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The Challenge

The Twenty-First-Century Setting

America's rise to a position as the world's lone superpower (in terms of its economic, political, and military position) began at the beginning of the twentieth century.¹ President Theodore Roosevelt expanded U.S. reach globally, U.S. industry experienced enormous growth and reinvented itself to win World War II, the Berlin wall fell, and the Soviet Union collapsed. The twentieth century has been called "America's century." But politicians, scholars, and world observers seem to agree that the twenty-first century will be very different from the twentieth century. Perhaps the wake-up call was September 11, 2001. The terrorist attacks on that day ended the historic view that America's oceans would protect it and led people to rethink the strategic security environment. With the subsequent anthrax attacks in Washington and the global spreading of SARS, people recognized that a more holistic view of security is required. It needs to include worldwide terrorism and global health pandemics (manmade and natural) as well as weapons proliferation, rogue nuclear states, energy dependence, insurgencies within nations (which could easily spread), mass migration, regional conflicts, access to resources (such as water and critical materials), links between international crime and security (for example, narcoterrorism), many geopolitical issues (such as regime stability and the reconstruction of unstable regimes), worldwide economic collapse, and cybersecurity (against attacks on military and civilian infrastructures). Homeland security has become a far higher national priority than it was in the past, and it needs to cover the full spectrum—infrastructure and financial-system protection, missile defense against long-range nuclear-tipped missiles launched by rogue nations, or even an accidental launch from a nation equipped with nuclear warheads and a missile-delivery capability.

The twenty-first century will have far greater uncertainty than the cold war era had. In that bipolar world, both the United States and the Soviet Union were led by rational actors who recognized the destructive power that each adversary

possessed. This was sufficient to deter any aggressive nuclear actions. For both sides, the need was primarily to continue to invest in maintaining a strong conventional and nuclear force, and this large and balanced deterrence worked to prevent World War III. However, when facing a multipolar world (for example, one with many anti-American Islamic fundamentalists), deterrence has little value. As a *Washington Post* headline stated, we now face “A Scary World.”²

In this twenty-first century world of rapid and unpredictable changes in technology, geopolitics, economics, and the military, two things stand out as essential for America’s future security. First, a strong U.S. economy is needed to pay for the full range of twenty-first-century security needs. This means a growing economy, balanced government budgets, a fully employed and skilled workforce, a strong dollar, a positive trade balance, and energy independence. As Paul Kennedy warned in his 1987 book *The Rise and Fall of Great Powers: Economic Change and Military Conflict from 1500 to 2000*,³ states need wealth to obtain military power, and they need military power to acquire and protect their wealth. But he also notes that over the long term, a nation that devotes too many of its resources to the military rather than to the growth of its economy is likely to weaken its national power. This is the challenge that America faces in the twenty-first century. With limited resources for security (so that enough are available for social needs, investments for growth, and so on), how can the multiplicity of potential twenty-first-century security threats be addressed?

The answer to this question lies partially in the second major security consideration for the twenty-first century. Most of the current threats—terrorism, pandemics, weapons proliferation, regional conflicts, energy, environment, scarce resources, and even cyber security—need to be addressed through international cooperation. In this multipolar, globalized world, the emphasis cannot be on unilateral action or isolationist, protectionist policies. Instead, it must be on multinational, cooperative actions that are taken in the interests of each individual nation involved but with the recognition that individual interests are best served by mutual actions.

Although many people (including some members of the U.S. Congress) continue to argue that America can maintain its position in the twenty-first century by continuing to do what it did in the twentieth century, the overwhelming opinion is that this is a period of dramatic change that requires a new way of thinking. For example, when three prior U.S. presidential national security advisers met in 2007 (representing both Republican and Democratic perspectives), Henry Kissinger stated, “The International System is in a period of change like we haven’t seen for several hundred years” and is caused by the declining power of nation states, the radical Islamic challenge to historic notions of sovereignty, and the drift of the center of gravity of international affairs from the Atlantic to the Pacific and the Indian Oceans.⁴ Zbigniew Brzezinski stated that a global awakening is taking place: “The world is

much more restless. It's stirring. It has aspirations which are not easily satisfied. And if America is to lead, it has to relate itself somehow to these new, lively, intense political aspirations, which make our age so different from even the recent past."⁵ He went on to say that the United States should tell the world that it wants to be a part of the solutions to the world's problems and that it will engage with other nations to solve the world's problems. Finally, Brent Scowcroft stated that "In this new, very different world, traditional measures of strength don't really apply so much. It's a world where most of the big problems spill over national boundaries, and there are new kinds of actors. . . . we must convince the world that we want to cooperate with them (for our own benefits)" and that we want to be part of the solutions to the world's problems.⁶

