

## INTRODUCTION

# Challenges

**T**HIS BOOK is intended to help readers better understand the national security issues facing the United States today and offer the general outline of a strategy for dealing with them. National security policy—both making it and debating it—is harder today because the issues that are involved are more numerous and varied. The problem of the day can change at a moment’s notice. Yesterday, it might have been proliferation; today, terrorism; tomorrow, hostile regional powers. Threats are also more likely to be intertwined—proliferators use the same networks as narco-traffickers, narco-traffickers support terrorists, and terrorists align themselves with regional powers.

Yet, as worrisome as these immediate concerns may be, the long-term challenges are even harder to deal with, and the stakes are higher. Whereas the main Cold War threat—the Soviet Union—was brittle, most of the potential adversaries and challengers America now faces are resilient. In at least one dimension where the Soviets were weak (economic efficiency, public morale, or leadership), the new threats are strong. They are going to be with us for a long time.

As a result, we need to reconsider how we think about national security. The most important task for U.S. national security today is simply to

retain the *strategic advantage*. This term, from the world of military doctrine, refers to the overall ability of a nation to control, or at least influence, the course of events.<sup>1</sup> When you hold the strategic advantage, situations unfold in your favor, and each round ends so that you are in an advantageous position for the next. When you do not hold the strategic advantage, they do not.

As national goals go, “keeping the strategic advantage” may not have the idealistic ring of “making the world safe for democracy” and does not sound as decisively macho as “maintaining American hegemony.” But keeping the strategic advantage is critical, because it is essential for just about everything else America hopes to achieve—promoting freedom, protecting the homeland, defending its values, preserving peace, and so on.

## The Changing Threat

If one needs proof of this new, dynamic environment, consider the recent record. A search of the media during the past fifteen years suggests that there were at least a dozen or so events that were considered at one time or another the most pressing national security problem facing the United States—and thus the organizing concept for U.S. national security. What is most interesting is how varied and different the issues were, and how many different sets of players they involved—and how each was replaced in turn by a different issue and a cast of characters that seemed, at least for the moment, even more pressing. They included, roughly in chronological order,

- regional conflicts—like Desert Storm—involving the threat of war between conventional armies;
- stabilizing “failed states” like Somalia, where government broke down in toto;
- staying economically competitive with Japan;

- integrating Russia into the international community after the fall of communism and controlling the nuclear weapons it inherited from the Soviet Union;
- dealing with “rogue states,” unruly nations like North Korea that engage in trafficking and proliferation as a matter of national policy;
- combating international crime, like the scandal involving the Bank of Credit and Commerce International, or imports of illegal drugs;
- strengthening international institutions for trade as countries in Asia, Eastern Europe, and Latin America adopted market economies;
- responding to ethnic conflicts and civil wars triggered by the reemergence of culture as a political force in the “clash of civilizations”;
- providing relief to millions of people affected by natural catastrophes like earthquakes, tsunamis, typhoons, droughts, and the spread of HIV/AIDS and malaria;
- combating terrorism driven by sectarian or religious extremism;
- grassroots activism on a global scale, ranging from the campaign to ban land mines to antiglobalization hoodlums and environmentalist crazies;
- border security and illegal immigration;
- the worldwide ripple effects of currency fluctuations and the collapse of confidence in complex financial securities; and
- for at least one fleeting moment, the safety of toys imported from China.

There is some overlap in this list, and one might want to group some of the events differently or add others. The important point, however, is that when you look at these problems and how they evolved during the past fifteen years, you do *not* see a single lesson or organizing principle on which to base U.S. strategy.

Another way to see the dynamic nature of today’s national security challenges is to consider the annual threat briefing the U.S. intelligence community has given Congress during the past decade. These briefings are essentially a snapshot of what U.S. officials worry most about. If one

briefing is a snapshot, then several put together back to back provide a movie, showing how views have evolved.<sup>2</sup>

Figure 1 summarizes these assessments for every other year between 1996 and 2006. It shows when a particular threat first appeared, its rise and fall in the rankings, and in some cases how it fell off the chart completely. So, in 1995, when the public briefing first became a regular affair, the threat at the very top of the list was North Korea. This likely reflected the crisis that had occurred the preceding year, when Pyongyang seemed determined to develop nuclear weapons, Bill Clinton's administration seemed ready to use military action to prevent this, and the affair was defused by an agreement brokered by Jimmy Carter.

