

2002

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Recommended Citation

Craig Hall, *Wake-up Call of Terrorism*, 36 INT'L L. 125 (2002)
<https://scholar.smu.edu/til/vol36/iss1/12>

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The Wake-Up Call of Terrorism

CRAIG HALL*

The tragedy of September 11 has affected every American. We mourn for those we have lost, and we struggle with the fear of when and where terrorism might hit again. Our soldiers have fought to stop Afghanistan's internal terror of the Taliban, and continue to search out the al Qaeda leaders. Fighting back is the right thing to do, but it is only the first step. We must address the causes of terrorism. To do less is shortsighted.

September 11 is a painful wake-up call to those Americans who viewed terrorism as a distant and vague threat, an evil that takes place on someone else's soil. We are coming to grips now with the realization that our economic and political strength and the two oceans to our east and west cannot shield us from enmity. We are learning that the distance that gave us a false sense of invulnerability is measured not only in miles, but also in religion, philosophy, perspective, and mindset. We are beginning to understand the depth of hatred felt toward us in some parts of the world. We still have much to learn about terrorism and much to do if we are to keep it from our shores.

Religious extremism can partially explain terrorism, but history shows us the importance of other factors as well. We find common aspects in the reign of terror of Osama bin Laden and that of people like Hitler, Ceausescu, and Milosevic. Each came to power in times of widespread poverty or severely declining economic circumstances, thriving where the public mindset accepted domination, and often, in societies with widespread illiteracy.

Entrepreneurs who have lived and done business in Central and Eastern Europe for years have seen first hand the damage that oppression can bring to a society. Yet, there is healing potential due to well-run programs such as the Southeast European Cooperative Initiative.

In parts of Central and Eastern Europe, there are severe economic problems caused in part by a failure on the part of the West to help post-communist countries move toward democracy and free markets. In addition, there is also a mindset of negativity and a sense

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of hopelessness. Despair is fertile ground for extremism, fanatical social or religious views and, ultimately, terrorism.

Parts of the Middle East, Africa, Central and South America have even more dangerous potential for extremism and terrorism. Poverty, illiteracy, little independent thought, and lack of hope and opportunity are breeding grounds for terrorism. Let us not wait for more painful wake-up calls. We already know some steps that can help prevent future violence. We need to take these steps now. This article will discuss five areas where steps can be taken to begin to get to the root causes of terrorism.

I. Education and Literacy Programs

In negotiating their relationship with the Saudi family years ago, the Wahhabi extremists garnered enough of a commitment of funds that they were able to establish their own set of religious schools. Today, there are thousands of these schools in Saudi Arabia teaching martial arts and the Koran with an extremist interpretation. Missing in the curriculum of these schools are programs to teach literacy skills and analytical thought. Wahhabi schools are today a hotbed for recruitment of the al Qaeda terrorist activities.

The greatest worry about these schools is not that they exist. It is that they are growing. Not only fundamentalist or extremist families send their children to Wahhabi schools. Moderate families send their children to these schools as well. The Wahhabi schools of Saudi Arabia are not unique. There are schools throughout the Middle East, Central and Eastern Europe, Africa, and Central and South America that fail to offer anything approaching a balanced education.

We need to encourage education that supports independent thought and to expand opportunities for advanced education and cultural exchange. Families need to have incentives to educate them in schools that support freedom of thought and expression.

There are already numerous outstanding organizations providing cultural exchange and advanced education. One such organization is the Austrian-American Fulbright Commission. It is a higher education exchange program that brings teachers and students from the United States to teach in or attend universities in Austria, and also brings Austrian teachers and students to the United States for a similar purpose.

Another great organization linking cultures and expanding educational opportunities is the American University in Bulgaria, a regional university dedicated to teaching the future leaders of Southeast Europe. The curriculum follows the American system, emphasizing American values and individual thinking. The students are learning in a residential environment that literally brings children of former enemies together. This university is only ten years old, but we can already see great results.

