

STRATEGIC ASSESSMENT

1 9 9 9

Priorities for a Turbulent World

Institute for National Strategic Studies
National Defense University

Strategic Assessment 1999





Strategic Assessment 1999

Priorities for a Turbulent World

NATIONAL DEFENSE UNIVERSITY

INSTITUTE FOR NATIONAL STRATEGIC STUDIES

NATIONAL DEFENSE UNIVERSITY

President: Lieutenant General Richard A. Chilcoat, U.S. Army

Vice President: Ambassador Daniel H. Simpson

STRATEGIC ASSESSMENT 1999

Editor in Chief: Hans Binnendijk

General Editor: Richard L. Kugler

Managing Editors: Charles B. Shotwell

Kori Schake

Fort Lesley J. McNair, Washington, DC 20319-5066

Phone: (202) 685-3838; Fax: (202) 685-3972

Cleared for public release. Distribution unlimited.

Digital imagery on pages ii and iii courtesy of NASA/Goddard Space Flight Center,
Earth Sciences Directorate

Printed in the United States of America

For sale by the U.S. Government Printing Office
Superintendent of Documents, Mail Stop: SSOP
Washington, DC 20402-9328

Preface

By LIEUTENANT GENERAL RICHARD A. CHILCOAT, U.S. ARMY
President, National Defense University

The past year has seen many thresholds crossed and turning points reached in the international security environment. With events like the NATO intervention in Kosovo, tension between India and Pakistan, more failing states, and rising access to dangerous weapons and delivery systems, the job for Department of Defense planners has not become easier. The National Defense University contributes to an ongoing dialogue with the Department of Defense through *Strategic Assessment*, an annual publication that applies the expertise of this institution through the leadership of its interdisciplinary research arm, the Institute for National Strategic Studies, with the assistance of specialists from elsewhere in government and academe. Offering such analyses, in both general and particular areas of interest to the national security community, is an important aspect of the NDU mission. This volume examines trends, U.S. interests, and consequences for U.S. policy, followed by a net assessment for each key area.

The international security situation is clearly changed from 1 year ago. The nebulous multipolar environment has been stressed by forces of polarization in recent months. Yet, transition states still cooperate with the Western democratic core states on important issues. As the world continues the process of transformation, we need to properly assess our priorities.

Strategic Assessment 1999: Priorities for a Turbulent World should prove useful beyond the defense establishment, to all readers with an interest in national security affairs. We emphasize that this report is not a statement of official policy, nor does it represent the views of the Department of Defense or the Joint Chiefs of Staff. Rather than to state policy, the role of National Defense University is to stimulate discussion and research among both policymakers and analysts.

Strategic Assessment 1999 is neither a statement nor a critique of U.S. Government policy. The opinions, conclusions, and recommendations, either expressed or implied, are solely those of the contributors. They do not necessarily reflect the views of the National Defense University, the Department of Defense, or any other agency of the U.S. Government.

Research and writing for *Strategic Assessment 1999* was completed in spring 1999 and revised to include developments through the end of June 1999.

I N M E M O R I A M

Paul Kreisberg

1929–1999

Paul Kreisberg was a valued friend of the Institute for National Strategic Studies and the author of the South Asian chapter of this year's *Strategic Assessment*. He had a distinguished career as a Foreign Service Officer and scholar. We will remember him not only for his many intellectual contributions, but also for his inquiring mind and his keen wit. We will miss him greatly.

Foreword

By HANS BINNENDIJK and RICHARD KUGLER

Where is the world headed, and what are the consequences for U.S. national security policy? This critical question is the subject of *Strategic Assessment 1999*. Four years ago, *Strategic Assessment 1995* was optimistic about the future. At the time, the world seemed headed toward peace, marred by modest troubles on the fringe of an enlarging democratic community. Since then, global trends have changed in worrisome ways.

During the past year, violence in the Balkans engaged U.S. forces in combat operations, U.S. relations with China declined significantly, Russia continued its drift away from integration with the West, Asia's economic problems caused political unrest and spread to two other continents, India and Pakistan detonated nuclear devices, rogue states tested new delivery systems for weapons of mass destruction, and tribal conflicts continued unabated in Africa.

The four sections and twenty chapters of *Strategic Assessment 1999* offer an updated examination of global trends and their consequences for U.S. interests and policies. They do not lay down a fixed blueprint or advocate particular policy responses but instead seek to analyze the critical issues in what we hope are insightful and balanced ways. Their aim is to make readers better informed, so they can make their own independent judgment.

Strategic Assessment 1999 articulates the central theme that, because the world is becoming murkier and more dangerous, the United States will need to continue with an energetic policy of engagement. This theme has two components. The first is that recent negative events should be kept in perspective. While the future may be more tumultuous than had been expected, the world is not irretrievably headed toward a global free-fall of chaos and conflict. Instead, the future is seen as "up for grabs"—capable of evolving toward good, or ill, or most likely, in between. It will be shaped by the interplay of integrative and disintegrative dynamics. Above all, it can be influenced by the United States and its allies.

The second component is that, owing to rapid changes ahead, the United States probably faces a growing challenge to its national security. That challenge will require the nation to retain a high level of defense preparedness, and to continually review its strategic priorities. U.S. security functions—shaping, responding, and preparing—may need to be conducted differently than today. They may lead to policy departures in key regions and new tasks confronting the United States and its allies.

This volume was edited with intellectual guidance and management from Kori Schake and Charles Shotwell. Its chapters were written by members of the Institute for National Strategic Studies and outside experts. The editors and authors express their appreciation for the many military officers, civilian officials, and other analysts who provided thoughtful comments.

