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TILTING AT WINDMILLS

Post-Cold War

Military Threats to U.S. Security

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Executive Summary

Serious military threats to U.S. security have diminished dramatically since the end of the Cold War. The threat from conventional Russian military forces has all but disintegrated and would take many years to reconstitute. China would take 20 to 30 years to transform its bloated and obsolete military into a major threat to U.S. vital interests. The militaries in both nations should be watched, but they may never develop into credible threats.

In addition, the U.S. government tends to overstate regional threats (for example, Iraq and North Korea) because it still sees them through Cold War lenses. A rival superpower no longer exists to back surrogates or to exploit potential regional conflicts. There is no longer any danger that Middle East oil or the Korean peninsula will be controlled by the Soviet Union. Before the Persian Gulf War, prominent economists from across the political spectrum noted that the small costs (in higher oil prices) to the U.S. economy of Saudi Arabia's potential fall to Iraq did not warrant American military action. Saudi Arabia and the other oil-rich Persian Gulf states have combined economies that greatly exceed those of the weakened Iraq or Iran. Likewise, South Korea's economy surpasses that of North Korea. Those nations can afford to defend themselves and should be weaned from U.S. protection.

One threat that is becoming more severe in the post-Cold War world is the proliferation of chemical, biological, nuclear, and missile technology. The probability of a retaliatory strike on the U.S. homeland by rogue states or terrorist groups using such weapons, however, can be reduced by ending unneeded and provocative U.S. military intervention abroad.

Introduction

A good summary statement of the threat environment currently facing the United States comes from an unlikely source--the National Defense University's 1998 Strategic Assessment: Engaging Power for Peace:

The United States now enjoys a secure and promising position in the world, because of its economic, technological, and military strengths. The other most successful nations are its closest friends; its few enemies are comparatively weak, isolated, and swimming against the current of the information age.¹

In the aftermath of the Cold War, advocates of retaining an uncharacteristically large American military during peacetime usually point to North Korea, Iraq, and other rogue states as threats to U.S. security. They also cite the potential for the rise of a "near-peer competitor"--usually identified as Russia or China. This study will show that the threat from each of the rogue states--North Korea, Iraq, Iran, Syria, Libya, and Cuba--as well as Russia and China has been overstated. It will also debunk the argument that "instability" in the world is a threat to the United States. The only major threat to U.S. security in the post-Cold War world--attacks by terrorists (whether state sponsored or acting independently) using weapons of mass destruction--is difficult to defend against or mitigate. The best solution is to make the United States a less prominent target by intervening militarily overseas only when American vital interests are at stake.

Rogue States Are Unfriendly but Weak

The rogue's gallery of states hostile to the United States usually includes North Korea, Iran, Iraq, Syria, Libya, and Cuba. Before assessing the overrated military capabilities of each of those nations, one must ask why the United States should be concerned with a threat from any of them.

Although those nations are all unfriendly to the United States, none has--or is likely to have--a large enough economy or sufficiently capable military to challenge American vital interests in the post-Cold War international environment. In contrast to the \$7.6 trillion American economy, the combined gross domestic product of those six nations is only \$174 billion, or about 2 percent

of the U.S. GDP. In contrast to the approximately \$270 billion per year that the United States spends on defense, those nations together spend less than \$15 billion per year, or roughly 5 percent of the U.S. total.² Further, although some of those nations possess some capable weapons, none has a fully integrated military like that of the United States. A fully integrated military requires superior personnel, training, maintenance, and doctrine--attributes that those nations usually lack.

Threats to Korea and the Persian Gulf

The Department of Defense's Bottom-Up Review (BUR), which was completed in 1993, provided a requirement for enough U.S. forces to fight two major regional wars nearly simultaneously. The department's Quadrennial Defense Review, published in 1997, essentially reaffirmed that requirement. Although the BUR claimed that the two scenarios used in the review--a North Korean invasion of South Korea and an Iraqi invasion of Kuwait and Saudi Arabia--were only illustrative, the worldwide defense community quickly realized that the Clinton administration believed that conflicts in the Persian Gulf region and on the Korean peninsula would be the greatest threats to U.S. security.

At the time the BUR was completed, only a very slim chance existed that two major regional wars would break out nearly simultaneously. After all, the Soviet Union, a hostile superpower, never orchestrated a second conflict by one of its rogue client states when the United States was involved in the Korean, Vietnam, or Desert Storm missions. After the demise of the USSR, it seems less likely that one rogue state would take advantage of a U.S. conflict with another rogue state. Even if that unlikely event occurred, it would be much less relevant to U.S. security than it would have been during the Cold War.

The National Defense University's 1997 Strategic Assessment: Flashpoints and Force Structure admitted that "the prospect[s] of near-simultaneous conflicts in both theater[s] are declining." The assessment also noted that, "in both cases, the threat is diminishing. It is even possible that the Korean threat will collapse."³ In their February 6, 1998, testimony before the Senate Armed Services Committee, George Tenet, then acting director of the Central Intelligence Agency, and Lt. Gen. Patrick Hughes, director of the Defense Intelligence Agency, downplayed any immediate threats to U.S. security. They stated that the war on drugs, humanitarian missions, and

responses to terrorist attacks were more likely to require the services of the U.S. military in the next decade than was any major conflict.⁴

If simultaneous acts of aggression occurred, the United States--having no superpower rival--would have the luxury of fighting the aggressors sequentially and without a rush. There is no longer a danger that the Korean peninsula and the oil fields in the Middle East will simultaneously fall into the hands of a totalitarian rival superpower.

But why fight in those regional conflicts at all? U.S. foreign policy remains on autopilot almost a decade after the end of the Cold War. During the Cold War, the United States believed that it had to respond to Soviet meddling around the world in a tit-for-tat manner, lest it be disadvantaged. In a post-Cold War world, many conflicts are no longer strategic to the United States (if they ever were). Contrary to conventional wisdom, even in the unlikely case that North Korea overran the Korean peninsula and Iraq simultaneously attacked Kuwait and Saudi Arabia, U.S. vital interests would not be harmed.

A careful analysis shows that neither the Korean peninsula nor the Persian Gulf is a valid strategic area of interest for the United States.

Guaranteeing South Korea's Security from the North Korean Threat

Before 1950 top U.S. policymakers did not believe that Korea was strategic. According to Doug Bandow of the Cato Institute,

Indeed, were it not for the existence of the Soviet Union in 1950, policymakers then would probably have written off the Korean conflict. In September 1947, for instance, the Joint Chiefs of Staff declared the Korean peninsula strategically unimportant. In the view of the Joint Chiefs, U.S. airpower based in Japan would be sufficient to neutralize the impact of a communist takeover of the peninsula. And while Secretary [of State Dean] Acheson's speech treating South Korea as outside the U.S. defense perimeter is quite famous, less well known is the fact that before the war General MacArthur also didn't believe that the ROK warranted defense by the United States. Indeed, the

Pentagon supported the withdrawal of U.S. forces from South Korea in 1949 because it considered the country of "little strategic interest," even though it recognized that Soviet domination of the ROK thereafter would "have to be accepted as a probability." Similarly, Washington later refused to carry the war into China and accepted a negotiated settlement, both pragmatic decisions that suggested that policymakers understood that the conflict affected no vital U.S. interests.⁵

If the preservation of South Korea was not regarded as vital before 1950, it should not be so regarded now in a much more benign post-Cold War international environment. The NDU's 1997 Strategic Assessment concedes that the rationale for the U.S. defense of South Korea has had to be changed since 1950 to justify a continued U.S. military presence.

Since 1950, the U.S. has supported South Korea against the threat of aggression from the North. The original rationale was the geostrategic importance of the Korean Peninsula during the Cold War, including the importance of forward defense of Japan from Soviet or Chinese aggression. That no longer remains valid. The North, devoid of external backing, remains the only direct threat to the South. At the same time, however, U.S. interests on the peninsula have grown from their original, Cold War security aspects. The South's economic growth and its increasingly democratic political institutions have transformed it from solely a bulwark against communism to a dynamic international player with whom the U.S. desires to maintain a close, multifaceted relationship.⁶

The very economic growth that makes a relationship with South Korea attractive should enable that nation to defend itself without U.S. assistance. Even absent U.S. forces and reinforcement, South Korea need not fall to an invasion from the North. In 1950 South Korea was a poor nation with weak armed forces (mainly infantry forces with few tanks and aircraft) confronted by a much stronger North Korea subsidized with arms and other assistance from China and the Soviet Union. The North Koreans had the best Soviet armor and air power available. Now, even with its current problems, South Korea's GDP is at least 18 times the size of North Korea's prostrate economy. Seoul has outspent Pyongyang on defense since the mid-1970s.⁷ Although North Korea's defense budget has remained static

since the early 1980s, South Korea's defense budget has tripled.⁸ The modernization of the South's forces has made them qualitatively superior in almost every military category. In contrast, North Korea, with its economy deteriorating to the point of starvation and collapse, cannot afford to replace its obsolescent weapons. In addition, South Korea now has important diplomatic and trade relations with Russia and China, both of which are opposed to war on the Korean peninsula.

