

Intelligence Security Diary

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1 Sep *Intelligence Estimate*

The new *National Intelligence Estimate* – a report reflecting the views of the broad American intelligence community – indicated “measurable but uneven improvements in Iraq’s security situation” but stated, “Iraq’s political leaders remain unable to govern effectively.” The key points were:

- “Uneven improvements” in Iraq’s security since January.
- Iraqi government will become “more precarious” over the next year.
- Shifting coalition forces away from counter-insurgency “would erode security gains”.
- Perceptions of a U.S. withdrawal “could intensify sectarian violence”.

The *National Intelligence Estimate* specifically stated that any move to shift U.S. forces away from their current mission of counterinsurgency contributing towards stabilization to focus more on fighting terrorists “would erode security gains achieved thus far”. Senior officers in Baghdad indicate that the surge has been effective in reducing violence, however, it is felt longer-term success will depend on political reconciliation amongst the “warring” factions “in the streets”.

[The Army will have to reduce the size of its force to the pre-surge level of about 135,000 or extend the period of the soldiers’ tours beyond the current fifteen months. While this is the “logistical arithmetic” facing the White House and Pentagon – it is strictly an arithmetical perspective – and does not reflect the ‘battle fatigue’ the troops are suffering or the ‘wear and tear’ debilitation of the ordnance that has been ‘in theatre’.]

3 Sep *Serbia – Russian Investment*

Last month Russia blocked U.S.-led efforts at the United Nations Security Council to secure global backing for a plan to grant Kosovo “managed independence”. The province has been under U.N. administration since a North Atlantic Treaty Organization air campaign forced out Serbian troops to end the ethnic cleansing of Kosovo’s approximately 90% Albanian population.

Over the next several months Serbia plans to privatize its state energy company, NIS, and its national airline JAT. Russia’s OAO Lukoil and AOA Aeroflot are favored to win the two tenders. Serbia has also reopened the tender for the country’s largest copper mine, RTB Bor, in response to the direct lobbying of Russian metals tycoon Oleg Deripaska and President Vladimir Putin. Sources indicate the meetings took place at the ‘investment forum’ in St. Petersburg in June.

[Serbian officials deny any link between Russian support for Belgrade’s position on Kosovo and the coming privatizations. Russian support for Serbia’s position on Kosovo reflects its strategic goal of building a “southern energy corridor” to transport Russian oil and natural gas to market in Europe, bypassing troublesome transit neighbors Ukraine and Belarus. It should also be noted that large new Russian pipelines would undermine the financial viability of the European Union’s Nabucco gas-pipeline project, which would bring gas from the Caspian Sea region and Iran, bypassing Russia.]

7 Sep *Turkmenistan Energy*

The Central Asian nation of Turkmenistan is emerging as the center of regional rivalries as Russia, China, the United States and Europe compete for access to its energy reserves. Executives from Chevron, Royal Dutch Shell, Total and Russian TNK-BP are frequently seen in the nation’s capital of Ashgabad.

Most of the world’s proven energy reserves are in the Middle East – largely “off limits” to U.S. oil concerns, and Europe strategically would like to diversify its supply of natural gas away from Russia. Turkmenistan holds one of the world’s largest reservoirs of natural gas.

In May, Russian President Putin visited Turkmenistan and signed an agreement whereby a new gas pipeline will be built around the Caspian Sea and northward to Russia. It would increase deliveries of Turkman gas to Russia to 90 billion cubic meters a year, from 50 billion a year currently. The deal directly undermines the European Union's Nabucco project to bring gas from Central Asia and Iran to Turkey and Eastern Europe.

Turkmenistan has also endorsed a deal to build a 30 billion cubic meters per year pipeline to China that will also see China's National Petroleum Corp. drilling for gas in Bagtyarlyk – one of Turkmenistan's most promising fields. Beijing's plan is to have gas from this field fill the new pipeline.

