invite use it or lose it warfighting doctrines. If that doesn't scare us, nothing will; it could even signal the requirement for a new approach to nuclear ownership. Rather than try to stop proliferation, why not recognise it as inevitable and, instead, wrap an international regulatory framework around it with demanding protocols of inspection and transparency?

How will business fare against this background? Water wars might provoke a pretty traditional form of conflict and nuclear war would mean all bets off. Currency and cyber wars, however, would represent a completely different prospect. Fluctuating currency and interest rates along with huge ranges in stock market values would create the sort of uncertainty that discourages both investors and consumers. Cyber wars, with the constant contingent threat of an electronic Pearl Harbour, would have a similar and compounding effect. Separately, the cyber enabled ability to hijack intellectual property could only be inimical to the innovation that is the life blood of mature economies. An insidious and undeclared condition would build in new layers of complexity to business planning, place a premium on limiting risk rather than chasing opportunity and promote the creation of closed economic systems. Would this better suit a national structure based on open markets and free enterprise or one characterised by state intervention? The question is rhetorical but does not imply any obvious Western advantage.

So, changing times and maybe Kissinger is ahead of the game in grasping the scale of the change. Terrorism achieved a brief post 9/11 pre-eminence and the language of international debate was dominated by the Global War against it. That's not the way we talk now, and, while terrorism and its agents will not go away, tomorrow's conflicts will be defined by weapons more varied, subtle and devastating than a suicide vest. The 9/11 moment is over.