The authors are:

FACING A CHANGING WORLD

1. Global Political Trends: *Integration or Disintegration?* **Richard L. Kugler**, INSS
2. Economic Globalization: *Stability or Conflict?* **Ellen L. Frost**, Institute for International Economics
3. Energy and Resources: *Ample or Scarce?* **Patrick M. Clawson**, Washington Institute for Near East Policy
4. Global Military Balance: *Stable or Unstable?* **Richard L. Kugler**, INSS

HANDLING REGIONAL DYNAMICS

5. Europe: *How Much Unity, How Effective?* **James Swihart**, INSS
6. Russia and its Neighbors: *Faltering Progress?* **James H. Brusstar**, INSS
7. Greater Middle East: *Managing Change in Troubled Times?* **Judith S. Yaphe**, INSS
8. Asia-Pacific Region: *Murky Future?* **Ronald N. Montaperto**, INSS
9. South Asia: *Nuclear Geopolitics?* **Paul Kreisberg**, U.S. Department of State (Ret.)
10. Sub-Saharan Africa: *Progress or Drift?* **Robert B. Oakley**, INSS, and **Jendayi Frazier**, Harvard University
11. The Western Hemisphere: *Rethinking a Strategic Relationship?* **John A. Cope**, INSS

DEALING WITH KEY COUNTRIES

12. The Democratic Core: *How Large, How Effective?* **Richard L. Kugler** and **Jeffrey Simon**, INSS
13. Transition States: *New Destinies?* **Sherman W. Garnett**, Carnegie Endowment for International Peace
14. Rogue States and Proliferation: *How Serious is the Threat?* **Kori Schake**, INSS
15. Troubled States: *How Troubling, How Manageable?* **Michael J. Dziedzic**, INSS
16. Transnational Trends: *New Threats?* **Kimberley Thachuk**, INSS

MANAGING MILITARY AFFAIRS

17. Conventional Operations and Warfare: *A New Era Ahead?* **Richard L. Kugler**, INSS
18. Strategic Forces and Deterrence: *New Realities, New Roles?* **John F. Reichart**, INSS
19. Global Arms Control and Disarmament: *Cloudy Prospects?* **Peter Wilson**, The RAND Corporation
20. Space and Oceans: *Can They Be Controlled?* **John C. Dailey**, INSS

Special thanks go to Michael O'Neill, former INSS Fellow (now Counselor for Politico-Military Affairs at the British Embassy), for his contributions to the Democratic Core chapter; to CAPT Mark Rosen, USN, for his inputs to the Oceans and Space chapter; to Ambassador Robert B. Oakley for the terrorism section in the Transnational Trends chapter; to LtCol Tom Linn (USMC, Ret.) for his editorial input and review; to Adam S. Posen and Kimberly A. Elliott, Institute for International Economics, and David Denoon, New York University, for their contributions to the chapter on Economic Globalization; to Jock Covey for his text box on Kosovo in the Europe chapter; to Don Herr for his text box on the NATO Summit; to Sue Fuchs for office support; to the Typography and Design Division at the U.S. Government Printing Office for the graphics, layout, and design of this publication; and finally, to the editorial staff of the INSS Publication Directorate, under the supervision of Robert A. Silano, who proofed the final version of the volume and saw it through the final stages of production.

Contents

Key Findings	xi
------------------------	----

FACING A CHANGING WORLD

CHAPTER ONE Global Political Trends: <i>Integration or Disintegration?</i>	1
CHAPTER TWO Economic Globalization: <i>Stability or Conflict?</i>	19
CHAPTER THREE Energy and Resources: <i>Ample or Scarce?</i>	39
CHAPTER FOUR Global Military Balance: <i>Stable or Unstable?</i>	55

HANDLING REGIONAL DYNAMICS

CHAPTER FIVE Europe: <i>How Much Unity, How Effective?</i>	69
CHAPTER SIX Russia and its Neighbors: <i>Faltering Progress?</i>	89
CHAPTER SEVEN Greater Middle East: <i>Managing Change in Troubled Times?</i>	101
CHAPTER EIGHT Asia-Pacific Region: <i>Murky Future?</i>	121
CHAPTER NINE South Asia: <i>Nuclear Geopolitics?</i>	139
CHAPTER TEN Sub-Saharan Africa: <i>Progress or Drift?</i>	153
CHAPTER ELEVEN The Western Hemisphere: <i>Rethinking Strategic Relations?</i>	169

DEALING WITH KEY COUNTRIES

CHAPTER TWELVE The Democratic Core: <i>How Large, How Effective?</i>	189
CHAPTER THIRTEEN Transition States: <i>New Destinies?</i>	205
CHAPTER FOURTEEN Rogue States and Proliferation: <i>How Serious is the Threat?</i>	219
CHAPTER FIFTEEN Troubled States: <i>How Troubling, How Manageable?</i>	229
CHAPTER SIXTEEN Transnational Trends: <i>New Threats?</i>	245

MANAGING MILITARY AFFAIRS

CHAPTER SEVENTEEN
Conventional Operations and Warfare: *A New Era Ahead?* 261

CHAPTER EIGHTEEN
Strategic Forces and Deterrence: *New Realities, New Roles?* 277

CHAPTER NINETEEN
Global Arms Control and Disarmament: *Cloudy Prospects?* 289

CHAPTER TWENTY
Space and Oceans: *Can They Be Controlled?* 301

Key Findings

A few years ago, the strategic challenge facing the United States seemed to be handling isolated regional tensions while guiding the world as it progressed toward stability and greater integration. Since then, key trends indicate the world is becoming murkier and more dangerous. As a result, *Strategic Assessment 1999* is less optimistic than earlier volumes.