[Oil analysts "familiar with the numbers", however, are questioning Turkmenistan's financial ability to meet its export commitments. One source indicates the country will need \$5 billion in investment every year for the next 25 years to increase output to 130 billion cubic meters. It is forecast to produce only 60 billion cubic meters this year. The arithmetic brings smiles to the faces of those with experience in the country's energy sector – Turkmenistan has been known to sell more gas than it can produce!]

10 Sep **Strategic Intelligence 1940-1941**

Penguin Press has released a book by Ian Kershaw entitled, "*Ten Decisions That Changed The World 1940-1941*". * The author focuses on the crucial early 19 months of the Second World War. The author is a superb storyteller who portrays the personalities at the heart of the conflicts – the pressures they faced and the strategic domains they struggled with. Kershaw places the reader in the position of making the choices as if you were present and the key decision-maker at the time. The ten decisions:

- London – spring 1940 – Great Britain decides to fight on.
- Berlin – summer 1940 – Hitler decides to attack Soviet Union.
- Tokyo – autumn 1940 – Japan decides to seize the "Golden Opportunity".
- Rome – autumn 1940 – Mussolini decides to grab his share.
- Washington – spring 1941 – Roosevelt decides to lend a hand.
- Moscow – summer 1941 – Stalin decides he knows best.
- Washington – summer 1941 – Roosevelt decides to wage undeclared war.
- Tokyo – autumn 1941 – Japan decides to go to war.
- Berlin – autumn 1941 – Hitler decides to declare war on the United States.
- Berlin – autumn 1941 – Hitler decides to murder the Jews.

In July 1941, Hitler summoned his senior generals and informed them that Germany would invade the Soviet Union. Hitler acted unilaterally – there was no discussion of maintaining the advantageous peace with the Soviet Union or using naval power to sever Britain's vital links with the United States. Hitler's strategic decision was to destroy the Soviet Union and seize its land and resources. He rationalized the decision on the basis that a quick defeat of the Soviet Union would cause Great Britain to concede and keep the United States neutral.

In the case of Japan the situation was one of a military establishment – independent of civilian authority – precluding any serious discussion of alternatives to war with the United States. The Japanese leadership drifted towards war in a mood of fatalism – fearing likely defeat but gambling on a speedy victory. The democracies, however, more carefully assessed the strategic alternatives before them.

In 1940, Great Britain explored the alternative of approaching Mussolini to act as a mediator with Hitler. This alternative was rejected because the concessions were unacceptable. Prior to Pearl Harbor, President Roosevelt judged that taking a divided America into war would have been calamitous. The isolationists had a broad political base. Roosevelt, however, astutely prepared American public opinion for war and the isolationists were muffled.

[The author contends that while powerful forces will always push to armed conflict – those in leadership invariably have the choice to fight or not. Would another President, with other advisors, have made a different decision on Iraq? The book is recommended as an excellent complement to the field of 'strategic intelligence'. War colleges and even business schools would be well advised to place it on their 'reading lists'.]

**The book was reviewed in the Saturday, July 28th, 2007 edition of the Globe and Mail.*

13 Sep *Putin "Cleans House"*

Vladimir Putin appointed Viktor Zubkov, the head of Russia's anti-money laundering agency, as prime minister, replacing Mikhail Fradkov. The wily Putin also removed his entire 21-person cabinet. Mr. Zubkov does not have an independent power base, leaving Putin even more room to maneuver during the upcoming parliamentary and presidential elections. Putin has appointed longtime allies and supporters to senior positions in government and major state companies.

Mr. Zubkov worked with Putin in the mayor's office in St. Petersburg in the 1990s. He is a long-time Putin ally who has carefully avoided siding with any factions within the Kremlin. Money laundering prosecutions rose sharply under his administration – earning Russia removal from the international blacklist of money-laundering countries.

It was widely speculated that First Deputy Prime Minister, and former defense minister, Sergei Ivanov, would be named prime minister – the 'springboard' to the ultimate position of President in 2008. In a carefully scripted media-commentary, Ivanov described Zubkov's appointment as a "routine event".