Yet the United States continues to subsidize the defense of a wealthy nation. Although South Korea has a hostile neighbor to its north, the U.S. military presence and defense commitment have enabled South Korea to decrease its defense spending to only 3.3 percent of its GDP and to build some of its weapons to counter peaceful, democratic Japan instead of North Korea. According to the NDU's 1997 Strategic Assessment,

The South's spectacular economic growth finances a steady qualitative improvement in South Korean forces, narrowing the gap with the KPA [Korean People's Army] in terms of combat power. However, the remaining gap would be even smaller or non-existent had South Korea in the late 1980s not begun to cut its defense budget as a percent of GNP and not devoted significant defense funds to the purchase of equipment and capabilities designed for hypothetical, non-peninsula threats rather than the extant threat from the North. Apparently acting on the assumption that North Korea will not attack as long as the U.S. remains committed to defending the South, South Korea has devoted considerable resources to more mobile forces that could make it a regional power. South Korea pays close attention to its military might relative to Japan.⁹

Thus, NDU's 1997 Strategic Assessment acknowledges that the U.S. military commitment enables South Korea to avoid the expenses of providing adequately for its own defense and to buy weapons that could undermine the stability of the region. A gradual withdrawal of U.S. forces would give South Korea time to increase the percentage of its GDP spent on defense and would probably induce it to buy weapons solely for its own defense. Any additional weapons purchased with an eye toward Japan would then require a large increase in South Korea's defense budget.

Although North Korea has a military of over 1 million troops that is well armed and deployed forward, many of its units are equipped with weapons from the 1950s and 1960s. (For example, North Korean aircraft contain obsolete 1950s technology; South Korea has a first-rate regional air force. The North Korean armor includes the obsolete Soviet-built T-62 tank; the South Koreans use the modern K-1 tank.) Although North Korea has almost 4,000 tanks and more than 700 combat aircraft, the Brookings Institution used the Pentagon's own methodology to show that the North Koreans had the equivalent of fewer than 4.5 U.S. heavy armored divisions and 2.5 wings of combat aircraft, that is, the equivalent of about 1,500 U.S. tanks and 250 U.S. fighters.¹⁰ The devastated North Korean economy renders fuel scarce for training pilots and conducting large-unit exercises.¹¹ The North Koreans would have to win any war quickly or face running out of fuel. According to CIA director George Tenet, "The military has had to endure shortages of food and fuel, increased susceptibility to illness, declining morale, often sporadic training and a lack of new equipment."¹² He concluded that those deficiencies have caused a "steady erosion in the readiness and capability of North Korea's military forces in recent years."¹³

According to Russell Travers of the usually conservative Defense Intelligence Agency, "The window is rapidly closing for any possibility for a large-scale attack by the North; within a few years and perhaps sooner, its military and society will simply have decayed beyond a point at which it can mount large-scale military operations."¹⁴ The CIA director was even more pessimistic, noting that North Korea's military power had dwindled in recent years and that war with the South was not likely in the near future. He concluded that "the progressive weakening of Pyongyang's military decreases the likelihood that it could successfully attack and hold territory in the South."¹⁵ The 1997 Strategic Assessment concurred: "Pyongyang's ability to mount and sustain high intensity, large-scale offensive combat operations designed to unite the peninsula by military conquest was increasingly in doubt."¹⁶

Hughes, testifying before the Senate Armed Services Committee, reflected the conventional wisdom that the most immediate threat to American security interests is a North Korean attack on South Korea. But he noted that the North's military capabilities are declining because of severe economic problems and that North Korea's condition is "probably terminal."¹⁷

One argument for a U.S. security commitment to South Korea is that conditions will become so bad in North Korea that the government will launch an attack against the South to shore up internal support and preserve itself.

The 1997 Strategic Assessment rejects that reasoning:

"Major war would not seem to be a rational option for the North Korean leadership. An all-out attack could be suicidal, spelling the end of the North Korean state."¹⁸ A war--particularly one in which the North would most certainly be routed--could lead to social chaos or embolden the North Korean military or other societal forces to topple the regime.

If the North Koreans invaded the South, they would confront terrain ill-suited for an armored offensive. The topography favors the defense and infantry tactics that would be used by the South Koreans. The terrain and water obstacles would channel North Korean armored forces into three distinct corridors of advance, thereby making it easier for the South Korean defense forces to destroy the enemy--especially with the use of air power--in "killing zones." To block any North Korean advance, all bridges and tank obstacles at key points on roads are wired with explosives.¹⁹ In addition, South Korean defensive positions are heavily fortified.

In sum, the United States no longer needs to station forces in South Korea or to provide any sort of security guarantee. North Korea is unlikely to invade the South. If it did, South Korea--with its more modern weapons--might prevail over the antiquated forces of the North. If necessary, however, South Korea--still a wealthy nation despite its current economic troubles--could afford to augment its forces. Finally, if war erupted on the Korean peninsula, such a conflict would be much less relevant to U.S. security in the post-Cold War world.

One other argument for a continuing U.S. security commitment to South Korea is that its absence would cause South Korea to seek nuclear weapons. That development, according to the argument, would then motivate Japan to develop nuclear weapons. But Japan's experience with nuclear weapons during World War II may make the Japanese reluctant to undertake a nuclear weapons program. Even if both countries develop nuclear weapons, a distinction must be made between their possession of such devices and proliferation to rogue nations, such as Iran and Iraq. South Korea and Japan, as democracies oriented to the status quo, are likely to be responsible nuclear powers.

Iraq's Threat to Oil Supplies

The conventional wisdom is that the United States must defend Saudi Arabia and Kuwait to ensure the flow of cheap oil from the Persian Gulf to the West. But as Lawrence Korb, former assistant secretary of defense, argues, "Why does the U.S. spend \$50 billion a year to safeguard access to \$10 billion a year worth of oil from the Persian Gulf while the Europeans, who use \$30 billion a year, spend next to nothing?"²⁰ Western Europe gets 24 percent of its oil from the Persian Gulf and Japan gets 70 percent; in contrast, the United States gets only 19 percent.²¹ The United States is spending vast sums to ensure that its wealthy economic competitors in Europe and East Asia have cheap supplies of oil. (In a global oil market, any production cutback by Persian Gulf states will raise the price of oil for all consumers. The greatest transaction costs, however, will probably be incurred by the Europeans and Japanese because they must sacrifice the most efficiency in switching more of their purchases to other suppliers.) Japan and most of the Western European nations spend far smaller portions of their GDPs on defense than does the United States. By lowering the percentage of their societies' resources that must be allocated for defense, those nations give their companies a competitive edge over U.S. firms that are burdened by a higher societal defense bill.

The National Defense University's 1997 Strategic Assessment acknowledged that the unequal burden of defending the Persian Gulf region should be rectified: "Europe and Japan rely more heavily on Gulf oil and conduct high levels of commercial trade with the GCC [Gulf Cooperation Council], but the United States and the GCC will increasingly bear the defense burden for the region. This growing imbalance in roles will give the United States and GCC a strong interest in having Europe and Japan share in the defense burden."²²

In fact, it is probable that no one needs to safeguard Persian Gulf oil. The oil market is not the same as it was in 1973 during the oil embargo. (Economist Douglas Bohi calculated that petroleum shortages of the 1970s reduced the U.S. GDP by only 0.35 percent. Instead, many economists now concur that the wage and price controls, inflationary monetary policy, and economic mismanagement of the Nixon, Ford, and Carter administrations caused the economic recessions of the 1970s.)²³ Despite Washington's misguided energy policies, the higher worldwide prices resulting from the embargo caused new non-OPEC (Organization of Petroleum Exporting Countries) sources of oil to

be developed. Development is accelerating as new deposits in China, Colombia, and Central Asia are being exploited. As a result, the share of world oil production originating from the Persian Gulf declined from 37 percent in 1973 to 28 percent today. In addition, significant new technology is enabling oil from normally expensive deposits to be extracted economically at lower world prices. Finally, due to significant gains in energy efficiency, much less oil is now required to produce a dollar's worth of goods and services. Today, all of those factors are reflected in the lowest gasoline prices--adjusted for inflation--since the late 1960s.²⁴ In short, OPEC, like most cartels, has failed to have much effect on the long-term price of its commodity.