In examining the impact of emerging trends on U.S. interests and policies, however, *Strategic Assessment 1999* does not judge that global affairs are irretrievably headed downward. Today's negative trends are highly visible, but, in less noticeable ways, positive trends are having an impact of their own. Owing to this interaction, the future is "up for grabs." It is capable of moving in several different directions—for good or ill—depending upon how events play out.

In major ways, the future can be influenced by how the United States and its key allies act. For them, the new strategic challenge is to prepare for a rapidly changing world with numerous dangers, while encouraging progress and establishing powerful barriers to prevent any steep descent into global turmoil. Provided they craft sound policies and implement them effectively, they will enhance their prospects for success. Doing so, however, will itself be a difficult challenge.

This section summarizes major judgments; details are provided in the accompanying 20 chapters.

Key Trends

The past year has witnessed multiple negative events, including the Asian economic crisis, increased assertiveness by Iraq and North Korea, tension with China, failed reforms in Russia, nuclear and missile tests in South Asia, mounting fear of proliferation elsewhere, and war in the Balkans. U.S. forces have conducted combat operations in both the Persian Gulf and the

Balkans. *Strategic Assessment 1999* reports on these and other recent events. But it also presents a deeper probing analysis of underlying political, economic, and military trends that powerfully influence international affairs.

A comprehensive review of these trends and their uncertainties suggests that a decade or so from now, the future could unfold in one of three different ways, all posing challenges of their own. Assuming the United States and its allies act effectively, the most likely scenario is a future of major changes in which some of today's dangers worsen but others lessen. The overall magnitude of danger and opportunity might be similar to now. Even so, this scenario could compel changes in U.S. policy and strategy in order to address the changing dangers. The second scenario is that of a rapid plunge into global turmoil in which the overall level of instability and danger increases greatly. Although this scenario is not inevitable, its plausibility has increased as a result of recent negative trends, and it now must be guarded against more firmly than in the past. The third scenario is rapid progress toward greater stability and peace. It is now less likely than a few years ago, but in some places, it remains a viable goal. Together, these three scenarios help ease concern that a dark future necessarily lies ahead. But their multiple dimensions make clear that future U.S. strategic tasks will be complicated and demanding.

Forces Buffeting the International System

International politics today is producing a series of bewildering surprises, good and bad, that often catch the United States and its allies off guard. These events, however, are not random. Rather, they reflect underlying patterns at work. When the Cold War ended, hopes soared that democracy's rapid spread, market economies, and cooperation would sweep away stressful global security issues. The reality is that today, contemporary international politics is occurring

in an amorphous security system that lacks the bipolar structure and ideological clarity of the Cold War. Within the market democracies of Europe and Northeast Asia, a high degree of peaceful integration exists. In the vast regions outside this community, the situation is fragmented, fluid, and often unstable.

In such turbulent regions as Eurasia, the Greater Middle East, South Asia, and parts of Asia, disintegrative trends work against integrative trends, and the outcome is in doubt. One risk is that disintegrative trends may intensify and compound each other. Signs of this development are already emerging. A bigger risk is that a global coalition of regional rogues and local troublemakers might emerge, perhaps under Russian or Chinese sponsorship, to challenge the United States. Even short of this, regional conflicts, ethnic tensions, terrorism, proliferation, and clashes over scarce resources will be principal threats to U.S. interests and potential sources of war.

Economic globalization, prosperity, and the information age are powerful integrative mechanisms for overcoming these menacing trends. Contributing to their impact has been the steady expansion of international trade, investment, and finance, accompanied by the growth of international institutions and rules. These developments, coupled with the ongoing spread of democracy in some places, are likely to exert long-term positive effects. Yet, the recent Asian economic flu raises doubts about growing prosperity and integration in the near term. A byproduct of globalization, the Asian crisis began when the flawed policies of several countries triggered speculative currency flows that contracted those economies. When the international community intervened, the initial effect exacerbated the crisis. The shockwaves then began spreading to other regions.

Current events suggest the crisis may now be contained, but the route back to prosperity will be long and difficult, requiring reform in national and international policies. Once steady economic growth returns, the already-strong Western countries may experience the principal gains. Countries with weak market economies and troubled governments may experience fewer gains or lose ground. They could be left frustrated and angry at Western values that they regard as exploitative.

Energy and natural resources also face a mixed forecast. Oil and gas supplies seem adequate to meet the world's growing demands in

the future, but up to two-thirds of these supplies will come from the turbulent regions of the Persian Gulf and the Caspian basin. In the Middle East, struggles over scarce water supplies could exacerbate local political conflicts. Free markets and international cooperation provide the best mechanisms to distribute resources. The risk is that politics once again will intrude in a manner that interferes with distribution and produces conflict.

Regional Prospects

Historically, Europe has been a source of global conflict. Today, *Europe is uniting on the principles of democracy, market economics, and multinational institutions.* Both NATO and the European Union (EU) are adapting internally while enlarging eastward. While they face tough agendas, their long-term prospects for success are good. A principal issue will be whether the European countries can surmount their internal preoccupations to work with the United States and NATO to project stability outward, in Europe and beyond. The future is in doubt, but progress at the Washington Summit of 1999 is a good sign, provided key initiatives are implemented. Benefiting from Western enlargement, Northcentral Europe is making strides toward democracy, stability, and prosperity. Three new members have joined NATO, and other countries have applied. As shown by the Bosnia and Kosovo crises, however, Southeastern Europe and the Balkans remain unstable, facing a troubled future—capable of greater war. In addition, tensions over Cyprus and concern about Turkey's orientation further trouble Europe's new-found tranquility.