Mr. Putin's 2004 appointment of the departing Prime Minister, Mikhail Fradkov, to the position was a similar surprise. At the time, Mr. Fradkov had no links to the various competing factions in the Kremlin, however in recent months he has become increasingly a 'player' in the intense maneuvering amongst those seeking the presidency. He is described by one source as becoming, "a de facto candidate of one of the factions."

[There is speculation that Mr. Zubkov may be elected President – serve for a short period of time – and then resign, allowing Mr. Putin to run again. The announcements indicate that the situation in the Kremlin is very dynamic. Fradkov's alignment with one particular faction appears to have led to his demise. Putin's firing of his whole cabinet, however, may create wide spread negative fallout wherein those in previous positions of power conspire directly against him. The disappointment and acrimony will increase the probability of outright conflict erupting. Readers are directed to the June edition of the Diary – the FOLIO entitled "Putin Succession" – Page 4 – which describes the dangerous period approaching as we close in on March 2008.]

14 Sep *Andrei Lugovoi – 'Parliamentarian'*

Andrei Lugovoi, the former security agent who Scotland Yard has accused of slipping radioactive Polonium 210 into Kremlin critic Alexander Litvinenko's tea at a London hotel, has announced he will seek a seat in Russia's parliament. He will be a candidate for Russia's ultra-nationalist and Kremlin-loyal Liberal Democratic Party. The announcement comes as the Kremlin has whipped up anti-Western rhetoric going into the parliamentary and presidential elections.

[Vladimir Putin has called Britain's demands for Mr. Lugovoi's extradition "stupid" and a vestige of British "colonial thinking". Mr. Lugovoi has been a strong 'across the board' proponent of Kremlin policy. "There is a vote in the bag here, comrades!"]

17 Sep "Operation Orchard"

"Those who know the truth think secrecy is the best way to handle the truth and we have to trust them." Yaakov Amidror – former Israeli Intelligence Chief

"I was privy to the matter from the outset and I gave my backing. But it's too early to be discussing this". Benjamin Netanyahu – television interview

About a week ago Syria announced that it opened fire on an Israeli aircraft that had violated its territory. In one of the most telling applications of the OSINT Law of "Conspicuous Inconspicuousness", Israel has imposed (and maintained!) absolute censorship of the story – a silence described as "unprecedented" for Israeli media and its "ordinarily hyper talkative politicians". Any journalist breaking the code of silence could face jail time.

The external western media, however, "picked up" on the story and the following is the "common denominator" – the informational threads common in the various scenarios being discussed in the press. Some sources speculate there may have been two or more raids – undertaken for diversionary purposes – which would lead to multiple scenarios.

- On September 3rd a North Korean ship delivered some highly suspect cargo to the Syrian port of Tartus.

[In August North Korea signed an agreement with Syria on "cooperation in trade and science and technology". The State Department has reported that North Korean "technicians" are working in Syria. Iran and Syria have long cooperated with North Korea on ballistic missile programs and nuclear weapons technology. There is speculation in "some quarters" that North Korea may be using its Middle Eastern allies as 'safe havens' for its nuclear ordnance while it goes through the U.N. inspections process.]

- On September 6th Israeli aircraft attacked installations in, or close, to the Syrian city of Dayr az Zawr. On the morning of the raid, Israeli combat brigades in the northern Golan Heights went on high alert, reinforced by elite Maglan commando units.

[The Israeli air force have been intensively war-gaming attack scenarios against Syria for months. This has been reported in the media and OSINT commentary speculated it was preparation for another round of fighting with Hezbollah.]

- While there was immediate 'press censorship' implemented in Israel – North Korea reacted with immediate and virulent commentary. The North Korean foreign ministry, as quoted in China's Xinhua news agency, stated the attack was "little short of wantonly violating the sovereignty of Syria and seriously harassing the regional peace and security". Today (September 17th) North Korea abruptly suspended its participation in the six-party talks for "undeclared reasons".