Solving these worldwide security problems (such as terrorism, weapons proliferation, rogue nuclear nations, and regional insurgencies) or even avoiding the potential of conflict with a future peer military competitor cannot be viewed primarily as a military effort but must first be addressed as an interagency activity (within the United States government) and as a multinational effort. The U.S. State Department must be a major player in this effort; along with the Director of National Intelligence and the Departments of Defense, Homeland Security, Energy, and Treasury. This will not be an easy step (given the large federal bureaucracies that are involved), but it is a necessary one if the United States is to be in a strong national security position throughout the twenty-first century.

In the twentieth century, it took a long time for the Department of Defense to realize how critical it was for the military services to act jointly and not individually. Modern technology—including information and communication technology, long-range weapons, and space systems—required the army, navy, air force and marines to operate in an integrated fashion. This became formalized in the mid-1980s with the Goldwater-Nichols legislation, which introduced institutional changes and personnel incentives that encouraged integrated, multiservice activities. Additionally, in the twenty-first century, institutional incentives will be required to ensure smooth and effective interagency operations. Fortunately, the first steps in this direction are beginning to appear. In 2008, the State Department appointed a deputy commander to the new Africa Command (AFRICOM), and similar steps are underway for the Southern Command (SOUTHCOM) (which deals with problems such as the drug trade from South and Central America) and for the European Command (EUCOM). Finally, consistent with the uncertainty and lack of predictability associated with the wide variety of potential security concerns in the twenty-first century, the bureaucracy will need to be able to respond much more rapidly and agilely than it has in the past. Because bureaucracies are not known for their responsiveness, institutional changes and new incentives are necessary. As each new event occurs around the world, there will not be time for six to nine months of bureaucratic

staffing for response decisions. In addition, those decisions will have to be made in a multinational environment, which complicates the difficulty of achieving a rapid and effective response. Even in the twentieth century, fast and effective decision making was difficult in both the United Nations and the North Atlantic Treaty Organization.

In the multipolar, global environment of the twenty-first century, it is critical that other nations (whether allies or adversaries) respect America (something that, in many areas, was lost during the early days of the twenty-first century). These nations must also be convinced that America will stand behind its commitments (since much of everyone's future security will depend on mutually agreed-to actions). In the United States, these global issues must be thoroughly understood by the U.S. Congress (where politics tends to be a local issue). Cynics often state that "Congress is a leading trailing indicator." Thus, in the interest of protecting America's twenty-first-century security, this area will require strong leadership within the Congress. America cannot solve the problems of terrorism, disease, proliferation of weapons of mass destruction, and mass genocide on its own, and it cannot solve these problems simply by spending more and more money on its military. It must address them with a strong national economy, effective international relations, and a strong but affordable national security posture. This strong national security posture will require a combination of military might and soft power (which, as Joseph S. Nye states, rests on three resources of a nation—"Its culture, its political values, and its foreign policies; all of which must be seen as admired, shared, legitimate, and deserving of support").⁷ Military and economic resources can put a nation in a position to have others help support its agenda. Yet even with this combination of soft and hard power, the nation has difficult choices to make in achieving an affordable national security posture for the twenty-first century.

The United States' security cannot be addressed simply by spending more and more on defense. The national budget has many other pressing demands—paying for the rising costs of Medicare and social security (driven by an aging population), paying for universal medical insurance coverage, improving America's education system, upgrading the deteriorating national infrastructure (including bridges and roads), and paying for the huge debt that was incurred in 2009 to counter the financial meltdown. In fact, in fiscal year 2009 (even as expensive wars in Iraq and Afghanistan were underway), President Barack H. Obama proposed a 12 percent reduction in the defense budget, which was the first reduction since 1996. And with the expected continued pressures on the budget and the likely elimination of a large, annual emergency wartime supplemental budget, the Department of Defense soon would face a fiscal crisis. The clear challenge is how to achieve an effective twenty-first-century national security posture within an affordable budget.

Achieving the Required Government and Industry Transformations

The literature suggests that it takes two things to achieve a culture change⁸—(1) recognition of a crisis and (2) leadership that has a vision of the change and is devoted to its implementation. Unlike the periods when the Soviet Union launched its *Sputnik* satellite, when the Berlin Wall fell, and when the events of September 11, 2001, occurred, no precipitous event has triggered a widespread recognition of the need for change. Even more than a decade's worth of warnings were not sufficient to reverse the large institutional resistance coming from the Congress, military, defense industry, and labor unions. These all prefer to continue with the status quo—high defense expenditures to maintain the current defense-industry production of predominately twentieth-century weapons to keep the factories full and to sustain the employment on those projects—even if it does not meet the security needs of the twenty-first century and is increasingly unaffordable.