The future for Russia and its Eurasian neighbors is also troubled. In Russia, reforms aimed at instituting market democracy have fallen short. Russia has adopted some important features of democracy, but its transformation is far from complete, owing to a host of problems. Its economy is in shambles, organized crime has taken hold, its government is not effective, its society is becoming disillusioned, and regional fragmentation is growing. Whereas Ukraine remains independent but struggling, the countries of the Caucasus and Central Asia suffer from deep tensions, even as they try to keep their distance from Russia. In Russia and elsewhere, the reappearance of communism or a different extreme ideology seems

unlikely, but the entire region could become an unstable geopolitical ghetto, creating anti-Western attitudes and internal dangers of its own.

Asia's future may be the most uncertain of all, and capable of wide variations. Today the Korean peninsula remains the region's principal flashpoint, but tensions remain high over Taiwan. Most countries are focused inward, but the region's security structure suffers from a troubled history, enduring rivalries, and a lack of collective security practices. The Asian economic woes have not only damaged many economies, but raised the prospect of further political turmoil in Indonesia, Malaysia, and elsewhere. China faces major internal problems, and Japan continues to encounter trouble in re-igniting its economy, which no longer serves as the region's powerhouse and safety valve. If Asia recovers its economic energy, prospects will improve. In the long term, the emergence of China as a world power and the reactions of Japan and other countries will be key. If China integrates into the Western community, regional stability will be enhanced. If not, China could become a major security problem and eventual military threat in ways that affect the entire region, as well as U.S. relationships with key allies.

The futures of the Middle East and the Persian Gulf seem menacing. There, democracy has few footholds, economies are not prospering, and Islamic fundamentalism is gaining ground. The improvement in prospects for Arab-Israeli peace negotiations is one bright spot in this otherwise difficult picture. The United States has friendly relations with Israel, Egypt, Saudi Arabia, and a few other countries, but many countries are suspicious of the Western community. Almost everywhere, local political conflicts are festering, even though most governments currently are coping with their internal problems. Regime changes are either taking place or impending. Shifting diplomacy is underway as many countries return to traditional security strategies, including greater emphasis on Arab and Muslim solidarity and, in the Persian Gulf, more use of dollar diplomacy. Interest is growing in engaging Iran, if it returns to responsible participation in regional affairs.

Such rogues as Iraq and Iran are gaining strength as the U.S. strategy of dual containment becomes harder to carry out. Proliferation of weapons of mass destruction (WMD) is poised to accelerate, as evidenced by nuclear tests in South Asia, removal of UN inspectors from Iraq, and Iran's military programs. The Western community is vulnerable to these events, because it

depends heavily upon Persian Gulf oil and its adversaries there are stronger than its friends. The West is also vulnerable to events in South Asia, not only because of the mounting danger to regional stability, but also because of the ripple effects elsewhere. There, India and Pakistan are not only falling into nuclear competition, but remain in conflict over Kashmir and face internal extremism, which further stresses their external relations. Across this entire huge zone, from the Middle East to South Asia, the prospect of growing trouble poses serious implications for U.S. interests.

Sub-Saharan Africa is making slow progress toward modernity, but multiple problems are constraining its emergence. On this huge continent of 54 countries and over 600 million people, democracy has gained a foothold in some countries, but others remain undemocratic. Africa is beset by ineffective governments, unsettled societies, and widespread poverty. In some places, dictatorships have passed from the scene, but local violence has accompanied the opening of governments to multiparty elections. In Rwanda and elsewhere, larger violence has marked ethnic and interstate relations. More fundamentally, existing state boundaries sometimes do not reflect underlying social, economic, and geographic realities. Recent economic growth has been uneven but, over the long term, can be an engine of progress, as can further democratization and multilateral cooperation. Western economic investment, imports, and exports also can help. Africa's future will depend upon how Nigeria, South Africa, and other key countries evolve. But the sheer size and diversity of Africa mean that the future will take several different forms, some good, others dispiriting.

Latin America's future seems bright, especially compared to a decade ago. Democracy has made rapid strides, replacing authoritarianism and militarism. Economies have been expanding, hemispheric interdependence is growing, and multilateral cooperation is taking shape. Civil wars and border disputes have been settled to the point where Latin America is now one of the most peaceful regions on the globe, and it is gaining autonomy in world affairs. Yet, serious troubles remain. Economic change has perpetuated long-standing social inequalities and sometimes worsened them. Population growth and urbanization have created growing

strains. Criminal organizations and drug exporters have planted roots. Guerrillas and local violence remain a problem in some places. Ineffective governments, even when democratic, have produced growing public disillusionment and electoral turmoil. An example is Venezuela's recent election to the presidency of Hugo Chavez, a former coup leader and critic of traditionalism. Mexico and Brazil, totaling more than one-half of the region's 460 million people, will continue dominating the landscape. For all countries, the future will be influenced by whether economic progress can elevate annual per capita income, which generally today ranges from \$4,000 to \$9,000. For the United States, Latin America's growth opens trade and investment opportunities, but the inflow of drugs from Colombia and other countries is a continuing problem. In the Caribbean, Castro still rules Cuba, but once he departs, a different future may open up.