The only people that can provide the answers reside in Jerusalem and Damascus, and they are preserving an "absolute silence". The 'silence is deafening!' "In the Middle East this only happens when the interests of prudence and the demands of shame coincide". This story will not remain buried forever – quoting Toronto's *Globe and Mail* – "these days the truth is a matter of time".

[The Editors are studying the statement; "In the Middle East this only happens when the interests of prudence and the demands of shame coincide". The 'Law of Conspicuous Inconspicuousness'

(the "Law") postulates – "Sometimes what the enemy is not doing – forewarns as to what the enemy is about to do". The Israelis – and the Syrians – are inordinately "quiet about all of this". The Law implies that this situation should be watched very closely. (The Diary's Editors are studying the Middle East 'prudence and shame' quotation as an interesting new 'construct' that may allow us to further refine the Law.)

'Operation Orchard' is clearly a tactical operation in the ongoing Middle East confrontation. It should be noted, however, that Israel's nuclear arsenal is the most extensive and sophisticated in the region and includes a submarine fleet equipped with nuclear-tipped cruise missiles. The September 10th entry entitled "Strategic Intelligence" discusses the high level scenario that "while powerful forces will always push to armed conflict – those in leadership invariably have the choice to fight or not."

We are witnessing an intense and steady movement towards 'nuclear-confrontation' – and Iran's program is being left unchecked – due to the absence of military and economic countermeasures by the Western nations. Israel may end up having to "go it alone" – the choice to fight or not using nuclear weapons – will be rationalized very realistically. In fact the Israeli policy decision was taken decades ago when the country was founded – 'There will never be another holocaust!'

25 Sep Pakistan – Political "Matrix"

Pakistan is constitutionally obliged to hold presidential elections between September 15th and October 15th. An electoral college comprising national parliamentarians and state legislators conducts the presidential vote. The vote sets the stage for general parliamentary elections later this year or early in 2008. – the party winning the most seats chooses the Prime Minister.

Negotiations between 'two-time' former Prime Minister Benazir Bhutto and President Musharraf has been going on for several months. A deal would be aimed at ensuring that General Musharraf gains another five-year term as President and Mrs. Bhutto is eligible to pursue the prime minister's office. Sources indicate the deal will see Mrs. Bhutto become Prime Minister if her party wins the most parliamentary seats.

General Musharraf is a key ally in the war on terror and the U.S. is pressing the Pakistani leader for more aggressive action against Islamic militants. There is also concern over the deteriorating condition in law and order in general, growing Islamic militancy in the Northwest Frontier Province, and a failure to improve education and health.

On August 23rd Pakistan's Supreme Court ruled that another former 'two-time' Prime Minister, Nawaz Sharif, a Musharraf foe, could return home from exile in Saudi Arabia. Mr. Sharif was ousted by a military coup led by General Musharraf in October 1999, and was sent to exile in 2003. Mr. Sharif has steadfastly worked in exile to fashion himself as "a champion of democratic rule". This has forced Musharraf to seek an alliance with Bhutto.

On Monday September 10th, Nawaz Sharif landed in Islamabad and after about four hours of talks he was deported back to Saudi Arabia. The decision was taken with the consent of the Saudi government. Saudi Arabia's intelligence chief, Prince Muqrain bin Abdul Aziz, met with General Musharraf in Islamabad over the previous weekend.

General Musharraf is facing legal challenges on several other fronts. There are petitions challenging Musharraf's legal right to campaign for president while serving as head of the army. The Supreme Court is scheduled to hear these applications before the presidential vote. Relations between the Supreme Court and the Pakistani President are strained. In March, General Musharraf tried to oust the chief justice and recently it ordered the release of dozens of people detained by the intelligence services

[Intelligence desks are monitoring the elections very closely. Pakistan has a sophisticated nuclear weapons arsenal and possesses the missile ordnance to assure deliverability. If the Pakistan government falls into the hands of religious extremists, western interests will face a new dynamic of uncertainty and instability in the Middle East.]