In the very worst case imaginable--an Iraqi invasion and occupation of Kuwait, the United Arab Emirates (UAE), and Saudi Arabia--the effects on the U.S. economy would be modest. Because Saudi Arabia has such large oil supplies in the ground (about one-quarter of the world's proved reserves), it prices oil conservatively compared with other oil producers. If the price of oil goes above a certain level, the long-term demand for Saudi oil will likely decrease because of oil conservation and the substitution of alternative fuels for oil. A higher world price would also cause an increase in oil production from other sources.²⁵ Thus, if Iraq conquered Kuwait, the UAE, and Saudi Arabia, Iraq's increased market power (it would then control about 20 percent of the world's oil production) would allow for only a slight increase in the oil price.²⁶ Consequently, Iraq might withhold some oil from the market to get a higher price but would be unlikely to halt shipments of its major foreign-currency-earning export.

According to an economic study done before the Persian Gulf War by David Henderson, an economist for the Council of Economic Advisers during the Reagan administration, the small price increases from such an invasion would only amount to one-half of 1 percent of U.S. GDP.²⁷ Economists from across the political spectrum--James Tobin, Milton Friedman, and William Niskanen--agreed with Henderson's analysis and concluded that such small economic effects did not justify a war.²⁸

Ironically, the amount of oil that Saddam Hussein could have economically withheld from the world market after conquering Kuwait, the UAE, and Saudi Arabia was less than the amount of oil actually lost from the international boycott of Iraqi oil exports and the destruction of Kuwaiti oil wells during the Gulf War.²⁹ Ultimately, Western intervention to keep oil flowing most likely had

the effect of reducing supplies from what they would have been even in the worst case of Iraqi aggression. Moreover, no evidence indicated that Saddam planned to invade Saudi Arabia and the UAE after he conquered Kuwait. Iraq regarded Kuwait as an artificial creation of the West--which ignored the region's culture and politics--and claimed it as early as June 1961 upon Kuwait's independence from Britain.³⁰

Today, some argue that if Saddam invaded Saudi Arabia, he might disregard economic considerations and punitively price oil higher than the market would normally allow (an unlikely scenario after his economy has already been decimated by the boycott and the Gulf War). As noted earlier, in the long term, oil conservation, development of alternative fuel sources, and increased oil production elsewhere would render such a policy suicidal. Even in that extremely unlikely case, the United States would still retain the option of privately threatening air strikes to compel Baghdad to return to an economically rational policy. If needed, forces based in the United States--aircraft carriers and U.S.-based bombers--could still deploy to the gulf region. One must question spending at least \$50 billion per year on forces to fight a second major regional conflict and keeping some of those forces or their equipment regularly deployed to the gulf region, in anticipation of an improbable threat to the oil supply.

Further, if Iraq wanted to invade Kuwait, Saudi Arabia, and the UAE, it is doubtful that it could now successfully do so. According to DIA analyst Russell Travers,

Iraq's military remains less than 40 percent the size of the force that invaded Kuwait. Moreover, the military mirrors an Iraqi civil society that has been virtually crushed; it is rife with problems. Desertions, purges in the officer corps, training shortfalls, and severe readiness and logistics problems all undercut the military's capabilities. And although these problems mainly affect the regular military (roughly three-fourths of the overall force), even the Republican Guard has had similar problems. Few militaries in the world have demonstrated the capability to rapidly prosecute large-scale armor operations across hundreds of miles: with the Iraqi force in its current state of decay, disrepair, and continued vulnerability to air strikes, it simply does not have the

capacity to conduct such operations deep into Saudi Arabia (as opposed to conducting much shallower attacks against the Kurds or into Kuwait).³¹

The 1997 Strategic Assessment argues that, even with its depleted and aging military, Iraq's ground forces dwarf those of its neighbors in the Gulf Cooperation Council (Oman, Qatar, Bahrain, Kuwait, Saudi Arabia, and the UAE). For example, Iraq still has 350,000 troops and more than 2,000 tanks compared with the combined 80,000 troops and more than 1,000 tanks of Kuwait and Saudi Arabia. Yet the assessment acknowledges that although both Iraq and Saudi Arabia have about 300 combat aircraft, Saudi planes are modern and Iraqi planes are obsolete (as few as 80 are serviceable and another 30 are semiserviceable).³²

Therefore, the Saudi air force--with the aid of a modest ground force to slow the enemy--could possibly disrupt and stop any Iraqi ground offensive. The Iraqi experience of the devastating air attacks delivered on its ground forces in the open desert terrain during the Persian Gulf War would probably deter such an offensive. The sorry state of Iraq's land-based air defenses could render another defeat quite likely.

Little is stopping the GCC states from rectifying any military imbalance that favors Iraq. The combined economies of the six states are over 15 times that of Iraq. (Saudi Arabia and Kuwait alone have a combined economic output that is almost 11 times that of Iraq.) The combined population of the GCC exceeds that of Iraq.³³ The United States should gradually wean those states away from U.S. protection by strengthening the security aspects of the GCC, selling them arms, and helping to train their militaries. No reason exists for the United States to permanently station forces in the region or to defend those countries against an attack by a relatively poor neighbor.

If Iraq invaded a GCC nation, other regional powers--for example, Turkey, Syria, and Iran--could become alarmed that the balance of power in the region was shifting against them and attack Iraq from another direction, especially if it was known that the United States would no longer intervene. In Desert Storm, Syrian forces participated in the ground war, and Turkey allowed coalition aircraft to fly from its air bases. At minimum, Iraq needs to consider the reaction of those powers when contemplating any adventures.

The Iranian Threat

If there is a threat to the flow of Persian Gulf oil, it is probably from Iran rather than from Iraq. Iran has three times the territory and population of Iraq. That threat has been overstated, however. Iran's military and economic power was eroded by the Islamic revolution and the long war with Iraq.³⁴ According to Travers of DIA, "Iran's conventional military capabilities do not constitute a major threat to the region."³⁵

Travers argues that the Iranian military has "serious problems." After the Islamic regime took over, the military was prohibited from buying weapons and spare parts from its primary supplier--the United States. Therefore, the Iranians must now operate and maintain weapons from four nations (China, France, Russia, and the United States), which creates a horrendous logistics problem. According to Travers, Iran's pilot training is poor; its air defense system is porous and, in the future, may be only as good as the limited Iraqi capabilities during the Gulf War.³⁶

The Iranians spent only about \$4.7 billion on defense in 1997.³⁷ Iran's ability to afford enhancements to its military has been diminished in recent years by economic stagnation, a growing population, outdated infrastructure for producing oil and gas, and shortages of hard currency.³⁸ If the oil market does not rebound, Iran will have a tough time improving its military.

The economic crisis and an international arms embargo have substantially slowed Iran's military modernization program. As a result, Iran is no longer a major buyer of Russian military equipment (fighters, bombers, tanks, and submarines).³⁹ Overall, its forces are not improving. Iran has been unable to execute a plan to improve its ability to wage war on land by replacing obsolete equipment. Scarce resources have also apparently foiled Iran's attempt to modernize its antiquated air force of only 175 operational aircraft.

Although Iran is still purchasing arms, its agreements to buy weapons during the early and mid-1990s were reduced 75 percent from a high during the 1987-90 period. That reduction mirrors a general decline in arms purchases by gulf states (Iraq is under an international arms embargo, and GCC states have also reduced agreements to purchase arms).⁴⁰

The media have highlighted Iran's purchase of naval weapons, in particular, several Russian Kilo submarines. The Iranians have also been buying fast patrol boats and anti-ship cruise missiles and improving their capabilities to lay mines. Some analysts fear that those items could be integrated to block oil shipments from the Persian Gulf that transit the Strait of Hormuz.

Commentators who fear that Iran could close the strait fail to consider that the Iranians use the strait to ship their own commerce--especially their major export: oil. In addition, the Iranians have had trouble operating Russian submarines (designed to patrol in colder waters) in the warm waters near the Persian Gulf. Further, submarines are only as good as the crews that operate them. Some indications are that the Iranians have had trouble operating the submarines quietly. In the unlikely event that Iran attempts to close the strait, the GCC states are wealthy enough to buy a small naval fleet to keep the strait open. Their combined economies are over three times the size of Iran's.⁴¹

Although both Iran and Iraq will have ballistic missiles that could hit the GCC states, those countries are wealthy enough to also possess such weapons. Iraq demonstrated its ability to hit Saudi Arabia (and Israel) with ballistic missiles during the Gulf War. Iran is working on a medium-range missile that would enable it to hit Saudi Arabia (and Israel). But Saudi Arabia has already bought CSS-2 missiles (1,500-mile range) from China and is suspected of having a chemical weapons program. The potential combination of those capabilities should give pause to any would-be aggressors.⁴² (Israel has its own missiles and, most likely, has the chemical, biological, and nuclear weapons to deter or retaliate against any attack by Iraq or Iran.)