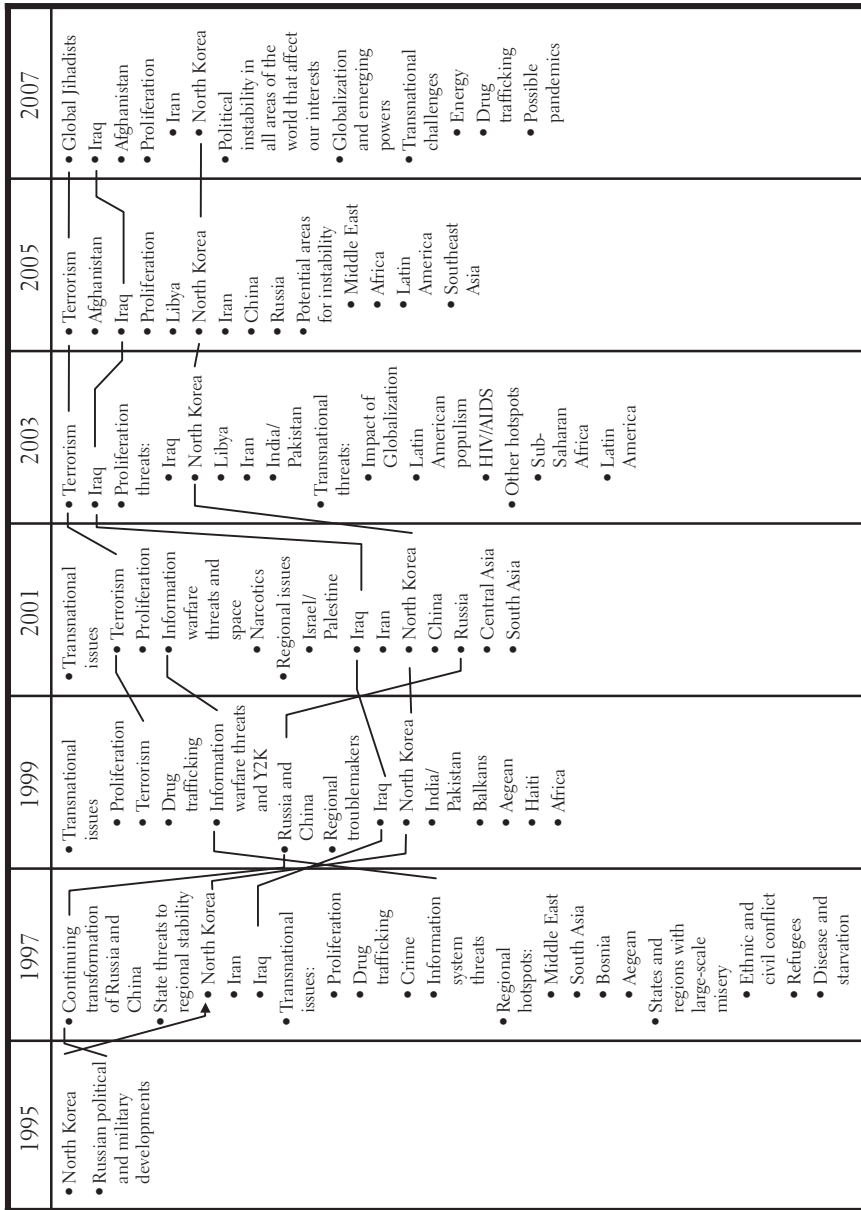
Russia and China ranked high as threats in the early years, but by the end of the decade they sometimes did not even make the list. Proliferation has always been high in the listings, although the particular countries of greatest concern have varied. Terrorism made its first appearance in 1998, rose to first place after the September 11, 2001, terrorist attacks, and remains there today. The Balkans appeared and disappeared in the middle to late 1990s. A few of the entries today seem quaint and overstated. Catastrophic threats to information systems like an "electronic Pearl Harbor" and the "Y2K problem" entered the list in 1998 but disappeared after 2001. (Apparently, after people saw an airliner crash into a Manhattan skyscraper, the possible loss of their Quicken files seemed a lot less urgent.) Iraq first appeared in the briefing as a regional threat in 1997 and was still high on the list a decade later—though, of course, the Iraqi problem in the early years (suspected weapons of mass destruction) was very different from the later one (an insurgency and internationalized civil war).

All this is why the United States needs agility. It not only must be able to refocus its resources repeatedly; it needs to do this faster than an adversary can focus its own resources.

## **Adversaries with Staying Power**

The evidence of the need for endurance is a bit more subtle, but it is there if you look for it. For example, back in the Cold War, the U.S.

**FIGURE 1.**  
**Summary of U.S. Intelligence Threat Assessments, 1995–2007**



Note: The lines connecting the items above show how an issue rose or fell in its ranking over successive briefings. Sources: See the text notes.