OPEN SOURCE INTELLIGENCE

FOLIO – Economic Intelligence – Venezuela

Economic Intelligence deals with macro-economic information that is collected to supplement political and military intelligence. It involves the analysis of the information available on a nation's banking and financial system and key industrial sectors. The following FOLIO was compiled from an excellent article appearing in the Wall Street Journal that contained anecdotal vignettes describing how the citizens of Venezuela are hedging against the devaluation of their country's currency. It is first-hand intelligence indicating that this supposedly oil-rich country may be headed for some economic hard times.

The Venezuelan economy appears to be very strong. Venezuela is the fourth-largest oil exporter to the United States and its economy has averaged 12.6% annual growth since 2004 – the strongest in Latin America. Unemployment has fallen to single-digit rates for the first time in more than a decade. Anecdotal evidence has surfaced, however, indicating that the country's citizens are beginning to hedge against its continued economic well-being.

The signs of trouble are numerous. Oil production is falling as the state oil company loses top managers and capital expenditure in industry infrastructure is declining. Inflation is tabulated officially at 19% but black-market operators indicate it is in excess of 25%. The bolivar, officially fixed at 2,150 per dollar, trades at half of its value on the black market. Many in Venezuela are quietly discounting an official devaluation. If oil prices fall – declining revenues would also take away income for Venezuela's vast social programs.

Hugo Chavez, Venezuela's President, has spent the oil revenue on free medical care, higher salaries, gasoline subsidies and many other services. This created inordinate demand for more goods and services – which in turn fueled inflation. Price controls were placed on foodstuffs such as meat, sugar, eggs, and milk. . This led to food shortages as producers balked at selling their goods at officially mandated prices – and, of course, black markets evolved to provide the goods at sharply higher prices.

The mixture of food shortages, black marketeering, and rising inflation is 'déjà vu' for Venezuelans who have lived through three financial meltdowns over the past 25 years. It is economic environments such as Venezuela's currently, where anecdotal evidence becomes the most telling of the true economic condition of a country.

- Wealthy Venezuelans use credit cards to exploit the difference between official and black-market currency rates. They fly to the nearby island of Aruba, buy gambling chips at the official rate, cash in the chips for dollars, return home and covert the dollars in the black market, pay off the credit card debt and pocket the rest – estimated at \$2,300 on the maximum \$5,000 allowable amount.
- The program to bolster Venezuela's currency by selling dollar-denominated government bonds has backfired. Buying the bonds with bolivars was designed to take the currency out of circulation – hence boosting its value. Buyers quickly realized, however, they could acquire the dollar bonds at the official exchange rate and then resell them in 'after-trade' at prices closer to the black market rate. (The government gave small investors priority on the

bonds saying that orders for \$3,000 or less would be filled first. Brokerage firms paid maids, doormen, and laborers \$50 each to sign over their rights to the bonds.)

- These bonds were also purchased with loans from local banks – a sufficient amount was then sold at black market rates to pay off the loans – and the remaining profit was moved 'offshore' to purchase fixed assets such as real estate.
- By exploiting the gap between the central bank's rate and the black market rate, investor's have obtained hard U.S. dollars at the expense of Venezuelan reserves – a further strategically weakening phenomenon.

Once a local populace starts to anticipate an economic crisis it becomes increasingly difficult to prevent it from happening. The anecdotal 'vignettes' discussed here may prove very prescient. Mr. Chavez's control of the legislature, courts and military suggests the government is unlikely to alter its current economic policy. It should also be noted that over the past several years, thousands of wealthy and highly trained Venezuelans have moved to such oil centers as Houston and Calgary – diminishing the human resource base of the country.

