



# **GLOBAL STRATEGIC DEVELOPMENTS A FUTURISTIC VISION**

The Emirates Center for Strategic Studies and Research

**GLOBAL STRATEGIC  
DEVELOPMENTS:  
A FUTURISTIC VISION**



**THE EMIRATES CENTER FOR STRATEGIC  
STUDIES AND RESEARCH**

***The views expressed in this book do not necessarily reflect those of the ECSSR.***

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## **THE EMIRATES CENTER FOR STRATEGIC STUDIES AND RESEARCH**

**T**he Emirates Center for Strategic Studies and Research (ECSSR) is an independent research institution dedicated to the promotion of professional studies and educational excellence in the UAE, the Gulf and the Arab world. Since its establishment in Abu Dhabi in 1994, the ECSSR has served as a focal point for scholarship on political, economic and social matters. Indeed, the ECSSR is at the forefront of analysis and commentary on Arab affairs.

The Center seeks to provide a forum for the scholarly exchange of ideas by hosting conferences and symposia, organizing workshops, sponsoring a lecture series and publishing original and translated books and research papers. The ECSSR also has an active fellowship and grant program for the writing of scholarly books and for the translation into Arabic of work relevant to the Center's mission. Moreover, the ECSSR has a large library including rare and specialized holdings, and a state-of-the-art technology center, which has developed an award-winning website that is a unique and comprehensive source of information on the Gulf.

Through these and other activities, the ECSSR aspires to engage in mutually beneficial professional endeavors with comparable institutions worldwide, and to contribute to the general educational and academic development of the UAE.



## ABBREVIATIONS AND ACRONYMS

ADNOC	Abu Dhabi National Oil Company
ARF	ASEAN Regional Forum
ASEAN	Association of South East Asian Nations
AU	African Union
BRIC	Brazil, Russia, India and China
CBRN	chemical, biological, radiological and nuclear
CEDAW	UN Convention on the Elimination of Discrimination Against Women
CERF	UN Central Emergency Response Fund
CIA	Central Intelligence Agency
CMIM	Chiang-Mai Initiative Multilateralization
CPI	consumer price index
DAW	Division for the Advancement of Women
DTC	developing and transition country
E3+3	UK, France, Germany plus the United States, Russia, China
ECB	European Central Bank
ECOSOC	UN Economic and Social Council
EU	European Union
FBI	Federal Bureau of Investigation
FCL	flexible credit line (IMF)
FDI	foreign direct investment
FSAP	Financial Stability Assessment Program
FTA	free trade agreement
GCC	Gulf Co-operation Council
GDP	gross domestic product
GFSR	Global Financial Stability Report
GMS	Greater Mekong Sub-Region

HEU	highly enriched uranium
IAAC	Independent Audit Advisory Committee
IAEA	International Energy Agency
ICC	International Criminal Court
ICISS	International Commission on Intervention and State Sovereignty
IDP	internally displaced person
IFI	international financial institution
IISS	International Institute for Strategic Studies
IMEMO	Institute of the World Economy and International Relations
IMF	International Monetary Fund
IMS	international monetary system
INSTRAW	International Research and Training Institute for the Advancement of Women
ITO	International Trade Organization
KNOC	Korean National Oil Company
LEU	low enriched uranium
LIC	low income country
MAS	Monetary Authority of Singapore
mbspd	million barrels per day
MDB	multilateral development bank
MINUSTAH	United Nations Stabilization Mission in Haiti
MNC	multinational company
NATO	North Atlantic Treaty Organization
NDU	National Defense University
NSA	National Security Agency
NSU	National Security University
OIC	Organization of the Islamic Conference
OSAGI	UN Office of the Special Adviser on Gender Issues and Advancement of Women
OSCE	Organization for Security and Cooperation in Europe

P5	permanent five (members of the UN Security Council)
PCL	precautionary credit line (IMF)
PEP	Partnership for Effective Peacekeeping
PLO	Palestine Liberation Organization
R2P	responsibility to protect (doctrine)
RMB	renminbi
RN2V	responsibility not to veto
ROTC	Reserve Officer Training Corps
SAC	Strategic Air Command
SAM	surface-to-air missile
SBA	stand-by arrangement (IMF)
SDR	special drawing right
SGD	Singapore dollar
SIPRI	Stockholm International Peace Research Institute
SLF	short-term lending facility
SME	small- and medium-sized enterprise
SOE	state-owned enterprise
SWU	separative work unit
THB	Thai baht
UAV	unmanned aerial vehicle
UCDP	Uppsala Conflict Data Program
UN	United Nations
UNEP	United Nations Environment Program
UNEPS	UN Emergency Peace Service
UNIFEM	United Nations Development Fund for Women
UNODCCP	UN Office for Drug Control and Crime Prevention
UNPA	United Nations Parliamentary Assembly
UNSPC	United Nations Standing Police Capacity
WICC	Washington Working Group on the International Criminal Court

## FOREWORD

States and decision makers depend on forward-looking studies in identifying both global changes that may affect their vital and strategic interests, and potential challenges to regional and international security and stability. Such studies assist countries in formulating national strategies with which to reduce potential threats, secure their interests, and fulfill the needs of their nations and peoples.