The domestic and military weakness of Iran and Iraq will probably discourage them from undertaking military adventures. The GCC have improved their militaries, and they have the economic capacity to do much more. Further strengthening of the militaries of the GCC states would enable an improved regional balance of power to substitute for the narcotic of U.S. protection.

Conclusion

Contrary to conventional wisdom, in the post-Cold War world neither the Korean peninsula nor the Persian Gulf is of vital strategic interest to the United States.

Further, the rogue states--North Korea, Iraq, and Iran--have all been weakened. In contrast, their potential adversaries--South Korea and the GCC states--now have economies that are much bigger than those of the rogue states. Rich U.S. client states should defend themselves instead of relying on U.S. power.

The three rogue states, however, could threaten the United States in a very different way--with weapons of mass destruction (WMD). North Korea, Iraq, and Iran all possess WMD (nuclear, biological, or chemical weapons). At this time, none of them has a ballistic missile that has a range long enough to hit the United States. As ballistic missile technology proliferates, they all may have such a missile. In addition, they could all sponsor terrorist attacks using WMD on U.S. soil. Those nations may well be more likely to attack the United States with WMD if Washington keeps meddling in Korea and the Persian Gulf. The threat of mass terror unleashed on the American homeland is discussed in a separate section.

Other Rogue States (Syria, Libya, and Cuba)

From the perspective of U.S. national security, Syria, Libya, and Cuba are second-order rogue states.

Syria

Although Syria is unfriendly toward the United States and is still a threat to Israel, albeit a declining one, it poses little threat to U.S. security. When the Soviet Union disintegrated, Syria lost its main source of economic and military aid. Thus, unlike Israel--which already has a military that is qualitatively superior to those of its Arab neighbors--Syria--which is isolated and debt ridden--has been able to modernize its military only incrementally.⁴³ Severe financial constraints will probably inhibit future modernization.

Further, Israel's security has never been better. After making peace with Egypt (the most populous and powerful Arab state) and Jordan, Israel no longer faces a multiple-front war. It can direct its military efforts against an already weakened Syria. Also, Israel has higher economic growth than its neighbors and has become a regional center of technology. Because Israel is a rich nation, U.S. aid will be cut from \$3 billion per year to \$2.4 billion. (Under those circumstances, an important

question is why the United States continues to provide aid at all.)

The presence of 35,000 Syrian troops in Lebanon, Syrian support for anti-Israel terrorists in Lebanon, and the hard-line Israeli coalition government could still result in an Israeli-Syrian conflict. Israel and Syria would probably try to limit any conflict to Lebanon--as they did in 1982--to avoid a spillover into the Golan Heights. If Syria attempted to retake the heights, Israel would probably easily win any conflict, even without the help of the United States.

Although Syria has chemical weapons and the short-range missiles to deliver them, it should be wary of attacking a state that undoubtedly has chemical, biological, and nuclear weapons.⁴⁴ In fact, because in the 1980s Syria abandoned its goal of achieving conventional military parity with Israel, its chemical weapons are probably designed mainly to be a deterrent to an Israeli attack.⁴⁵

If Israel and Syria went to war, the conflict would be far less serious for the United States than it would have been during the Cold War. During that tense period, any Arab-Israeli war had the potential to draw in the superpowers and result in a conflict between two countries armed with nuclear weapons. In contrast, an Arab-Israeli conflict today has no such potential and, therefore, little effect on U.S. vital interests.

The only way Syria could adversely affect American security is by sponsoring a terrorist attack on U.S. soil using a weapon of mass destruction. Syria is a sponsor of international terrorism, has chemical weapons, and is probably seeking biological weapons. Yet, without U.S. meddling in the Middle East, Syria would have little or no incentive to attack American targets.

Libya

Other than the important exception of sponsoring a terrorist attack on U.S. soil with chemical weapons, Libya cannot substantially affect American security. Libya's small economy is the victim of years of socialist planning. Its army and air force are antiquated and also suffer from the demise of Libya's Soviet patron. Although the country's radical leader, Muammar Qaddafi, may cause problems in the north African region, that is an area that is not strategic to the United States. Egypt--a nation with a larger population and economy and a bigger, more

modern military than Libya--can act as a counterweight to Qaddafi in the region.

If Libya improved its missile technology, it might be able to strike Europe in the future. Therefore, the European nations might want to invest in missile defense. But Libya poses no comparable threat to the United States.

Cuba

A recent U.S. intelligence community assessment, mandated by Congress, of the threat from Cuba bluntly concluded that "at present, Cuba does not pose a significant military threat to the U.S. or to other countries in the region. Cuba has little motivation to engage in military activity beyond the defense of its territory and political system."⁴⁶

In fact, Cuba has stopped fanning the flames of proletarian revolution in Latin America and elsewhere. With the end of the Cold War, the Castro regime, like most other rogue states, has lost Soviet military and economic aid. Without Soviet aid, the Cuban economy barely functions. That loss prevents Castro from modernizing his antiquated military and exporting revolution. According to the U.S. intelligence community assessment,

The disintegration of the Soviet bloc in 1989 triggered a profound deterioration of the Cuban Revolutionary Armed Forces (FAR), transforming the institution from one of the most active militaries in the Third World into a stay-at-home force that has minimal conventional fighting ability. The end of the Soviet economic and military subsidies forced Havana to cut the military's size and budget by about 50 percent after 1989.⁴⁷

Marine Gen. John Sheehan (retired), former commander of the U.S. Atlantic Command, met regularly with senior Cuban military officers during his tenure and noted that "it became very clear to those of us on the U.S. side that Cuba was changing and that this was not the Cuba of the '60s and '70s." He agreed with the intelligence community assessment, noting that "the Cuban military has become a home defense force."⁴⁸

The intelligence community's assessment notes that a substantial portion of Cuba's heavy military equipment is in storage. Shortages of spare parts require the "canni-

balization" of that equipment to provide parts for equipment still used by the forces. Scarce resources have forced training to be severely curtailed. Thus, Cuba's forces are not ready to fight. The army is unable to conduct large-scale operations, the navy cannot sustain operations outside of its territorial waters, and the air force is incapable of defending Cuban airspace from attacks by large numbers of high-performance military aircraft. The Cuban air force has fewer than 24 MiG fighters that are operational. As a result of its military and economic weakness, Castro's Cuba recently has been trying to improve relations with nearby countries.⁴⁹

Despite all the fanfare about post-Cold War threats from rogue states, those states have changed little since the Cold War except in one important respect. Most of them have lost the support of their Soviet sponsor. Iran and Iraq also have been ravaged by war, low oil prices, economic sanctions, and systemic economic problems. North Korea has endured the latter two maladies. The U.S. economy dwarfs the combined economies of the rogue states, and the U.S. military has bone-crushing superiority over any of their forces. In short, in the vast majority of cases, rogue states pose very little threat to the United States.

A Peer Competitor Is at Least Two Decades Away

Russia and China are the only nations that have any potential to develop into peer competitors of the United States. If either of those nations were to do so, it would probably require 20 to 30 years. The United States would have sufficient time to make any needed adjustments in its own defense posture.

China

China is much more likely than Russia to become a peer competitor. China is an ascending power while Russia is a declining one. China's rapid economic growth contrasts sharply with Russia's stark economic collapse, which rivals the Great Depression. China's rapid growth could eventually provide the resources to expand its military power.

Yet China has learned from the fate of the Soviet Union that excessive military spending can be dangerous for economic growth and the regime's survival, according to analysts in Beijing.⁵⁰ Chinese military writers state that China's greatest strategic objective is economic mod-

ernization and the realization of "comprehensive national strength."⁵¹ Since Deng Xiaoping opened China to the outside world in the late 1970s, military modernization has been the lowest priority of the Chinese government's "four modernizations." Seth Faison of the New York Times summed it up best in his article on the recent release of China's white paper on defense: "China's military forces are still rudimentary by international standards."⁵²

Conventional Military Capabilities. The Chinese were apparently shocked by the devastating victory during Desert Storm of an American force--equipped with sophisticated electronics and weapons and using the Army's decentralized Air-Land Battle doctrine--over an Iraqi force using Soviet equipment and heavily centralized battle doctrine. Rather than being a huge military buildup initiated by an aggressive nation, China's military efforts are aimed at attempting to convert a bloated, Maoist "army of the people"--which was oriented toward defending against an overland attack from the Soviet Union--into a smaller, more mobile force possessing high-technology weapons (especially modern ships and aircraft).⁵³ For example, the People's Liberation Army plans to reduce military personnel by 100,000 or more troops every year for the next 10 years and to cut the number of fighter aircraft from 4,500 to 1,000.⁵⁴ Cutting personnel is much easier than funding and developing high-technology weaponry and the doctrine to use it.