[This kind of economic study may not be taught in many universities – HOWEVER, intelligence analysts devour this 'kind of stuff'. The anecdotal sources provide hard-core indications of how the Venezuelan economy is performing! It is a veritable tell-all and red-flag of the potential adverse economic environment facing the country. The U.S. fleet can be kept in 'home harbor' – economic forces may ultimately remove Hugo Chavez. Perhaps the U.S. treasury should work to further undermine the Venezuelan economy with this objective in mind. Victory on the economic battlefield will lead to paramount influence in world affairs!]

*This report was compiled from OSINT sources – in particular the August 27th Wall Street Journal article entitled, "Venezuelans Chase Dollars Amid Worries Over Economy". It is a superb article – a very telling and warning piece from an **Economic Intelligence** perspective.]*

CONTEMPORARY WARFARE

Iraq Update

The "Report to Congress on the Situation in Iraq" by General David H. Petraeus, Commander, Multi-National Force-Iraq 10/11 September 2007 is available at <http://www.defenselink.mil/pubs/pdfs/Petraeus-Testimony20070910.pdf>. Additionally, the Charts to accompany the testimony of General Petraeus are available at <http://www.defenselink.mil/pubs/pdfs/Petraeus-Testimony-Slides20070910.pdf>. Key recommendations and considerations are:

"Two weeks ago I provided recommendations for the way ahead in Iraq to the members of my chain of command and the Joint Chiefs of Staff. The essence of the approach I recommended is captured in its title: 'Security While Transitioning: From Leading to Partnering to Overwatch.' This approach seeks to build on the security improvements our troopers and our Iraqi counterparts have fought so hard to achieve in recent months. It reflects recognition of the importance of securing the population and the imperative of transitioning responsibilities to Iraqi institutions and Iraqi forces as quickly as possible, but without rushing to failure. It includes substantial support for the continuing development of Iraqi Security Forces. It also stresses the need to continue the counterinsurgency strategy that we have been employing, but with Iraqis gradually shouldering more of the load. And it highlights the importance of regional and global diplomatic approaches. Finally, in recognition of the fact that this war is not only being fought on the ground in Iraq but also in cyberspace, it also notes the need to contest the enemy's growing use of that important medium to spread extremism.

The recommendations I provided were informed by operational and strategic considerations. The operational considerations include recognition that:

- military aspects of the surge have achieved progress and generated momentum;
- Iraqi Security Forces have continued to grow and have slowly been shouldering more of the security burden in Iraq;
- a mission focus on either population security or transition alone will not be adequate to achieve our objectives;
- success against Al Qaeda-Iraq and Iranian-supported militia extremists requires conventional forces as well as special operations forces; and
- the security and local political situations will enable us to draw down the surge forces.

My recommendations also took into account a number of strategic considerations:

- political progress will take place only if sufficient security exists;
- long-term US ground force viability will benefit from force reductions as the surge runs its course;
- regional, global, and cyberspace initiatives are critical to success; and
- Iraqi leaders understandably want to assume greater sovereignty in their country, although, as they recently announced, they do desire continued presence of coalition forces in Iraq in 2008 under a new UN Security Council Resolution and, following that, they want to negotiate a long term security agreement with the United States and other nations."

China and Weapons of Mass Destruction (WMD)

The Congressional Review Services (CRS) report "China and Proliferation of Weapons of Mass Destruction and Missiles: Policy Issues" (<http://www.fas.org/sgp/crs/nuke/RL31555.pdf>) examines the spread of WMD technology to and from China. It is a sobering view of a potentially internationally destabilizing issue:

“Summary: Congress has long been concerned about whether U.S. policy advances the national interest in reducing the role of the People’s Republic of China (PRC) in the proliferation of weapons of mass destruction (WMD) and missiles that could deliver them. Recipients of China’s technology reportedly include Pakistan and countries that the State Department says support terrorism, such as Iran and North Korea. This CRS Report, updated as warranted, discusses the national security problem of China’s role in weapons proliferation and issues related to the U.S. policy response, including legislation, since the mid-1990s. China has taken some steps to mollify U.S. concerns about its role in weapons proliferation. Nonetheless, supplies from China have aggravated trends that result in ambiguous technical aid, more indigenous capabilities, longer-range missiles, and secondary (retransferred) proliferation. As the Director of Central Intelligence (DCI) has reported to Congress, China remains a “key supplier” of weapons technology, particularly missile or chemical technology.