Given that the Middle East is a region in which crises, conflicts, wars, divisions and subdivisions abound, and where international and regional interests converge, problems of identity, citizenship and national loyalty arise. This is primarily the result of the impacts of globalization on the region, but also the growing influence of the global “virtual democratic community” through cross-border communication via media such as the Internet. Consequently, countries are exposed – both directly and indirectly – to the influences of international policy and ongoing developments in the world order. Therefore, understanding the future of the world order and the role of its actors, as well as the associated implications for international security and stability, enables national policy makers to recognize and capitalize on strategic opportunities.

In keeping with the ECSSR’s recognition of the importance of predictive national and regional analyses, and the need for debate and discussion on the most suitable means of facing future challenges, the Center convened its 16<sup>th</sup> Annual Conference under the title: *Global Strategic Developments: A Futuristic Vision* on March 21–23, 2011 in Abu Dhabi, hosting a group of distinguished experts from various academic and professional backgrounds.

This book comprises a valuable collection of the papers presented at the conference that address: the future of the global system and its international powers and organizations; future military developments and strategic alliances; future threats to national security and related issues;



potential developments in the international economy; the effects of the financial and economic crisis; and the future of the global monetary system.

It is fitting at this juncture to express my gratitude to all the speakers for their participation in the ECSSR 16<sup>th</sup> Annual Conference. Their informative papers, compiled in this volume, offer valuable insight on the many challenges facing the Gulf region in the coming years. I would also like to commend the efforts exerted by the editors and the team of translators, proof-readers and type-setters who worked to produce this book in its present form.

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*ECSSR*

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# **INTRODUCTION**

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## Future Global Strategic Developments

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The world today faces numerous challenges, including the ongoing fallout from the global financial crisis and varied and diverse examples of violence and conflict across the globe. Combined with the many changes affecting both the regional and global balance of power – such as the apparent decline of the United States, the growing influence of the East, and the evolving role of international organizations – these challenges have led some to question how global power will be distributed in the coming two decades.

The unipolar world order which has existed since the collapse of the Soviet Union is being diluted by the rise of emerging powers such as China, India, Brazil, South Africa, the European Union, and even the GCC. Some argue that we now appear to be living in Fareed Zakaria's "post-American" world, reflecting a decline in the power and standing of the United States despite its continuing global dominance. However, they must reconcile this view with the widening gap between the US and other powers, bearing in mind that it is still the most powerful military power in the world, and a major economic and scientific powerhouse. Nonetheless, a key feature of the contemporary global system is the way in which power is distributed around the world, and the emergence of new sources of power – such as "soft" and "smart" power – leading to the development of actors that enjoy multiple, varied forms of power. Some believe that we are heading towards a new form of bi-polarity, a "G2" comprising the United States and the People's Republic of China – a relationship defined just as much by cooperation and partnership as it is by conflict and competition, or even that the world is moving towards a non-polar state, a "G-zero" world which no



longer depends on a cabal of global powers for decision-making. Still others suggest a multi-polar world order comprising different levels of power exercised at different levels and covering varied geographical areas, sometimes embodied in physical strength, sometimes by soft power. Despite their multitude, however, all those who advance theories of the future global system agree that the world is still in a period of transition, the results of which are yet to be seen and are difficult to predict given the diverse and entangled nature of the various forms of power which exist today.

Central to the evolution of world power in the coming decades is the role of its most influential body, the United Nations. Measures to make the UN a more effective and accountable organization include reforming the Security Council and the Responsibility Not to Veto, as well as the establishment of a UN Emergency Peace Service and a UN Parliamentary Assembly. As current events in the Middle East show, in today's interdependent, internet-based world, rapid change is not only possible, it is probable. It is the task of policy-makers and members of civil society to envision a future where nations can effectively work together to resolve global problems that no nation can solve alone, and an evolved UN has a clear role to play in this process.

An obvious threat to contemporary global stability is that which is posed by the ongoing fallout of the global financial crisis. There are two sets of major political changes that will influence the path of the global economy: Ideological shifts—the backlash against the free market ideology will accelerate to a point where fundamental policy re-thinks occur; and geo-political changes—the dominant position of the United States in the world will decline, accelerating a pre-crisis trend that reflects the rise of new powers such as China. The US economy will be less dynamic, at least for some years, as it adjusts to the shocks of the financial crisis—adjustments such as the need to raise savings rates, reduce leverage in the economy, manage away the detritus of the burst housing bubble and returning fiscal balances to a sustainable state will sap the nation's economic energies. The United States will thus endure a period of having limited fiscal resources available to it to pursue geo-