Although some analysts point to rapid increases in China's defense expenditures, those increases are largely an illusion. Until recently, China's growing economy produced substantial inflation as a by-product. Although official defense spending rose 159 percent from 1986 to 1994, when inflation is factored out that nominal increase results in a real increase of a mere 4 percent per year, according to the General Accounting Office.⁵⁵ Even that figure is misleading because it compensates for an earlier period of dramatically declining purchasing power for the Chinese military. From 1980 to 1989, although defense spending increased about 30 percent, inflation rose almost 100 percent. That disparity resulted in a 50 percent decline in available operating funds for the military.⁵⁶

Furthermore, the recent increases in defense spending have been quickly absorbed to operate and maintain the enormous, antiquated, and ill-trained military. Much has been spent on housing, feeding, training, and paying the forces. Huge additional sums will be needed to buy new weapons and equipment to convert the outdated Maoist army into a modern fighting force. The Chinese government's

top priority of fostering economic growth will constrain funding increases for defense. Although much of Chinese defense spending is "off the books" (the official Chinese defense budget is less than \$10 billion per year), a midrange estimate of true Chinese defense spending is still only \$28 billion to \$36 billion per year.⁵⁷ Such spending is roughly equivalent to what each of the medium-sized powers--Japan, France, Germany, and the United Kingdom--spends (but much less than the \$270 billion per year that the United States spends). That amount of funding may adequately support the high-technology forces of the medium-sized powers, but it will not be sufficient to finance the huge task of rapidly transforming the bloated and antiquated Chinese military into a modern force.

According to Lt. Col. Dennis Blasko, a former intelligence officer with the U.S. Army and the DIA,

Even though Beijing has accumulated vast foreign exchange reserves, the senior leadership has yet to divert sufficient resources from economic development to large-scale military purchases. For example, expenditures on culture, health, education, and civilian science and technology have outpaced official figures for defense spending over the past decade. It would take huge sums to buy the modern systems necessary to transform the Chinese military, which is primarily equipped with materiel based on the technology of the 1950s and 1960s, to a force based on that of the 1980s.⁵⁸

Blasko also notes, "Over the next few years PLA forces are likely to be reduced in size while their budget is modestly increased. Such a trend will advance the modernization of selected units." He concludes by saying that the pace of Beijing's military modernization might make its neighbors wary but that it "will not pose a significant threat to [the] major powers for some time."⁵⁹

Indeed, China's military modernization will most likely be slow. Travers concludes that China "is still decades away from being able to project sufficient power to constitute a significant challenge to the U.S. military." According to Travers,

China's military is benefiting from impressive economic growth, but many Western observers have an exaggerated view of how rapidly it is developing because of inadequate appreciation of the very low starting point of the People's

Liberation Army (PLA). Overall, this military is too big and too old to pose a threat to the U.S. military any time soon; in its training and doctrine, it is decades behind its Western counterparts. Other than its potential to play missile diplomacy against its neighbors, the PLA has very limited ability to project force from its shores. Nor is China improving this force at a breakneck pace: high profile purchases of SA-10 surface-to-air missiles, SU-27 fighters, and Kilo submarines from Russia have given a misleading sense of the overall modernization rate of the Chinese military.⁶⁰

NDU's 1997 Strategic Assessment concurs that China's military modernization is slow and that it is decades away from being a major threat:

The PLA can inflict damage in limited campaigns against any of its immediate neighbors but is years away from being able to project sustained military force at any distance from China's borders. China lacks the capability either to produce or to purchase new systems in the quantities necessary, and the PLA in 1996 was probably two decades away from challenging or holding its own against a modern military force. . . . The effort to procure and field modern weapons is proceeding relatively slowly. The PLA is also slowly developing the doctrinal concepts required for high-technology warfare.⁶¹

John Schulz, a former Voice of America correspondent in East Asia and professor at the National War College, expresses similar sentiments about China's ability to project power:

Nuclear-armed China will not even be a regional conventional threat for decades to come. The PLA's long list of systemic problems, coupled with those facing China as a whole, constrain military modernization efforts in ways that may ultimately be insurmountable. "Strategic planners"--whose views are "long term"--should thus be aware that China will not be able to project and sustain offshore military operations for at least thirty years. "Strategists" who think instead in global or regional (geographic) terms can also rest easy; the PLA will be restricted to limited "quick skirmish" capability over limited ranges offshore during that time, and is

already being outstripped by other regional military modernization programs.⁶²

Paul Godwin of the National War College--one of the nation's foremost experts on the Chinese military--agreed that other nations in Asia are modernizing their militaries faster than is China: "Beijing looks out on an Asia undergoing major military renovation that in many areas exceeds the PLA's current capabilities and will continue to outmatch China's programs for at least a decade."⁶³ (Since Godwin made that statement, the Asian financial crisis has caused some nations in the region to scale back some of their modernization programs. But the economic turmoil will also likely affect China's modernization plans.) A prime example of the mismatch is its tactical fighter aircraft. Antiquated MiG-19s and MiG-21s--which make up the bulk of the Chinese air force--would most likely be blown out of the sky by the F-15s and F-16s flown by the regional powers in East Asia.⁶⁴ Therefore, China is slowly taking steps to modernize its air force. China has purchased about 50 Su-27 fighters from Russia and has purchase or coproduction agreements that may eventually lead to a fleet of more than 200 aircraft in 10 to 15 years (at best).⁶⁵ Taiwan is already taking deliveries of more than 200 American F-16s and French-made Mirage 2000 aircraft.

As China enters the next century, only small pockets of its military will have advanced far enough to incorporate 1980s technology. Most of China's present air, ground, and sea weapons were designed in the 1940s and 1950s. Sometime after 2000 China will produce and field a fighter aircraft that has technology equivalent to that of a 1970s F-16. The Chinese are currently working on a tank that is equivalent to the Soviet T-72 of the 1970s. (Soviet T-54 tanks, incorporating 1950s technology, are the backbone of the armored force.) China will probably not have an aircraft carrier until well into the 21st century.⁶⁶

The Chinese navy cannot mount survivable, long-range, sustained operations. As noted earlier, for the next 30 years, the Chinese will have the ability to inflict only limited damage on their neighbors through quick skirmishes at a limited range from China's shores. The surface ships (frigates and destroyers) that China is now building contain 1970s technology. The Chinese navy possesses more than 50 surface combatants, making it the third largest navy in the world. But China's ships have severe deficiencies in electronics, air defense, and surface-to-surface missiles. Further, the newest surface ships in the

Chinese fleet are vulnerable to the modern European-built submarines purchased by South Korea and the Southeast Asian nations. Only a few boats in the large fleet of Chinese submarines are adequately maintained.

China has huge ground forces but few enemies on land. Tensions with past enemies--Russia, India, and Vietnam--have been reduced. The Chinese army is essentially an excessively large infantry force that lacks adequate fire-power, mobility, logistical support, and educated recruits. It has a limited capability to conduct combined arms operations with naval and air forces.

A few units of the army can take advantage of transport aircraft to project their power over long distances, but most units are weak on both transport and logistical supply. Deficiencies in air refueling limit the projection of power by the air force.⁶⁷ Despite the persistent fear that China will launch an amphibious assault on Taiwan, China lacks sufficient transportation assets to get an invasion force to the island. Most rapid deployment forces (including airborne forces) are currently focused on internal security missions, and only a small contingent is adequately trained to conduct amphibious operations⁶⁸. Moreover, any such invasion would probably fail because Chinese ships have inadequate air defenses, and Taiwan has a modern air force that is being further improved. (Taiwan's capable air force could probably deter a Chinese air attack spearheaded by Su-27s.) An attack would also be deterred by Taiwan's enhanced navy, ground force, and air defense systems.⁶⁹ As noted earlier, other than its ability to intimidate its neighbors with missile diplomacy (China's inaccurate missiles are primarily weapons of terror rather than militarily significant threats), China has only a limited ability to project and sustain force from the mainland. The United States should continue to sell modern weapon systems to Taiwan so that it can defend itself instead of relying on U.S. protection.