Key Actors

Led by the United States, the community of *market democracies* will remain a powerful actor on the global stage. The great question is whether it will project its values and strengths outward into endangered regions. The spread of democracy is uncertain. Today, over one-half of the world's nearly 200 countries are democratic to some degree. Yet, many are only in the early stages of democracy. Moreover, the democratic process in some cases has been a disintegrative force when civil society is not prepared. Democratic enlargement faces a struggle in the coming years. Regardless of how this process unfolds, the United States will face the equally important challenge of persuading current allies to make greater contributions to new missions, many of which will lie outside their borders.

The key *transition states* are Russia, China, and India. They are pursuing foreign policies anchored in state interests and seek to establish themselves as leading powers on the world scene. Each seeks a revision of the status quo that will increase its influence at the expense of the United States. Only China has the potential to become a global power, but Russia and India will remain regionally influential. U.S. relations with all three countries have suffered during the past year, but all three have incentives to avoid further deterioration.

A primary cause of future conflicts probably will be rogue states. Rogues such as Iraq, Iran, North Korea—and recently Serbia—have proven to be surprisingly durable and increasingly assertive. In most cases, the conventional military capabilities of rogue states have declined in the past decade. In response, several now seek to compensate by accelerating their programs for acquiring WMD. If they acquire these weapons in the coming years, plus strengthen their conventional forces, their capacity for troublemaking will increase. In addition, several other countries might join the ranks of assertive rogue states in the next few years. The problems posed by rogues could become even more difficult if the United States and other Western states fail to develop common policies toward them.

Troubled states facing major internal instabilities, such as Bosnia and Rwanda, are consuming a disproportionately large amount of U.S. and allied resources. They are distinguished by their failure to sustain such essential conditions as social order, economic stability, and public health. The reason for U.S. and Western involvement with their problems has generally been humanitarian in nature, rather than strategic. The record of this involvement has been mixed, because the troubles of these states often defy easy solution. The problems posed by troubled states will continue and perhaps grow. The question will be whether the United States will be prepared to continue being involved in their internal affairs. When this is the case, efforts to mount an effective response will require the integration of civil and military assets.

Troubled states help breed the conditions that create growing threats by *transnational actors*, such as terrorists, drug traffickers, organized crime, and refugees. Many of these threats affect U.S. interests, and some pose a menace to the U.S. homeland. Terrorists increasingly lack political ideals and are often driven by religious motives and nihilism. Organized crime has grown recently, and drug trafficking has become a hugely profitable business. To a degree, these threats are merging through cooperation and are taking hold in some governments as a principal determinant of state behavior. Owing to the new focus on homeland defense, U.S. forces may be used increasingly in dealing with them.

Evolving Military Trends

The ongoing proliferation of WMD already is having a destabilizing impact and may accelerate. Proliferation's effects are contagious.

When one country acquires WMD systems, it poses a threat to its neighbors, which react with WMD systems and other measures of their own. For example, India's nuclear tests triggered Pakistan to do the same. North Korea's testing of missiles has sent shockwaves across Asia. If Iraq or Iran acquires WMD systems, they will threaten not only each other, but the entire Persian Gulf and Middle East. The looming threat of WMD proliferation, coupled with its aftershocks and counterbalancing steps, could destabilize the huge southern geographic zone stretching from the Balkans to Asia. WMD systems, of course, could also threaten key Western nations and the United States itself.

Conventional military trends, especially those resulting from the revolution in military affairs (RMA), are also noteworthy. Qualitative improvements, rather than quantity increases, may be the chief metric of military competition in the future. Although the United States will remain militarily superior, several countries will become stronger as they acquire modern technology and information systems. Advanced weaponry will better enable forces to strike at long distances, inflict great damage with limited assets, and conduct a widening spectrum of offensive actions, including surprise attacks. *A key risk is that rogues may acquire enough strike power to attack their neighbors and contest U.S. intervention.*

Control of space and the oceans is also growing in importance. Not only is the United States increasingly using space for intelligence gathering and communications, but so are other countries. In the future, control of space and cyberspace will be key factors in determining power balances and the outcomes of wars. At sea, the United States no longer faces serious blue-water threats. But control of key straits, transit lanes, and offshore areas may be challenged as countries develop better assets for littoral operations.

Arms control negotiations will remain a key hope for alleviating dangerous military trends ahead. At issue is whether they will continue to be successful. Over the last decade, the Strategic Arms Reduction Treaty (START) and the Conventional Forces in Europe (CFE) treaty have contributed greatly to lessening military confrontations left over from the Cold War. The uncertain future of START will depend heavily upon U.S.-Russian relations. The forums for addressing new-era problems have been the Non-Proliferation Treaty, the Missile Technology Control Regime, the chemical and biological

weapons conventions, and control of fissile materials. Progress has been made there, too, but the past year has witnessed a series of frustrating setbacks owing to accelerating proliferation in several regions. Current arms control agreements doubtless will continue to function as global accords and may be strengthened. The principal challenge will be employing them to constrain mounting proliferation dynamics in key individual regions. Meeting these regional challenges will require not only well-focused arms control strategies, but also policies that address the underlying geopolitical causes of instability. Recent events suggest that carrying out this agenda will be as difficult as it is important.

