
Kokoda Trilogy Proceedings: Tackling Security Challenges in the South Asian Crescent

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Each year, the Kokoda Foundation invites security experts from the United States and Australia to investigate shared security challenges. The 2009 'Kokoda Dialogue' explored the issues and options for future strategies in the South Asian Crescent, especially the nuclear program of Iran, the war against the Taliban and al Qa'ida in Afghanistan and Pakistan, and maritime security in the Indian Ocean. The Dialogue considered a strengthened sanctions regime against Iran coupled with stronger international support the best course of action towards a resolution of the nuclear issue, but noted that time was running short given Iran's advances. In Afghanistan, coalition strategy should focus on population-centric counter insurgency, including the capacity building of national institutions, but success will not come quickly. In the Indian Ocean, the United States and Australia should work towards establishing a regional security architecture that is able to address the key security challenges of the Indian Ocean.

The Kokoda Foundation held its third Australia-United States Strategic Dialogue in late November 2009. Those discussions brought together over 200 senior Australian and United States serving and retired security officials to consider Iran's nuclear ambitions, making progress in Afghanistan/Pakistan, and improving maritime security in the Indian Ocean.

This summary of the Dialogue is intended to prompt more discussion, research and action by highlighting issues raised in the wide-ranging discussion. The summary focuses on those issues of primary relevance to the Australian policy community.

Dealing with Iran's Nuclear Challenge

Iran's nuclear ambitions started with the Shah in the 1950s and have been pursued in defiance of international concerns (including President Barack Obama's attempt to engage the Iranian Government).¹ Dialogue participants considered a number of key questions. For example, how much of a threat to Western security would a nuclear Iran pose? What are the prospects that

¹ The UN Security Council first demanded that Iran suspend its uranium enrichment-related and reprocessing activities with the adoption of resolution 1696 in July 2006. The following three resolutions, 1737 adopted in December 2006, 1747 adopted in March 2007, and 1803 adopted in March 2008, imposed incremental sanctions on Iranian persons and entities believed to have been involved in Iran's nuclear and missile programs. The UNSC adopted the fifth resolution, 1835, in September 2008, and reiterated the demands made in resolution 1696 without imposing additional sanctions.

Israel or others might decide to take pre-emptive action, and what might be the consequences of such action? What then, are the most relevant policy options to consider?

Dialogue participants concluded that extended sanctions seem likely to be part of the way forward, together with P5+1² engagement that offers incentives to help Iran achieve civilian nuclear energy. It is, however, a race against time—slow diplomatic progress versus the increasing development of Iran's nuclear program.

In these circumstances Dialogue participants identified other policies for dealing with Iran's nuclear challenge including:

- Accepting Iran as a nuclear state. However, it would be premature to adopt this option now.
- Pursuing the 'grand bargain',³ exploiting any common strategic interests to shore up the regime. However, it would be difficult to see sufficient will and common interests on the parts of both Iran and the United States.
- Pursuing regime change: Iran has good infrastructure, natural resources, and reasonable education, all of which are offset by poor government and governance, an under-performing economy, widespread corruption, ethnic minorities, and many destabilising influences. But economic modernisation and political change are unlikely to build international momentum for regime change. And even if it did, the Iranians calling for regime change are just as committed to a nuclear Iran as the current regime.
- Containing nuclear activities (through improved engagement) could improve transparency, build inspection effectiveness and lessen the magnitude of Iran's enrichment activities. This would add to Iran's legitimacy and avoid further sanctions but also undercut UN resolutions. However, it would probably only delay Iran's nuclear program, the West would be seen to have stepped back, and the precedent this sets could exacerbate regional destabilisation.
- Military strike against the nuclear program would be difficult from an operational point of view, and unlike the earlier Israeli strikes against nuclear facilities in Iraq and Syria, would have to be part of a

² The P5+1, which came into being in 2006, comprise France, Germany, the United Kingdom, China, Russia and the United States.

³ In essence, the 'grand bargain' which Iran called for a couple of years ago, would be a peace treaty between the United States and Iran, where Iran puts everything on the table: its support for terrorism, its nuclear program, and its hostility towards Israel; and in exchange, Iran seeks security guarantees, an end to sanctions and a promise never to push for regime change.

sustained campaign. This would probably stall any Iranian reform movement. Indeed, it may spur Iran to pursue its nuclear ambitions with even greater vigour.

The most useful outcome would be to secure the isolation of Iran and exert international pressure through all channels, noting that the timelines for other options have narrowed. The 'containment' option needs to be given time to fail (if that happens) before other precipitate action is taken. However, the tolerance threshold is clearly diminishing and the time for manoeuvre is now short. Blanket Iranian rejection will fuel Israeli fears to the extent that unilateral action might be taken with very little warning.