With such limited ability to project power, the Chinese military is best suited to fight a defensive war on the mainland or in coastal regions.

Nuclear Forces. China has about 17 intercontinental ballistic missiles (ICBMs) and one ballistic missile submarine with 12 submarine-launched ballistic missiles (SLBMs).⁷⁰ (The Chinese are planning to add eight more ICBMs to this force.) The Chinese air force has no long-range strategic bombers. In total, the Chinese have 149 strategic nuclear warheads (compared to the 7,150 in the U.S. nuclear arsenal).⁷¹ That small force is a minimum

deterrent designed to strike enemy cities (instead of hardened military targets). By threatening nuclear retaliation, China's force aims to dissuade other nations from threatening or using nuclear weapons.

Compared with U.S. and Russian nuclear forces, China's nuclear deterrent is small, vulnerable, and primitive; compared with French and British nuclear forces, it is much less sophisticated.⁷² China has avoided competing in the arms race between Russia and the United States in long-range missiles.⁷³ Also, China has never shown an interest in developing a preemptive first-strike capability. China's ICBMs are liquid fueled and do not yet have multiple warheads. According to sources in the intelligence community and the Department of Defense, China's forces, unlike American and Russian nuclear forces, are not on ready alert. The warheads and propellant are stored separately from the missiles.⁷⁴ In fact, a large portion of China's land-based nuclear deterrent (ICBMs and bombers) is vulnerable to a first strike. Even its ballistic missile submarine is vulnerable to such a strike because most of the time it is docked with technical problems. In addition, the Chinese have never really mastered the technical challenges of launching missiles from a submerged submarine.⁷⁵

In short, China's small nuclear deterrent is a defensive force that does not present the United States with the threat of an offensive first strike.

Defense Industry Lacks Sophistication. China's current defense industry is incapable of designing and producing modern military equipment. Most defense production consists of upgrading foreign systems using pre-1970s technology and manufacturing techniques. That situation is not likely to change without enormous foreign assistance. The Chinese have a history of failure in fielding indigenous weapons--for example, the F-8 fighter and its follow-on, the F-8II.⁷⁶ Manufacturing processes that incorporate high technology are still 20 years away.

China's purchase of Russian weapons shows that the Chinese are not satisfied with their own weapons production. Yet fears of Russian arms and technology sales to China have been overblown. Sales have been modest because of China's budget constraints and Russians' suspicions that those weapons might eventually be used against them.⁷⁷

Chinese Intentions. Because of China's size, abundant resources, and rapid economic growth, it is the country most capable of aggressively challenging the United States

in the 21st century. Whether it will do so is another matter. The United States should adopt a wait-and-see attitude (using sophisticated intelligence collection systems to monitor military developments) and refrain from creating a self-fulfilling prophecy.

Traditionally, China has not been an expansionist power. In fact, China, like the United States, was a victim of European colonialism and exploitation. The American experience under colonialism conditioned the United States to restrain its colonial expansion. China's history of being carved up by the West might also act to restrain its territorial ambitions.

In 1995 Charles William Maynes, then editor of Foreign Policy, characterized China's relationship with its neighbors in the following way: "China has minor border disputes with its neighbors, but none of them seem non-negotiable."⁷⁸ In the 1960s and 1970s, China settled most of its territorial disputes peacefully (the exceptions were the war with India in 1962 and the war with the Soviet Union along the Ussuri River in 1969). Although China has not resolved its territorial disputes with India, the threat of conflict is minor and the two countries have widened their political and economic relations. In 1996 the Chinese resolved border and territorial disputes with Russia and the central Asian states.⁷⁹

China's conciliatory attitude may not extend to the emotional issue of Taiwan, which China regards as an internal matter. China fired missiles at Taiwan in 1996 to deter Taiwan from consolidating its de facto independence and seeking greater international recognition. As noted earlier, it would be difficult, given the Chinese military's limited ability to project power, for China to launch a successful amphibious invasion of Taiwan. The vulnerability of Chinese ships and the inability of the Chinese navy to coordinate air, surface, and subsurface facets of a naval blockade of the island probably rule out that option.

Yet Taiwan is such an emotional issue that an irrational act is possible. In that scenario, defending Taiwan is not required to safeguard American vital interests. Instead, the United States should sell Taiwan the sophisticated arms needed for self-defense, including diesel submarines and air defense systems.

China probably will not readily solve by force the dispute over islands in the South China Sea. The Chinese forces cannot yet attack and occupy those islands. Even

if they could, they would be vulnerable to counterattack by the capable forces of other claimants to the islands. Again, U.S. vital interests are not affected by who owns the Spratlys and other small island chains in the South China Sea.

Nevertheless, China aspires to be a great power and will probably achieve that goal in 20 to 30 years. That outcome is not necessarily a threat to the United States. China is surrounded by other regional powers--India on the south and west, Russia on the north, and Japan and South Korea to the east. If China became more aggressive, those nations--either acting alone or in a regional alliance--could easily respond as a counterbalancing force. The United States would need to respond as a "balancer of last resort" only if the balance of power eroded significantly in a hegemonic China's favor. The current U.S. policy of protecting Japan and South Korea discourages those nations from developing the military capabilities needed to balance the potential capabilities of China.

That China will become an aggressive great power is not a given. As noted earlier, China's main goal appears to be rapid economic development, and achieving that objective depends heavily on foreign trade and investment to fuel growth. China will continue to have many incentives to pursue stability in East Asia as a status quo power so that its international economic relationships will be preserved. Some Chinese leaders already suspect that the United States is trying to contain their country. Washington should refrain from actions that intensify such suspicions. Indeed, the United States should recognize China as a great power and attempt to improve political, military, and economic relations. To do otherwise would be to create an enemy unnecessarily.

The Declining Threat from Russia

Much has been written about the decline of the Russian military after the collapse of the Soviet Union. The Russian defeat at the hands of a band of ragtag Chechen fighters confirms that the Russian military has sunk to a dismal state. Although the Russians are conducting some research and development on new weapons, their moribund economy provides little money to buy new weapons or to operate and maintain existing ones. The Russian economy, with its GDP and industrial production cut in half from 1989 to 1996, is undergoing a shrinkage comparable to that of the Great Depression.⁸⁰ The official

Russian GDP is now only the size of New Jersey's and Pennsylvania's combined.⁸¹

Shortages of resources, personnel, and fuel permit scant military training. For example, Russian pilots fly about 20 to 40 hours per year compared with the 150 to 200 hours per year flown by NATO pilots. Draft evasion and low morale are rampant.⁸² Officers are unpaid, desertion is common, and conscripts are without food.⁸³ According to Defense Minister Marshall Sergeyev, other than the elite Strategic Nuclear Forces and some airborne army forces, virtually no units were ready to fight in 1997. He also noted that half of the aircraft in the air force cannot fly.⁸⁴ In fact, because the main threats facing Russia are perceived to be from internal instability rather than from external aggression, Interior Ministry forces have been better financed (until recently) than the military.

The Demise of the Warsaw Pact and the Soviet Union. The end of the Cold War and the breakup of the Soviet Union led to a dramatic decline in defense resources available to Moscow. Defense spending shrank from 30 percent of the Soviet economy to only 3 percent of the much smaller Russian economy.⁸⁵

According to the Congressional Budget Office,

The breakup of the Soviet Union threw the still large Russian armed forces into chaos. Because Soviet armed forces were positioned west toward NATO during the Cold War, the best fighting units were absorbed into Ukrainian and Belarussian militaries when the Soviet Union collapsed or were dissolved as they returned from Eastern Europe. For example, only about half of the Soviet Union's combat aircraft were retained by Russia. Similarly, the best military facilities are now in Ukraine and Belarus or were abandoned in Eastern Europe.⁸⁶

The Russians, like the Chinese, are trying to turn their obsolescent, bloated military from a bygone communist era into a smaller, more mobile force. The Russians plan to reduce their armed forces from 1.7 million today to about 1 million by the year 2000.⁸⁷ According to John Steinbruner of the Brookings Institution, even a force of that size is far larger than Russia can afford. Realistically, Russia can probably afford a military force of no more than 400,000. Such a force could not carry out traditional missions against any major military adversary.⁸⁸ However, efforts at reforming and restructuring the Russian

military, which has been based on Soviet organization and doctrine (inflexible, centrally driven command), have foundered on the generals' vested interest in keeping the status quo.

The Russian Defense Industry. The breakup of the Soviet Union fractured the defense industrial base. Armaments factories in Russia have had their supply shipments disrupted because the suppliers are in a non-Russian part of the former Soviet Union.