Consequences for U.S. Interests and Policies

These emerging trends, both good and bad, pose major consequences for how the United States forges future policies to advance its interests. For the past 50 years, the United States believed that its interests required sustained involvement in global security affairs. Since the Cold War ended, these interests have been expanding as a result of the enlarging Western community, the global economy, and the information age's increasing interdependency. In contrast to a few years ago, the United States is now less able to rely on a peaceful international system to shore up its interests. Recent disintegrative trends already have damaged U.S. interests. The risk is that the damage could grow in the future.

The United States will need to set priorities in defining how far its expanding interests extend. Some new interests may be vital, but others may be less important in ways that call for selective involvements and limited efforts to bolster them. Even though the United States will need to act in prudent ways, it also will need to determine how it can best advance those interests important enough to merit firm protecting. One of the key dilemmas facing the United States will be that of balancing its enlarging interests and growing involvements with its need to avoid overcommitments and entangling involvements in unresolvable situations.

Regardless of how specific interests are defined, they will remain global, and the United States will face a difficult strategic agenda ahead. Dangers can be readily handled if they unfold in single dimension ways that permit a single-minded U.S. response. The future's dangers promise to be multidimensional in ways that require a more complex response. More basically, the United States will be pursuing multiple strategic objectives on a worldwide scale, aimed not only at meeting dangers but also at alleviating their causes and achieving progress toward stability. These multiple objectives will require the coordination of multiple policy instruments—often a difficult task. Sometimes, pursuit of one objective can complicate other goals. In several theaters, for example, efforts to reassure long-standing allies of their security complicates measures to engage neighboring powers, and vice-versa. These and other complexities underscore the paramount importance of developing a balanced and prioritized U.S. national security strategy. In the coming years, they also promise to make the act a truly difficult one.

Because international change is coming, a change in U.S. policies and programs may lie ahead. Especially if negative trends worsen, U.S. policies will need to be more vigilant. Adapting to new conditions will be a key factor in the future success of U.S. policies. The Cold War demanded continuity in U.S. policy and strategy. The coming era likely will demand fresh thinking and regular innovation. It will also demand adequate resources and a wise setting of priorities, so that policy and strategy can be carried out effectively. Furthermore, the future will demand the careful blending of foreign policy, international economic policy, and defense strategy, so that all three components work closely together—not at cross purposes or in separate domains.

Engaging Globally

Current trends reinforce the need for the United States to stay engaged abroad, rather than retreat into isolationism. The key issue is how and where to engage. Even though the United States is the world's sole superpower, it cannot succeed if it acts unilaterally. A strategy that combines U.S. leadership with multilateral activities is needed, for strong support from allies and friends will be critical to meeting future challenges. For multilateralism to work, U.S. and allied policies will need to be harmonized.

An effective engagement strategy likely will require a major shift in how the three core goals

of security, economic prosperity, and democracy are pursued. Owing to changing and perhaps growing dangers, security likely will require higher priority than we had hoped, with more attention given to controlling regional and other political conflicts that may gain intensity in the coming years. Economic goals will still be important and can be pursued by policies that foster greater trade liberalization, better integrate the world economy, and ensure access to energy supplies. Likewise, democracy can still be advanced and consolidated in key places, despite recent setbacks. But if the world becomes a more dangerous place, security will have to be assured before these other two goals can be attained in ways that promote their integrative effects.

In pursuing security, changes also may be needed in how the "shape, respond, and prepare" functions of current U.S. strategy are carried out. In the future, environment shaping may need to shift from promoting integration to preventing instability and conflict. The respond function will need to handle an ever-wider range of contingencies. The prepare function must extend beyond military modernization to focus on creating a flexible defense posture that anticipates adversary asymmetric strategies, and on adapting the full spectrum of U.S. national security resources to a turbulent, changing era ahead. The overall effect could be to endow all three functions with different and greater demands than now. Especially because they work together, all three will have to be carried out with considerable energy and creativity, in ways that respond to changing requirements.

A revised engagement strategy must have a truly global focus. A few years ago, popular opinion held that Europe was no longer endangered. Kosovo shows that Europe's periphery remains vulnerable to war, along with the Greater Middle East and Asia. Consequently, U.S. strategy will need to handle the turbulent security affairs of all three regions, while advancing U.S. interests in Africa and Latin America. Moreover, future U.S. strategy will no longer be able to view these regions as fundamentally separate from each other. Growing interdependency means that political and economic events in one theater have strong ripple effects in other theaters. Also, opponents of U.S. interests in different theaters are beginning to cooperate with each other. The need for the United States often to draw upon forces and resources from one theater

to meet requirements arising in another further necessitates a global focus.

U.S. global strategy must be anchored in integrated policies toward key actors. U.S. policy will need to focus on updating the Western Alliance system so that it can help perform new missions, while retaining necessary assets for old missions. In dealing with such transition states as Russia, China, and India, an updated U.S. policy should aim to integrate them further into the Western community. If this is not possible, the United States should cooperate with them when mutual interests permit, but react firmly when legitimate U.S. interests are opposed by them. At a minimum, U.S. policy should prevent them from becoming adversaries of U.S. interests and leaders of a new anti-Western global coalition.

Dealing with WMD-armed rogues will be a principal challenge. Fresh thinking may be needed, because the old Cold War doctrines of containment, deterrence, flexible response, and negotiations may not work. New doctrines should not only view each rogue on its individual merits, but also recognize how U.S. actions in one region will affect rogue behavior in other regions. Although the goal should be to avoid warfare, U.S. military doctrine will need to be prepared to employ decisive force against rogues that may be increasingly prepared to commit aggression, especially if they acquire WMD systems.