Making Progress in Afghanistan/Pakistan

In discussing the challenges in Afghanistan and Pakistan, Dialogue participants debated whether the key coalition members are in a position to clarify their strategic objectives in Afghanistan and Pakistan. For example, is the Western-led coalition engaged there to prevent these places becoming al-Qa'ida safe havens, destroy al-Qa'ida, and rapidly build up the scale and capabilities of the local security and police forces? Alternatively, is the coalition's goal to not only deny safe havens to terrorists but to build more robust and enduring civil societies in a secure and stable region?

Dialogue participants saw the way ahead very much in terms of building stable and secure civil societies in Afghanistan and Pakistan and moulding the perceptions of people in the region and coalition populations to ensure the willpower, commitment and resources are there to underpin success. Complicating this process, however, is the forthcoming wind-back of US forces from July 2011. In these circumstances, Dialogue participants felt that the United States and the coalition must better articulate the importance of what they are doing, and the fact that they regard Afghanistan as a long-term commitment. US Secretary of Defense Gates has emphasised that the pace and character of the drawdown—the timing and which districts and provinces—will be determined by conditions on the ground, so it is more of a transition strategy than an exit strategy.

In Australia, eroding public support for the Afghan commitment must be countered by clearer explanation of the link between the risk of terrorism in Australia and Afghanistan outcomes. The connection between nation building and the role of the military also needs to be better explained.

Such explanations need to recognise the imperative for the West and its partners to move beyond the status quo in Afghanistan and Pakistan. Stability and security in Afghanistan cannot be achieved until the Taliban/al-Qa'ida network's ability to attack from Pakistan is severely disrupted. While defending Afghanistan will not eradicate a terrorist network based in Pakistan, failing to defend Afghanistan will almost certainly give al-Qa'ida

new momentum and greater freedom of action. Afghanistan and Pakistan have to be viewed together in this respect.

US actions will be influenced by US domestic political imperatives. The next Presidential election looms in 2012. Afghanistan, Pakistan and Iran probably won't lose President Obama the next election, but unemployment might.

AFGHANISTAN

Dialogue participants noted that a Western consensus on what Afghanistan represents in terms of global interests was necessary but not sufficient to help solve some of the more systemic problems. There is also a need to articulate the importance of stability to a broader audience, highlighting that terrorism is an offspring of regional instability.

If coalition governments cannot convince their own populations that being in Afghanistan is important, it will be very difficult to convince others. So, there is a need to craft a more realistic and honest narrative for the publics of coalition partners, which should involve clear messages around metrics and demonstrable progress towards harder-edged security goals.

The best outcome would be a functioning state of Afghanistan, able to manage its own internal and external security to a degree that limits interference from outside powers and allows the country to prevent the re-establishment of terrorist bases and training camps. This necessitates the establishment of a national government that is credible and legitimate, that represents all major factions in Afghanistan, and that allows disenfranchised Pashtun communities to be re-integrated into the political process. And that government must be backed by strong military and police forces that provide security and that can mesh with local communities.

In achieving those outcomes and objectives, the challenge for the coalition would seem to be to better articulate the nature of this war, the extent to which Afghanistan really matters in the broader context, what is at stake, the strategic options, what is needed to ensure success, what success looks like, and the primary military goal in ensuring success.

Dialogue participants acknowledged that dealing with these challenges is complicated by, firstly, the multidimensional nature of the conflict involved. The inner core of the conflict is a highly complex insurgency, involving multiple insurgent groups. Surrounding that core is a regional conflict involving Pakistan, India and Iran. And both of these are set within a large global conflict being waged by violent Islamist extremists. Any solution must take account of these three wars.

Second, Afghanistan matters a great deal in the context of all three wars. Afghanistan's stability is key to Pakistan's stability and Pakistan's stability is

key to Central and South Asia's stability. Afghanistan is the central front because of its role in al-Qa'ida's narrative.

Third, what is at stake is ensuring the security of Afghanistan for Afghans, denying safe haven for al-Qa'ida, maintaining the credibility of the coalition countries and NATO, and making progress in the overall struggle against violent extremists.

Against this background, Dialogue participants canvassed a range of strategic options and concluded that the coalition could adopt a counter-insurgency (COIN) strategy involving population-centric actions and denying the Taliban access to the population, but broadened to encompass nation building and governance to ensure stability and security. In doing so, the coalition must not lose sight of the need to keep Pakistan stable.