Adding to the industry's woes is the paltry amount being spent for military research, development, and procurement. Most of Russian defense spending is allocated to shoring up a bloated, sagging force rather than developing and buying new equipment. According to a 1997 CIA estimate, out of an authorized annual defense budget of about \$18 billion, about \$2 billion was spent on research and development and about \$3.65 billion was spent on the procurement of weapons. Those numbers may be inflated because, in 1996, the Russian Ministry of Defense was given about half of the authorized budget for research and development.⁸⁹ (Out of a U.S. annual defense budget of about \$270 million, the United States spends almost \$40 billion on research and development and almost \$50 billion on procurement.)

For comparison, almost the entire Russian annual defense budget for research, development, and procurement would be required to procure just one American aircraft carrier with no aircraft (at a cost of \$5.4 billion). As a result, Russian defense production has declined to 13 percent of its 1991 level.⁹⁰ In 1997 Russia did not add any new tanks or warplanes to its military arsenal.⁹¹ That situation should be compared with the Soviet Union's robust military production during the 1970s and 1980s.

Meager defense production in the post-Cold War years is contributing to a rapidly aging and shrinking Russian military force. Obsolete weapons that are decommissioned are often not replaced. For example, roughly 70 to 75 percent of Russian tanks need to be replaced. Only 2 to 5 percent of the tank force are modern vehicles, and the percentage is expected to increase only to 30 percent by 2005. Only 50 infantry fighting vehicles were produced in 1995 and 1996. Between 1990 and 1995 the number of navy ships was cut in half and the number of naval aircraft fell by 66 percent.⁹²

Decline of Russian Military Is Unlikely to Be Reversed Soon. According to Dmitry Trenin, a military

analyst at the Carnegie Endowment in Moscow, "You simply cannot talk of the Russian armed forces as a coherent defense force."⁹³ Russia's conventional military capabilities will continue to erode through 2002, according to the State Department's Bureau of Intelligence and Research. State's report concluded that "offensive operation, particularly ground operations, against most neighboring countries will be difficult to impossible, depending on the adversary."⁹⁴

Russia's declining military will take years to recover. According to Travers, "The problems confronting the Russian military are so deep and so all-encompassing that it could be decades before it could again be considered healthy." He concludes, "The future for the Russian general-purpose forces will continue to be bleak well into the next century."⁹⁵

Russian Nuclear Weapons. With the decay of its conventional forces, Russia remains a superpower only in terms of its nuclear forces. Otherwise, militarily, it is barely a regional power. In fact, to compensate for its current weakness in conventional forces, Russian defense experts openly acknowledge that Russia has begun relying more heavily on nuclear weapons for its security.⁹⁶ Russian officials have publicly shifted from a "no-first-use" nuclear policy to one that explicitly authorizes the first use of nuclear weapons in response to an overwhelming conventional attack.⁹⁷

Because of Russia's economic free fall, it is modernizing its nuclear weapons slowly. In late 1997 the Russian military began deploying the Topol M-2 (SS-27) mobile ICBM.⁹⁸ With 7,500 warheads, the Russians still have approximate strategic nuclear parity with the United States. In addition, they have 22,000 tactical nuclear warheads—almost double the number in the U.S. arsenal.⁹⁹

The end of Cold War tensions has made a Russian nuclear strike against the U.S. homeland much less likely. Furthermore, whether or not the Russians ratify the Strategic Arms Reduction Treaty II (START II), they will probably be forced to reduce their strategic arsenal below the treaty's 3,000- to 3,500-warhead limit. Their economic implosion makes it impossible to maintain such a large arsenal.

In short, Russia and China will take another 20 to 30 years to become military threats to the United States—if they ever do. (The situation could change if the United States aggressively challenges those nations on their own

doorsteps--confronting China in the Taiwan Strait or expanding NATO to include the Baltic states.) Prudence, of course, dictates that military developments in both nations be scrutinized with the vastly superior U.S. intelligence apparatus.

The Chimera of "Instability"

Given the lack of a credible threat from any specific country, people who desperately search for enemies--that is, advocates of foreign intervention and a large defense budget--must settle on the vague notion of "instability." But instability has always existed in the anarchic international system and probably always will. Instability in most parts of the world is rarely a threat to the United States. Throughout the late 18th and the 19th century, the United States successfully avoided entanglement in Europe's major wars. (Unfortunately, the United States deviated from that policy during World War I--helping to crush and humiliate a Germany that merely sought recognition as a great power, not hegemony, in Europe. Out of the ashes of World War I arose a Germany that was bent on such hegemony--engulfing the world and the United States in World War II.)

Throughout most of its history, the United States avoided interfering militarily in the affairs of other nations. George Washington, Alexander Hamilton, Thomas Jefferson, and the other Founders initiated that restrained foreign policy. They believed that if the United States stayed out of the affairs of European nations, the Europeans would stay out of America's affairs. The United States also trusted in a balance of power elsewhere to prevent the rise of any hegemonic power that might threaten America.

After World War II, the United States deviated from this 165-year policy of military restraint. In its superpower rivalry with the Soviet Union, the United States regarded any instability in the world as a potential opportunity for communist inroads. Thus, in the abnormal global strategic environment of the Cold War, the United States intervened anywhere and everywhere to promote stability--that is, to protect the status quo.

The strategic realities have been altered dramatically by the end of the Cold War, but U.S. foreign policy is still on autopilot. Although no rival superpower now exists to exploit the venues of instability, the United States seems compelled to intervene almost anywhere in the

world that a conflict arises, even in regions that are not strategic. For example, the United States has undertaken an indeterminate commitment to provide stability to Bosnia--a country that is in a region that had no relationship to U.S. vital interests even during the Cold War. In addition, the United States attempted to conduct "nation building" in Somalia, which is also in a region that is nonstrategic. Now there is some potential for intervention in the Serbian province of Kosovo. This overextended U.S. defense perimeter is expensive and unnecessary.

Not only has the main beneficiary of instability, the Soviet Union, dissolved, but evidence exists that the end of the Cold War has brought more stability to the world, not less. Contrary to the conventional wisdom of the advocates of large military budgets, the end of the Cold War has not unleashed a host of repressed conflicts. The number of conflicts has actually declined by more than half from 55 in 1992--the year after the demise of the Soviet Union--to 24 in 1997. In addition, most conflicts occurred within states, not between them. Of the 101 conflicts occurring from 1989 to 1996, 95 were between combatants within states and only 6 were between states. Most of the conflicts were small or medium-sized (fewer than 1,000 deaths during any one year).¹⁰⁰ Any threats to U.S. security from conflicts are more apt to arise from interstate aggression (especially those very rare wars involving a major power in a key region) than from feuding among groups within a state. In short, the end of the Cold War increased stability in the world because one superpower was no longer sponsoring client groups and states to challenge the client groups and states supported by the rival superpower.

Another indicator of increased international stability in the post-Cold War world is the substantial reduction in worldwide military expenditures since the late 1980s. The Stockholm International Peace Research Institute estimates that such expenditures have dropped by one-third from \$1.1 trillion in the late 1980s to \$740 million in 1997.¹⁰¹ International arms sales have also been drastically reduced. From 1986 to 1995, international arms sales plummeted 55 percent. In addition, during the same period, the United States and its allies have increased their control over the worldwide arms market. The U.S. share of the market increased from 22 percent to 49 percent, and NATO's share increased from 44 to 78 percent.¹⁰² The U.S. and NATO shares increased as a result of greatly diminished subsidized sales of Soviet and Russian weapons to Third World outlaw states such as Iraq, Syria, Libya, and Cuba. After the Cold War, sales from the United States

and other arms exporters to developing countries also slowed down.

Much of the instability that remains in the international system--and there will always be instability--is not very amenable to military solutions. Hughes identifies the nine most important conditions causing instability in the post-Cold War world; only three of them are connected to military matters. Uneven economic and demographic development; disparities in wealth and resource distribution; ethnic, religious, and cultural strife; transnational crime; reaction to Western cultural expansion; and natural disasters and environmental issues are best solved by non-military means. Only uncertain regional and global security structures, the proliferation of high-technology weapons, and rogue groups and states have any direct connection with military issues.¹⁰³

Weapons of Mass Terror and the American Homeland

A conventional military threat to the U.S. homeland is virtually nonexistent. The chances of a Russian nuclear strike have dramatically declined. The world has become more stable after the Cold War. But one threat to the American homeland is actually becoming more severe. Technologies for weapons of mass terror (nuclear, biological, chemical, missile, and information warfare technologies) are gradually proliferating outside the developed world. Despite international arrangements that try to control such technologies, proliferation can only be slowed. About 25 nations--some of which are outlaw states (for example, Iran, Iraq, Syria, Libya, and North Korea)--have programs to develop nuclear, biological, or chemical weapons. More than 20 countries are developing ballistic missile programs that could carry such weapons. This situation has reawakened interest in protecting the American homeland.¹⁰⁴

Most of the interest has centered around building a national missile defense to destroy incoming missiles from rogue states that could carry nuclear, biological, or chemical weapons. Yet those missiles may not be the most severe threat. National missile defense is a back-up measure in case deterrence fails. Yet deterrence is likely to work in the vast majority of cases. The United States has overwhelming nuclear superiority (that is, it possesses a much greater number of warheads) over all rogue states. The United States also has satellites that can detect the origin of a missile launch. Thus, it prob-

ably would be suicidal for a rogue state to launch a missile against the American homeland.