The National Foundation for Teaching Entrepreneurship (NFTE, pronounced Nifty) is another exciting organization. Its goals are to teach young children how to start and manage businesses. In the process, what it really teaches is self-sufficiency. This program changes the way children look at themselves, their world, and their opportunities. It is a real success story.

A person who feels connected and in control of his or her own life has hope. With hope and education come choices. There is no better antidote to terrorism.

II. Economic Opportunity and the Reduction of Poverty

After World War I, we penalized the aggressor, which resulted in another worldwide conflict three decades later. Having learned from our earlier mistakes, America's strategy

after World War II was quite different. Despite financial constraints and growing isolationism, the United States implemented the Marshall Plan, a massive rebuilding for our allies and enemies alike. The Plan succeeded beyond expectations. It brought about a safer, more secure and a more prosperous Western Europe. It brought as well to the United States new, expanded trading partners and the prospect of a more secure world. Through the Marshall Plan, we not only rebuilt infrastructure, but we also rebuilt the human spirit. In Germany, we supported education programs designed to promote the concepts of freedom, democracy, and individual empowerment. Today, a very democratic Germany is full of hope and opportunity. It is no longer a place where terrorists or dictators such as Hitler could likely succeed.

After the fall of the Berlin Wall, those in the United States and Western Europe failed to seize the opportunity to create a "Marshall Plan" for the former communist countries. The damage caused by communism was perhaps less obvious. The country's infrastructure sustained relatively little physical damage, but the destruction to the mindset and spirit of the people was devastating. Much was done, but far too little.

People with empty spirits, little hope, minimal general education and training, and accustomed to dictatorship were ripe for the violent rule of Milosevic. The people of the Balkans have lived through local strife, military conflict, and economic stagnation. The Mafia stepped in as well, filling the void left by the departed communist leaders, further ravaging the region. In other cultures terrorist leaders instead of organized crime might fill similar voids. The reality is that we don't go from communism or totalitarian regimes to democracies and free markets simply by bringing down a dictator, an oppressive agenda or a terrorist plot. What is needed instead is a real longer-term investment in promoting economic opportunity, educational freedom, and hope.

The United States and Western Europe can, as they have at various times and in various parts of the world, provide economic help and incentives that work. Part of this involves incentive programs to encourage entrepreneurship. In the case of Central and Eastern Europe, entrepreneurs who had previously lived in the region, but fled during communism, have returned to their homelands with help and incentives from the West.

Gerry Hargitai is a perfect example of how individual entrepreneurs can make a difference. Mr. Hargitai fled communist Hungary as a child, only to return after the fall of communism to help teach his countrymen about business. After beating long odds, due in large part to battling corrupt government officials, Mr. Hargitai's company has grown dramatically. He now has more than 160,000 independent distributors for his health and nutrition products in thirty countries. These people are learning to be self-sufficient and individually empowered.

Micro-loan programs can support entrepreneurship. The United States provided micro-loan programs that have been very successful in many parts of the world. The loans can help encourage small start-up businesses. They also help encourage self-sufficiency. Micro-loan programs hold great promise and should be expanded.

The Southeast European Cooperative Initiative (SECI) is an example of an organization that has great potential. It is comprised of eleven countries in Southeast Europe. Ambassador Richard Schifter, of the U.S. State Department, started the SECI against many odds. With the support of the United States, Italy, Greece, and other Western countries, it encourages cooperation across borders on economic and other issues. SECI has recently implemented a program to facilitate, and thereby encourage, cross-border trade. The World Bank will be lending funds to rebuild the border facilities, re-train guards, and take major

efforts to stop the commonplace corruption. These very practical steps can and do make a huge difference in supporting economic growth. Prosperous, stable societies are healthy environments for the growth of democracy and unhealthy environments for terrorism.

III. Regional Cooperation

Central and Eastern Europe are full of small countries, splintered along racial or religious lines. Serbs, Muslims, and Croats fight with their neighbors just as other factions do in other parts of the world.

Nurturing regional cooperation is very difficult, yet it is not impossible. For instance, two co-chairmen, one Greek and the other Turkish, ran the SECI Business Council for a time. There was definitely tension and differing perspectives, but the two men found they could work together on programs that brought widespread economic advantage. Likewise, with the goal of reducing crime, SECI organized a regional crime effort that has found great success. This effort included sharing information, training by the FBI, and the construction of the first state-of-the-art regional crime center in Bucharest.