U.S. policy cannot hope to resolve the problems of all troubled states, but it can focus on alleviating critical situations where practical steps will succeed. An effective U.S. strategy will focus on averting collapse of key troubled states, mitigating humanitarian disasters, carrying out necessary peacekeeping missions, and building effective governmental institutions over the long haul.

Handling transnational threats will need to be upgraded in U.S. strategy and pursued in systematic ways, for these threats are not only growing in themselves, but also are starting to affect larger patterns of interstate relations. An even stronger U.S. interagency effort focused on assembling coordinated policies toward terrorism, organized crime, and drug trafficking will be needed.

Creating a “Southern” Focus

A change in the U.S. geostrategic focus seems impending. During the Cold War’s last decades, U.S. strategy had a “northern” emphasis in the sense of focusing heavily on the endangered strategic arc stretching from Europe, across the Soviet Union, and into Northeast Asia.

Owing to continuing Western efforts, this northern arc is now becoming more stable, despite lingering problems in Russia and Korea. In the coming years, the newly endangered zone likely will encompass a great “southern” arc that will begin in the Balkans, pass through the Greater Middle East and Persian Gulf, cross South Asia, and continue along the Asian crescent from Southeast Asia to Taiwan.

Dealing with this entire southern arc, with its huge size and great diversity, could become key to future U.S. national security strategy. The United States has multiple interests and commitments at stake and will need to take special care in deciding where to intervene and how to do so. Compared to its assets in Europe and Northeast Asia, the United States currently does not possess comparable overseas-stationed forces, alliances, and collective security mechanisms in the southern arc. The combination of mounting troubles and weaker assets spells significant challenges in creating an effective strategic response. A southern strategy likely will be more maritime and less continental than the earlier northern strategy. It will require a flexible capacity to respond in shifting places at different times, rather than a fixed, positional focus. It will mandate emphasis on improved U.S. power projection and other instruments, greater contributions from traditional allies in Europe and Asia, and better partnerships with local countries.

Forging Regional Strategies

The United States will need to forge northern and southern strategies that are interlocked with each other. Its northern strategy should focus not only on integrating the relevant regions, but also on drawing upon their assets to assist in the south. Its southern strategy will need to focus on the more limited but essential aim of stabilizing the turbulent dynamics at work there.

The need for mutually supporting northern and southern strategies establishes the framework for creating strategies in each individual region. A combination of old and new policies will be needed in ways reflecting the coming era’s problems and priorities. A sensible U.S. strategic concept will aim at: (1) consolidating peaceful stability in Europe and its neighborhood; (2) dealing with mounting challenges in the Greater Middle East, South Asia, and Asia;

and (3) ensuring that the increasingly important regions of Africa and Latin America do not slip to the backwaters.

Managing European security is key to a successful global strategy, because, if Europe is stabilized, the United States will be freed to deal with other theaters, with European allies by its side. U.S. policy will need to adapt NATO to perform new missions, upgrade European military forces, and guide the European Security and Defense Identity in directions that preserve the transatlantic bond and enhance NATO. It also will need to continue integrating Northeastern Europe while engaging Russia, even as NATO enlarges, and promoting stability and integration in Southeastern Europe and the Balkans. This demanding agenda promises to make U.S. strategy difficult, even though Europe is unlikely to face a restored military threat. The recent NATO summit in Washington has pointed the Alliance in the right direction, but implementation of new initiatives will be key.

In Russia and its neighborhood, faltering progress calls for new U.S. policies that pursue a realistic and effective transition toward market democracy, while adjusting pragmatically to setbacks. U.S. policy also should continue aspiring to maintain strict government controls over nuclear weapons and fissile materials, preserve Ukraine's independence, and enhance stability in the Caucasus and Central Asia. A major change in U.S. policy will be needed only in the unlikely event that Russia drifts into open hostility toward the United States and NATO. Even absent such a wholesale deterioration, the coming U.S. policy agenda likely will be long lasting and, at times, frustrating.

In the Greater Middle East, current U.S. policy is wearing thin, and a comprehensive approach aimed at handling the increasingly dangerous situation will be needed. U.S. policies will need to focus on protecting access to Persian Gulf oil, dampening WMD proliferation, refining dual containment if Iraq becomes more intransigent but Iran moderates, getting the Arab-Israeli peace process back on track, lessening the dangers posed by regime changes and religious extremism, and preserving the Western coalition for possible intervention in the Persian Gulf. If rapid WMD proliferation occurs, U.S. policy changes will be needed to reflect the new, greatly endangered strategic setting. Even short of this, the act of pursuing the full spectrum of U.S. goals in this turbulent region promises to be difficult. The local situation defies easy solution,

and U.S. efforts to remedy some problems often come at the expense of intensifying others.

In Asia and the Pacific, the murky future calls for U.S. policies that not only aim for economic progress, but also recognize the importance of regional security affairs and healthy national governments. Such policies should be anchored in a continuing U.S. leadership role as a key stabilizer and power balancer. While updating bilateral alliances, U.S. policy will need to manage the delicate situation on the Korean peninsula by being prepared for both crisis and unification, and to approach China with a combination of firmness and restraint that respects its legitimate interests but opposes destabilizing endeavors. A new containment strategy could be needed if a stronger China seeks hegemony in Asia. Conversely, a broader emphasis on collective security may be possible if China becomes a cooperative partner. Only time will tell where Asia is headed, but at the moment, the coming U.S. strategic agenda seems feasible—provided effective policies are pursued.