A more likely threat would be a cruise missile with a nuclear, biological, or chemical warhead launched by a rogue state or terrorist group from a ship off the U.S. coast. Defense against cruise missiles, which fly low under radar surveillance, is difficult. In addition, it would probably be more difficult to trace the origin of such an attack than it would be to do so for a ballistic missile launched from the territory of a rogue state. Yet less emphasis has been placed on defending the American homeland from cruise missile attacks—something that perhaps needs to be rectified.

More difficult to trace are attacks using nuclear, biological, chemical, or information warfare by shadowy terrorist groups, either under the sponsorship of a rogue nation or conducted independently. Terrorists could bomb a nuclear reactor or detonate a crude nuclear bomb carried in a truck or ship; they could use a crop-dusting aircraft or a rooftop sprayer to spread deadly chemical or biological agents; or they could hack into vital computer systems that control the U.S. stock market or power or telecommunications grids.

A study completed by the Defense Science Board notes that historical data show a strong correlation between U.S. involvement in international situations and terrorist attacks against the United States.¹⁰⁵ President Clinton also admitted that the United States was a target for terrorist attacks because of its "unique leadership responsibilities."¹⁰⁶ Once regarded as pinpricks by great powers, attacks by terrorist groups can now be catastrophic for the American homeland. Such weapons can cause tens of thousands or even millions of casualties. The DSB concluded that terrorists can now more rapidly obtain the technology for weapons of mass terror and have fewer qualms about using them to cause enormous casualties.¹⁰⁷ Then-assistant secretary of defense for reserve affairs Deborah Lee stated that such catastrophic attacks are almost certain to occur.¹⁰⁸ It will be extremely difficult to deter, prevent, detect, or mitigate the effects of such attacks. Therefore, terrorist attacks using nuclear, biological, chemical, or information warfare are probably the greatest single threat to U.S. security (cruise missile attacks are a close second).

As a result, there has been a dramatic change in the strategic environment for the United States. Even the weakest terrorist group can cause enormous destruction in

the homeland of a superpower. For example, according to the secretary of defense, five pounds of anthrax could annihilate half the population of Washington, D.C.¹⁰⁹ (Such an amount would kill 300,000 people.) The United States is now the Gulliver of the international system.

We are not, however, without recourse. There is a way to significantly reduce the chances of an attack on the American homeland by terrorists using weapons of mass terror. A geostrategic position that is virtually invulnerable to conventional attack should have enabled the United States to shrink its defense perimeter after the end of the Cold War. Yet the United States continues to intervene militarily in foreign conflicts all over the globe--for example, those in Haiti, Bosnia, Somalia, and the Middle East--that are irrelevant to American vital interests. Those provocative overseas interventions--that is, an extended defense perimeter--actually make the homeland more vulnerable. To satisfy what should be the first priority of any security policy--protecting the homeland and its people--the United States should adopt a policy of military restraint. That policy entails intervening only as a last resort when truly vital interests are at stake. In those rare cases, military power should be applied unilaterally and decisively.¹¹⁰

Conclusion: A Ranking of Threats

Since the first responsibility of any government is to protect its territory, citizens, and way of life, threats to the homeland need to be ranked at the top. With weak and friendly neighbors on its northern and southern borders and vast oceans on the east and west, the United States faces only a negligible threat from a conventional attack. Further, when the Cold War ended, the threat from a Russian nuclear strike declined dramatically. Thus, the threat of a terrorist attacking the U.S. homeland with a weapon of mass destruction is now the greatest single threat to U.S. security. A rogue state or terrorist group using a weapon of mass destruction carried on a cruise or ballistic missile launched from a ship offshore is the second greatest threat. The United States can detect the origin of ballistic missile launches and has a powerful nuclear deterrent. Therefore, ballistic missiles launched from a rogue state are the third greatest threat to U.S. security.

Next are threats to U.S. vital interests worldwide. Such threats are currently very minor. No conventional threat to either of the major economic centers--Western

Europe and East Asia--from a regional hegemon is likely to arise for the next 20 or 30 years. As noted earlier, Russia, with its military and economy in a shambles, is not likely to menace Europe for a long while--if ever. China, with its rapid economic growth, has been much slower in modernizing its military, which started from a very low point. Paul Godwin, a noted expert on the Chinese military at the National War College--commenting on China's potential to be a significant military threat--estimates "the window for China's becoming one of the world's major military powers . . . at somewhere between 2020 and 2050."¹¹¹ Of course, China may never travel that road. China will have the economic resources to modernize its military, but that modernization is likely to be gradual.

China may avoid a conventional arms race with the United States, just as it eschewed the strategic nuclear arms race between the Soviet Union and the United States by developing only a minimal nuclear deterrent. Military developments in China bear watching, but hysteria is unnecessary--especially since the Chinese apparently learned the perils of excessive military spending from the experience of the Soviet Union.

If the balance of power in either Europe or East Asia erodes and a threat arises, the United States will have ample time to build up its armed forces and to help like-minded nations. (The economies of like-minded nations in Europe and East Asia are larger than those of their potential adversaries--Russia and China.) It takes longer to develop and field modern high-technology weapon systems than it took to develop and field systems in the 1930s during the rise of Hitler. Instead of starting late and racing to catch up, the United States begins with an overwhelming lead in military power and technology.¹¹² In fact, in the future, the United States will probably widen its already commanding technological lead. According to the Stockholm International Peace Research Institute, the United States accounts for 64 percent of the world's military research and development expenditures and spends more than seven times what second-place France spends.¹¹³

Most of the Pentagon's military planning covers areas of the world that are not very critical to U.S. vital interests, which, contrary to conventional wisdom, indicates how few threats currently exist. As noted earlier, prominent economists believe that going to war for Persian Gulf oil is unnecessary. Besides, the combined economies of the GCC states greatly exceed the GDP of either Iraq or Iran. The GCC nations can afford to provide for their own defense, especially with the reduced threat from a weak-

ened Iraq or Iran. The GCC should be weaned from U.S. protection.

Without an adversary superpower to benefit, even a North Korean invasion of South Korea would be far less important to U.S. security than during the Cold War. Besides, South Korea's economy is at least 18 times the size of North Korea's. That means that South Korea can also be weaned from U.S. protection.

All of the military threats from the remaining rogue states--Syria, Libya, and Cuba--have declined dramatically after the demise of their Soviet patron. In addition, less terrorism is now sponsored by Syria and Libya. However, proliferation of weapons of mass destruction to some of those nations--as well as to Iraq, Iran, and North Korea--may be an increasing problem. International efforts to curb proliferation will, at best, only slow it down. Thus, the United States should develop a national missile defense to guard against ballistic missiles carrying such weapons. To reduce the chances of an attack by a rogue state or terrorist using a cruise missile or other means of delivery, the United States can best rely on a policy of military restraint overseas.

After the Cold War ended, the United States--enjoying perhaps the most secure geostrategic position of any great power ever--could have instituted a policy of military restraint. Instead, a foreign policy of "global leadership" got in the way. Now, with the proliferation of weapons of mass destruction to rogue states and terrorist groups, military restraint is a necessity, not merely an option. Overextending our defense perimeter could make the U.S. homeland vulnerable. To paraphrase Frederick the Great, defending everything is defending nothing.

A policy of military restraint could also give the taxpayer the post-Cold War "peace dividend" that is long overdue. It is difficult to believe that a nation with such a secure geostrategic position spends about \$270 billion per year on national defense--roughly the combined defense spending of the next 10 nations (8 of which are friendly states). In the past decade or so, the U.S. share of world defense spending has increased from 27.5 percent to 32 percent. The potential adversaries--Russia, China, and the rogue states--now have a combined share of only 18 percent.¹¹⁴ The time has come to reduce U.S. defense spending to match the benign threat environment in the world today and to give the American taxpayers the break they have earned.

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