In October 1998, when I was the under secretary of defense, I observed that the Department of Defense was not taking full advantage of commercial and globalized technologies.⁹ It was not adequately addressing the skill base of its aging workforce, was not taking advantage of the potential military and economic benefits of industrial globalization, and was producing increasingly higher-cost traditional weapons systems instead of shifting to technologies and systems that were applicable to twenty-first century warfare. This cry was repeated by many observers during the first decade of the twenty-first century. By 2005, the Defense Science Board, an independent advisory board, observed that the defense industry's independent research and development (R&D that is funded by the firms and not by the Department of Defense) was declining significantly; that resources needed to be shifted from weapons platforms (such as ships, planes, and tanks) to information and systems thinking; that there would be few long production lines in the future; that there was considerable excess capacity in major weapons' production facilities (which the government was paying for); and that there was inadequate industrial planning for the likely future of the defense industry as its customers moved toward twenty-first century equipment and systems.¹⁰ At that time, the industry's response was "If our customers are still asking for old systems, we can't and don't want to convince them to change. It is not in our business interest for them to change." Industry also observed that various government policies, practices, and laws were preventing them from moving toward newer systems and lower-cost purchases. In the following year (2006), many people recognized this need for change. Jeffrey Record stated, "Hostile countries, once a primary threat to U.S. security, have been replaced by rogue states, failed states, and non-state actors."¹¹ He went on to say that we can no longer expect that America's conventional military superiority can meet the needs of the nontraditional conflicts of the twenty-first century. Finally, he

observed that although the Quadrennial Defense Review of 2006 called for expanded special operations forces, “it requested no increases in overall U.S. ground force levels, and stands pat on all major Cold-War legacy weapons systems.”¹²

By 2007, even some military leaders were beginning to see this need for a cultural change. The chief of naval operations, Admiral Michael Mullen (later made chair of the Joint Chiefs of Staff) directed his service to craft a national maritime strategy “to address the challenges posed by globalization.”¹³ He asked that this strategy address the “profound changes affecting technology, economics, security relationships and other arrangements,” as well as “energy competition” in the twenty-first century.¹⁴ But although a mismatch—between the needs of a twenty-first-century security environment versus the budgets, policies, and weapons that were actually being implemented—was beginning to be recognized, the coming fiscal crisis and the need for change were still unacknowledged. In reality, the external security world was changing dramatically. Although a new, holistic national-security perspective was required (including a Department of Homeland Security, greatly increased intelligence, and coalition operations), a decade of dramatic budget growth after September 11, 2001, allowed a difficult choice—whether to move toward twenty-first-century security needs or to sustain the continued investments in twentieth-century equipment—to be deferred. The assumptions were that budgets would remain high; that after the conflicts in Iraq and Afghanistan ended, the military would reset its equipment back to where it was prior to the conflicts (by purchasing updated versions of the old equipment as replacements); and that there would not be a shift to a modern, twenty-first-century force at lower budget levels. In fact, it was time for people to be reminded of one of Abraham Lincoln’s famous statements: “The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew and act anew.”¹⁵

One person who recognized the coming fiscal crisis and spoke about it throughout the country was David M. Walker, the comptroller general of the United States and head of the U.S. Government Accountability Office (GAO). He stated that “creating the required future U.S. warfare capability, and thus protecting our national security, must be done by improving how the Department, including all of its various component parts, does business; in order to support and sustain our position as the world’s preeminent military power within current and expected resource levels.”¹⁶ This resource constraint is the driving force that could cause the needed cultural change as the demands for social expenditures in other areas (including Medicare, social security, education, infrastructure, and medical research) demand the removal of both the \$100 billion annual budget supplementals and also the high levels of annual defense expenditures. At that point, the difficult choices must be

made, and that pressure, with appropriate leadership, can result in a twenty-first century shift of the U.S. security posture and resource allocations.

By 2010 it was clear that the DoD budget (which, including “supplementals,” was over \$700 billion) was bound to decline; and that significant change (to address “affordability”) was required. Defense Secretary Robert Gates then took the lead¹⁷ in convincing the DOD that there was no choice—change was required. The Services would have to reflect this in their future force planning, weapons requirements, budget, acquisition practices, and so on.