South Asia's emerging nuclear geopolitics mandate that this region's importance be elevated in U.S. strategy. The nuclear genie cannot be put back into the bottle, but U.S. policies can aspire to pursue a dialogue aimed at stabilizing the India-Pakistan nuclear balance, dampening further proliferation, and controlling ripple effects in other regions. The United States also should determine how it can best respond in the event of war there.

In Africa, U.S. policy cannot hope to transform this entire huge continent into a market democracy. But, provided adequate resources are made available, it can realistically aspire to more limited aims, including lessening armed conflicts, encouraging democracy where possible, and gradually improving economic conditions. An effective U.S. strategy will be anchored in partnerships with pro-Western nations, while working with multilateral organizations and strengthening subregional bodies and nonstate actors.

In Latin America, U.S. policy can aim at consolidating democracy's widespread success, promoting economic progress, fostering multilateral cooperation, and stemming drug trafficking. A new focal point will be Colombia, a troubled state with powerful criminal syndicates that have a profound impact on U.S. interests. Once Castro departs, a new U.S. strategy toward Cuba will be needed.

Maintaining U.S. Defense Preparedness

The prospect of rapidly changing and more turbulent global security affairs underscores the judgment that the United States will need a high level of defense preparedness. The United States will need a defense strategy and force posture that are coherent in their own right and interlocked with U.S. foreign policy and global strategic priorities. U.S. forces capable of overseas engagement and power projection will be needed, and they must be capable of performing new and unexpected missions. U.S. forces stationed overseas will need to be capable of operating in a variety of new places that are distant from current bases. CONUS-based forces will need to be able to project power to these places as fast as, or faster than now.

The recent decision to increase defense spending responds to these strategic changes, and will better enable the Department of Defense to pursue key goals in the future. DOD may need to alter its current planning framework of preparing for two major theater wars (MTWs). If so, the purpose will be to acquire greater flexibility and adaptability so that future requirements in all three major theaters can be met. Kosovo suggests that a coming challenge will be to prepare for medium-sized but intense conflicts, not just peacekeeping and big regional wars in one or two places. One possible model would be a force capable of fighting one larger MTW and two medium conflicts. Such a posture would be as large as, or even larger than, today's. Regardless, joint forces and operations will remain key to carrying out U.S. military doctrine.

Future U.S. defense requirements will depend on which of the three previously discussed scenarios unfolds. If the world becomes more dangerous in major ways, U.S. military requirements could increase significantly. Even short of this, stronger U.S. forces will be needed to deal with the new military and strategic environment. The prospect of weapons of mass destruction proliferating into the hands of rogues could require new strike forces and defense assets. Adversary forces developing better conventional forces will make it harder for U.S. forces to win regional wars at low cost. Consequently, the importance of the RMA will increase, as will the importance of mobility, readiness, sustainment, and modern weapons. Strong U.S. forces will be

needed to carry out decisive operations against well-armed opponents conducting asymmetric strategies. Small-scale contingencies, including peace operations and sizeable crisis interventions, will pose additional requirements for special defense capabilities. Homeland defense, especially against WMD threats, also will be a growing requirement.

The 1997 *Quadrennial Defense Review* charted a course of maintaining current force structure and high readiness, while modernizing at a moderate rate to achieve the RMA and *Joint Vision 2010*. In 2001, a similar review will be conducted. However, with a new era of global affairs arriving, a different debate seems required. The previous debate focused on how to get the most mileage out of the existing defense budget. The new debate will address how much to increase the defense budget and how to allocate the increases in ways that acquire new technologies and meet increasing strategic requirements. This debate is likely to identify dilemmas. Even with a larger budget, the United States will face difficulty in meeting all its defense needs. The issue of priorities will have to be addressed again. Resolving it will be key to ensuring that the United States maintains sufficient military preparedness in a coming decade of change and, perhaps, greater trouble. Equally important will be gaining greater allied contributions for new missions and combined operations.

Organizing for National Security

Because the international system already is changing rapidly, the United States may have a short window of opportunity to make a critical difference. The danger lies not only in the adverse trends abroad, but also in the risk that the U.S. Government may not be able to react quickly and effectively. The current U.S. interagency process was created to handle the national security problems of the Cold War. *New strategic problems may mandate new organizational solutions for performing the central task of weaving foreign policy, international economic policy, and defense strategy into a seamless web of strong, mutually reinforcing actions.*

The future will require strategic vision and sound assessments, coupled with an interagency process that can implement new policies. Previously separate overseas problems likely will merge in ways that prohibit addressing them individually on their own merits. For example, policies toward troubled states and

transnational threats will have to take into account relations with allies, neutrals, and rogues. This will require a greater degree of government-wide policy coordination than before and perhaps new people with new skills. Also, many U.S. policies will need to be merged with those of other countries and international institutions. Prescribing a solution lies beyond this analysis, but recognizing the problem is the first step toward solving it.

Net Assessment

The United States will need to continually adapt its strategic priorities in order to meet the multidimensional challenges of the 21st century. The recent disturbing global trends are not yet

cause for alarm, because positive trends are also at work. But they are a sobering reminder that the world can become more dangerous, or at least change appreciably, in the future. They will need to be taken seriously in developing new U.S. policies. As the world's sole superpower and leader of the Western community, the United States faces the daunting challenge of dealing with mounting dangers and still-growing opportunities in several key theaters. It will need to act strongly and wisely on its own, but it also will need the help of many allies and partners. Forging this unilateral and multilateral capability will be key to handling the future, as it was in the past. In this sense, the positive lessons of the Cold War—strength, partnership, and wise diplomacy—still endure.