Regions with many small countries, such as the Balkans, tend to have ineffective markets for goods and services, and serious problems with cross-border security issues. Regional cooperation in these areas is a must. SECI has shown in Southeast Europe that it is possible to facilitate regional cooperation at business and at political levels. The SECI approach needs to be part of any long-term, successful anti-terrorist strategy.

IV. Global Debt Relief

In order to encourage greater economic stability and in turn build a world safer and more secure against terrorism and other menaces, the United States, Western Europe, and Japan should look at further debt relief to third world countries. Global debt relief in the past (with strings that have tied spending the money on specific items such as education, health care, and development) has yielded great results. Both the United States and Western Europe recently participated in debt relief programs with excellent results by tying debt relief to education reform. In Honduras, mandatory education increased from six to nine years. In Uganda, increased funding for education resulted in a twofold increase in primary school enrollment while class size per teacher decreased. Global debt relief can and should be pursued as part of an overall strategy of addressing the problems of the global divide.

V. Re-evaluation of the U.S. Strong Dollar Policy

Starting with former Treasury Secretary Robert Rubin, and continuing with current Treasury Secretary Paul O'Neill, a strong dollar policy has been one of the pillars of American financial policy. It has helped lower inflation and brought about increasing values for American assets. Yet this policy has gone too far and today threatens the world order.

Despite the recession and lower energy prices, trade deficits are still growing today and currently stand at over 4 percent. According to Morgan Stanley, deficits could hit 6.2 percent of nominal GDP in the second half of fiscal 2003. This record level would require an historical high of nearly \$2 billion per day, every day, of foreign capital to come into the United States to fill the gap.

America's extraordinary trade deficit is a direct result of the very high dollar. This is in some ways a welcome event to those countries exporting to the United States. At the same

time, exporting programs dependent on the unusually strong dollar lack the forced discipline needed by these countries to deal with their internal economic reforms. Moreover, it is unsustainable. Left to extremes, this economic scenario can cause greater disruption.

For many third world or emerging countries, the current strong dollar creates other issues. So much money needs to be attracted as foreign investment into the United States to balance the U.S. trade deficit that there is less capital available for emerging markets around the world. The lack of liquidity for emerging markets exacerbates the disparity between the nations that have and those that have not.

VI. Conclusion

Parts of Africa, Asia, and Central and Eastern Europe are not participating in the economic, political, and cultural gains of the rest of the world. This provides a fertile ground for the growth of terrorism. In identifying the causes of terrorism, we cannot look to any one country alone. Likewise, to "cure" the world of terrorism, we must act internationally. Long-term, in-depth cures involve rebuilding the economies in nations through debt relief, currency re-balancing, economic aid, and a building of bridges where great divides between perspective and mindset prevail.

Equally important, we need to help people in the third world nations build a sense of personal empowerment and belief in hope and opportunity. Fostering literacy programs and other key education is a critical start. Providing economic opportunity, encouraging cultural interaction, and fostering hope is equally important.

Prior to September 11, we as Americans had a false sense of immunity from the dangers of the global inequities. Our country is so large and self-sufficient that it was easy for us to be unaware of the impact our economy and culture had on poor, left-out parts of the world. We were likewise unaware of the responsibility our world position imposes upon us. We are now tragically aware of how vulnerable we really are.

In going forward, let us learn from experience. The Marshall Plan showed us that investing in preventive aid pays off. Yet for years our foreign aid programs have been small and decreasing in importance. The costs of war and terrorism are far greater than the costs of carefully thought out and targeted preventative and remedial programs. Let us not only wholeheartedly support our military intervention, but let us also remember that a long-term solution requires intervention of a different sort. While some may argue that helping build democracies and free markets is an unnecessary expense, oriented toward those who believe in human rights programs, today we should realize that preventative aid is critical to our longer-term security. We owe ourselves nothing less.