Securing the Afghan population, extending governance, and denying sanctuary to terrorists are vital to the success of any such strategy. But success could be denied the time needed to build the Afghan police and military forces, and the very real resource limitations will continue to hamper the best efforts of the coalition. In these circumstances, the key to success is to build operational momentum in the field and to work with the Pakistan Government to ensure sovereign control over its territory.

What might success look like? Success amounts to a stable Afghanistan, with insurgents on the defensive and handled by Afghan law enforcement forces, and with the Afghan military able to manage conflict. The local police forces would create and exploit fissures between insurgent groups and negotiate with others, but from a position of strength. From a regional perspective, it would also mean denying the Taliban and al-Qa'ida safe haven in Pakistan, as well as incremental defeat of al-Qa'ida's narrative, its forces and its related movements. Success will be defined by a supportive and co-operative relationship between Afghanistan and the West and an Afghan Government that can protect its people. Artificial deadlines for withdrawal could hamper eventual success.

What is the primary military goal in realising success? The solution is complex and must blend elements of counter-terrorism (CT), population-centric COIN and strong civilian development. Removal of the safe havens demands a CT focus, while bringing stability and prosperity to local areas demands a COIN focus in conjunction with development. Protecting the population must be a higher tactical priority over pursuing the enemy.

Comprehensive COIN is not just about the military—it is about empowering the underlying society that distances itself from the Taliban and is afforded security and freedom of movement. This must then be supported by economic, infrastructure and governance action at the local level.

As the military situation changes, so too should the mission and the focus of effort—so the key to success is flexibility. The ability to adapt on the ground, modifying the strategy as necessary is vital for success. Re-integrating and reconciling extremists back into the local population is also important, but to do this, local leaders must be empowered.

There is a need to promote strategic patience within the coalition. Strategic patience is not just required at the political level—the military commanders must also be provided time to apply COIN in a way that succeeds. However, progress must be assessed periodically using solid measures of performance and effectiveness, and must be explained to the public.

Dialogue participants saw the key to Afghan reconstruction in terms of long-term, bottom-up political development. They also considered more effective and responsive public institutions as vital. People must have access to legitimate government institutions. Effective, transparent and responsive governance must be provided by the Afghan Government. Dialogue participants were pleased to note President Karzai's recent comments on the need to deal with corruption, pursue merit-based selection, improve the rule of law, and deliver basic services. The President would need assistance in meeting these key goals and in increasing the visibility, accountability and responsiveness of the national government at provincial and local levels.

Within this framework, Dialogue participants discussed a range of practical issues. The ability of Coalition forces to partner with the Afghan forces must be expanded and deepened with the emphasis on making local forces less corrupt and more capable. Such forces must be part of an effective local criminal justice system—if the Taliban delivers just outcomes in the place of local governments, the villagers will take their problems and their loyalty to the Taliban.

Several of the large-scale development projects currently underway in Afghanistan do not seem to address the underlying issues that foment unrest at the local level, such as irrigation rights and land disputes. Conducting a census and building a land registry would seem as important in many areas as building schools and hospitals. There is scope for greater but well-targeted civilian effort, concentrating on those areas held by national and coalition forces (not the Taliban strongholds) and focussed on investment in agriculture, transport infrastructure, and exploiting natural resources (including mining technology).

The Afghan people need to be convinced that progress can be made in building a unified state and that the Taliban is their enemy, not their ally. Building the Afghan state is not just about health, education, irrigation rights, and settling land disputes—a stable revenue base is key and it cannot revolve around poppy growing and drug trafficking. Sustainable revenue systems, including taxation systems, are required. Practicable tangible

development effects must be demonstrated to Afghan villagers that have an immediate impact on them, to stop them drifting to the Taliban.

In sum, Dialogue participants identified the following priorities for success in Afghanistan:

- Move to a 'coalition strategy', reinforcing comprehensive COIN, which requires clear coalition commitments and an increased civilian role. The military effort must create the conditions for an effective transition. The civilian effort should include a role for partners who are currently outside the military coalition, especially China and India.
- Build strategic patience. There is an urgent need to articulate a methodology to explain progress and judge resource needs. The media needs to play a positive role in building public support, which could be realised through embedding journalists more broadly. It is also important to talk about 'transition', rather than 'exit'; although, imposing a timeframe underscores the need for Afghanistan to take responsibility for its own security.
- Build governance capacity in Afghanistan. Legitimate Afghan governments (not just the central government) need to become the source of law, education and assistance for communities.
- Continue to build capacity in Pakistan. There is a need to help the Pakistanis re-orient towards COIN and reduce the influence of internal insurgents spilling over into Afghanistan. Success in Afghanistan is inextricably linked to a partnership with Pakistan. The strategy must, as President Obama has said, work on both sides of the border.