Policy issues in seeking PRC cooperation have concerned summits, sanctions, and satellite exports. On November 21, 2000, the Clinton Administration agreed to waive missile proliferation sanctions, resume processing licenses to export satellites to China, and discuss an extension of the bilateral space launch agreement, in return for another promise from China on missile nonproliferation. However, PRC proliferation activities again raised questions about sanctions. On 19 occasions, the Bush Administration has imposed sanctions on 32 different PRC “entities” (not the government) for transfers (related to ballistic missiles, chemical weapons, and cruise missiles) to Pakistan, Iran, or another country, including repeated sanctions on some “serial proliferators.” Among those sanctions, on September 1, 2001, the Administration imposed missile proliferation sanctions that effectively denied satellite exports (for two years), after a PRC company transferred technology to Pakistan, despite the November 2000 promise. On September 19, 2003, the State Department imposed more missile proliferation sanctions on NORINCO, a defense industrial firm, effectively denying satellite exports to China. However, for six times, the State Department waived this sanction for the ban on imports of other PRC government products related to missiles, space systems, electronics, and military aircraft, and then issued a permanent waiver in March 2007.”

Strategic Planning

The *Sunday Times* article “Secret US air force team to perfect plan for Iran strike” of 23 September, discusses possible contingency planning for American military involvement in Iran. It is available at <http://www.timesonline.co.uk/tol/news/world/asia/article2512097.ece>. Aside from the international implications of contingency planning for intervention in Iraq the broader issue contained within this piece pertains to the need for need for experienced military staffs to do strategic planning prior to crisis, as well as continue to provide relevant and accurate military strategic inputs to government and subordinate theatres during conflict.

Colonel (Ret.) John Warden, USAF, is quoted at the end of the article as observing -

“The Centcoms of this world are executional - they don’t have the staff, the expertise or the responsibility to do the thinking that is needed before a country makes the decision to go to war. War planning is not just about bombs, airplanes and sailing boats.”

“The Next War”

This *Washington Post* article of 14 September by General (Ret.) Wesley Clark, USA highlights a number of important points. What are the range of options (national power) that can and should be exercised before military force? Has the art of diplomacy (coercive and otherwise) been lost? There is also a great deal of misunderstanding concerning the link between military strategy and policy, and what military commanders should do when this link is tenuous or non-existent. Clark does not address the responsibilities of military commanders to clarify some of these latter issues or, indeed, if there is any responsibility for senior officers to do this. See “The Next War: It’s always looming. But has our military learned the right lessons from this one to fight it and win?” available at <http://www.washingtonpost.com/wp-dyn/content/article/2007/09/14/AR2007091401973.html>

DIARY EDITORS AVAILABLE FOR PRIVATE CONSULTATION

The Editors of the DIARY have a comprehensive background in defence and security matters. The DIARY is recognized by many as a pre-eminent Open Source Intelligence (OSINT) publication dealing with security and geo-political affairs - emphasizing economic intelligence at both the international, corporate and national levels.

The DIARY's May issue warned of the risks in the events of the past several weeks as the liquidity crisis in the world's financial markets unfolded. The world's economy has become increasingly global - it has created more efficient markets - however, there is also 'downside risk' and the current international financial crisis has surprised nearly everyone in this new and evolving market place.

When and where will the next crisis surface?

The DIARY has been reporting on these developments for several years - long before the 'mainstream' press picked-up on the phenomena. As a consequence, the DIARY has built a very significant and large readership from across many constituencies in the security, defence, business, academic and intelligence communities.

The Editors of the DIARY are available for consultation. Please contact the Editors at david.rubin@gowlings.com or (416) 862-3520.

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