PAKISTAN

Dialogue participants noted that, while it was necessary to prevail in the Afghan conflict the real strategic priority is Pakistan, with its nuclear capabilities and Islamist extremism. Radical Islamic groups within the Pakistani military will be destabilising influences much longer than the Taliban in Afghanistan. An unstable Pakistan could become a serious proliferator and be more ready to use nuclear weapons if it felt threatened. Permitting the Taliban sanctuary in Afghanistan will only foster a Taliban-based insurgency in Pakistan that will exert increasing pressure on the Government in Islamabad.

Key Pakistani leaders should be encouraged to consider the implications of success in countering the Taliban insurgency in Afghanistan for reducing the effectiveness of the Taliban in Pakistan. Afghanistan and Pakistan are, in most senses, a single strategic issue but require different tactical

approaches. The policy implications are that Pakistan must be stabilised at the same time as dealing with Afghanistan.

Pakistan too needs resuscitation. The Pakistanis have an Indian problem, an internal problem, a nuclear problem, and a problem in dealing with the Americans. In these circumstances, the United Nations might be best placed to foster Pakistani thinking about their own national resuscitation.

The Dialogue participants identified the following strategic keys to progress in Pakistan:

- Recognising that, while security developments in Afghanistan and Pakistan are interdependent, the challenges for Pakistan are different—Pakistan should be considered as a significant regional partner.
- Improving the understanding of, and action to address, the factors creating instability in Pakistan and those characteristics that make the Taliban so appealing; and then convincing the Pakistani authorities and public that the Taliban is their enemy, not their ally.
- Refocusing the Pakistani military away from India and towards the country's internal problems. They should be congratulated for their recent actions in the Swat Valley and South Waziristan (although there is still much for them to learn in terms of avoiding collateral damage and rebuilding). In encouraging them to stay out of politics, further, deeper and closer co-operation between the Pakistani military and coalition countries is needed.
- Remaining patient, enhancing nuclear security and improving national security incrementally.
- Quietly encouraging a more effective India/Pakistan dialogue.
- Improving US/Pakistan relations and diminishing anti-US sentiment, as well as maintaining the current momentum of Australia/Pakistan engagement, and supplementing the senior military dialogue with working-level talks.

Improving Maritime Security in the Indian Ocean

In discussing maritime security in the Indian Ocean, Dialogue participants focused on the increasing importance of the energy flows out of the Persian Gulf. For many countries, particularly in East Asia, dependence on Persian Gulf energy is rising steeply and competitive behaviour in seeking to secure access to these resources is also sharpening. The Stimson Centre has highlighted intersecting social, economic, scientific, and security issues in its

recent analysis *The Indian Ocean: Resource and Governance Challenges*. Against this background, Dialogue participants noted that the lack of regulation of the Indian Ocean's maritime environment has led to significant increases in piracy, stemming mainly from the weakness or failure of littoral states and driven by a deterioration in livelihoods, governance, and the environment in coastal communities.

Regional cooperation and governance clearly need to be improved. As a start-point, it is important to move the current state-to-state discussions to a regional (and global) level through comprehensive multilateral co-operation that addresses differing national and economic priorities and divergent approaches to maritime security.

At the regional level, each of the major organisations—including the Gulf Cooperation Council (GCC), the South Asian Association for Regional Cooperation (SAARC), and the Association of South East Asian Nations (ASEAN)—views maritime issues differently. These regional organisations, along with the broader international community, will need to develop more robust mechanisms, policies and practices for co-operation and governance.

A common interest needs to be built around how the world gets its energy and other resources, rather than how well each individual country does. This suggests that the core challenge does not concern control of the sea lanes, but it rather relates to the development of multilateral co-operation to manage shared interests in energy and other resources as demand increases and prices rise. The mechanisms for building such co-operative relationships do not currently exist.

Dialogue participants made the following observations concerning the development of co-operative relationships with a view to enhancing maritime security in the Indian Ocean.

First, for far too long the Indian Ocean has been viewed as the highway between strategically important places, rather than a strategically important place in its own right. Into the future, the region can expect to see a number of major powers with the increasing ability to project power and exert influence.

Second, while the Indian Ocean maritime environment is becoming more contested, that is a function of what is happening onshore. The causes of piracy, energy insecurity, illegal fishing, and people smuggling stem from the fragility and failure of states in the Indian Ocean littoral. The actions of powers on the region's periphery also play a role; for example, those impacting riverine systems upstream from the Indian Ocean deltas. Without improvements in governance and the rule of law, this region will continue to be subjected to substantial internal instability and mass population

movements, and remain unable to resist the predations of outsiders plundering its resources, seeking safe haven, and undertaking illegal acts.

Third, unlike the Pacific Ocean, whose strategic architecture is relatively well-defined and whose dynamics are relatively predictable, the Indian Ocean is comparatively uncharted territory. There is currently great uncertainty about the strategic options for dealing with the Indian Ocean challenges, and there is no central mechanism for strategic management or even for discussing issues collectively.

Fourth, the prisms through which the littoral states and those more distant states with genuine stakes in the region view these issues are very different. For example, India seeks to dominate and would like a hegemonic position with respect to its activities and interests in the Indian Ocean. China sees the Indian Ocean as one of its most significant sea lines of communication, and wants to create a sphere of influence to ensure its energy security and access. The United States sees the Indian Ocean as the place between important places such as the Persian Gulf and Asia.

Dialogue participants noted that emerging strategic pressures and stresses in the Indian Ocean prompted a series of questions—Can rules of the road be created for the Indian Ocean? Can conflict resolution mechanisms be negotiated? Can confidence building mechanisms be established? Any or all of these will be very difficult as there are just so many countries involved, with so many constituencies, and many strongly held beliefs and entrenched enmities.

In addressing these questions, Dialogue participants identified the following elements of an allied strategy for the Indian Ocean:

- A much stronger regional security architecture is required, which has to enable regional heads of government to address core issues.
- A useful forum might be the G20, where India, China, the United States and several other key regional players are peers. The G20 is in a formative stage of development and already offers key opportunities to bring together the G20 Finance Ministers and other senior officials. Over time (fairly quickly), these dialogues could be expanded to embrace periodic meetings of National Security and Defence Ministers. Indeed, there is an enormous Indian Ocean agenda for G20 meetings. It would be useful for the United States and Australia to drive this and to help shape the agenda and direction that brings together energy security, oil prices and economic instability with piracy, counter-terrorism and safety at sea.
- Energy security will probably be the most significant initial issue, with escalating oil prices threatening to destabilise many struggling

economies and putting pressure on the more developed ones. It might be useful to establish an energy security forum and sub-regional task forces to address other shared security issues such as food, the environment, piracy, and counter-terrorism.

- Alliances and multilateral approaches both have a role; although caution is required in developing trilateral arrangements such as the mooted United States, Australia, India forum. Steps must be taken to guard against any perceptions in the region, and particularly by China, that the Asia-Pacific democracies are conspiring together against others. China must be a partner in any endeavours.
- Japan and South Korea should be encouraged to become key players in any multilateral forums dealing with Indian Ocean issues. Australia is well placed to lead in this field. More could also be done to better engage the Shanghai Co-operation Organisation members to participate in relevant discussions.
- The United States brings a sense of stability to the western Pacific, partly through its bilateral alliances with Australia, Japan and South Korea. This does not apply in anything like the same sense in the Indian Ocean. In consequence, a solid case can be made for a stronger US regional military presence, with more US investment in training, exchanges, and relationship building, including with ASEAN. Australia has a role too, especially in providing strategic depth for the United States through, for instance, base support.
- Australian/United States Ministerial (AUSMIN) discussions should devote some time to aligning the approaches of Australia and the United States in the Indian Ocean region. Future security challenges in South-east Asia might also be added as a regular item in bilateral discussions.
- North-east and South-east Asia have benefitted from a coherent US approach (through US Pacific Command (PACOM)). The Indian Ocean, by contrast, spans Africa Command (AFRICOM), PACOM and Central Command (CENTCOM). The Indian Ocean needs to become a priority for both PACOM and CENTCOM, and greater co-operation between the two could help develop a coherent US approach. The forthcoming US Quadrennial Defence Review should address the rising strategic importance of the Indian Ocean directly.

Conclusion

The Kokoda Foundation Trilogy discussions highlighted the need to think strategically over the long-term, to re-build intellectual capital around strategic thinking, and to balance long- and short-term objectives. There is

also a need for more agility in developing policy options so that opportunities can be recognised and seized swiftly.

Leadership by national governments will be important. However, democracies change their leaders often; thus, there is a need to bring domestic publics along to ensure consistency. This requires a sharpening of public messages and the repetition of key themes through telling frequent 'stories' about local operations that reinforce the logic and value of Coalition involvement.

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