Embassy in Moscow occasionally sent an end-of-the-year cable back to Washington, hoping to break up the usual routine. It was not an analysis of the latest ups and downs among the Kremlin leadership or an assessment of the latest missile trucked through Red Square in the October Revolution parade. Rather, it was a collection of the latest jokes making the rounds in Moscow. (One sample: “General Secretary Leonid Brezhnev takes a day off to show his mother his city mansion. Later in the afternoon he drives her in his limousine out to his country dacha. That evening they are served a sumptuous dinner. After the servants clear the table, Brezhnev leans back in his chair and boasts, ‘Well, Mama, what do you think? Has your son not done well?’ His mother nods, and says she is impressed. But then she leans toward him and whispers with concern, ‘But Lenya, what if the Bolsheviks come back?’”)

These jokes—and the fact that the embassy passed them along—reflected an important underlying truth: Americans knew, at least at some gut level, that despite the Soviet Union’s enormous military power, it was, in the larger picture, fundamentally weak. Its economy was hopelessly inefficient. Its citizens had lost faith in their leaders. Its political elite was jaded and cynical.

In fact, we not only believed the Soviets were hollow. We were counting on it. Our grand strategy—containment—was based on that assumption. George Kennan first articulated the idea in his 1946 “long telegram” and his article “The Sources of Soviet Conduct” the following year.<sup>3</sup> American leaders thought that if we could counter the Soviets each time they tried to expand their influence and control, eventually the fault lines within the Soviet Union would cause it to collapse or morph it into something less threatening.

Compare that to today. One rarely hears humor about al-Qaeda, nuclear proliferation, North Korea, the ex-KGB officers who currently run Russia, or the theocratic government of Iran. This is because we understand, at least intuitively, that we are dealing with threats today that are fundamentally different from the one we faced in the Cold War, and no one is prepared to joke about it. Whereas the Soviet Union was brittle, these new threats are resilient. In at least one dimension in

which the Soviet Union was fatally weak, each of our current adversaries is remarkably strong. Consider the following three differences and their implications.

*Morale and Public Support: The Case of Al-Qaeda*

Soviet citizens hated their government so much that the regime had to wall them in to keep them from fleeing. Warsaw Pact “allies” saw the Soviet Union as an occupying power. Except in some corners of academia and the flakier extremes of the political left, Marxist-Leninist ideology had lost any cachet it ever enjoyed by the 1970s or so. Kremlin leaders were old, pampered, faceless apparatchiks, caricatures their people feared, loathed, and laughed at.

Now compare that with al-Qaeda today. Its members are so devoted they are willing to fly aircraft into buildings. They detonate backpack bombs in subways (Madrid, London) and resort hotels (Bali, Casablanca). Young Muslims travel thousands of miles to join the organization. Islamicist websites enjoy huge audiences worldwide, and Osama bin Laden is a revered figure in much of the Muslim world. You can argue that these terrorists are evil, but you do have to admit that they are highly committed.

This is because militant Islamicism, wherever it exists, is a grassroots movement whose members eagerly volunteer, partly because their immediate culture encourages them, and partly because their society provides few alternatives. During the past half century a baby boom in the Middle East and South Asia has produced hundreds of thousands of young Muslim males. Many are alienated and disillusioned because the corrupt, restrictive regimes under which they live do not offer them sufficient opportunities to earn a living or vent political steam. The result is a pool of potential recruits with time on their hands and worries about their future. It is a potent social and economic mix that is sweeping across the Eastern Hemisphere and spilling over into the slums of Europe, where the problem is further complicated by the fact that so

many European countries do not want to assimilate Muslims, or do not know how.

Terrorists do not join al-Qaeda because they spend too much time watching al-Jazeera. Rather, al-Jazeera and the scores of Internet sites that lionize bin Laden simply reflect their audiences' existing perspectives. America can launch the slickest public relations campaign to win the hearts and minds of Muslim twentysomethings. But in the real world, an Under Secretary of State for Public Diplomacy and Public Affairs like Karen Hughes has no more chance of convincing these young men to abandon extremism than an al-Qaeda leader like Ayman al-Zawahiri has of convincing an American kid living in Cleveland to cancel his subscription to *Maxim*. It is built into the current culture.

During the Cold War, U.S. military planners assumed that many non-Russian members of the Soviet Army would not fight (or at least not enthusiastically) and that some of the so-called Warsaw Pact allies—Poland, Hungary, Czechoslovakia—might even change sides.<sup>4</sup> By the 1980s the idea of exploiting the fault lines of the Soviet empire was taken for granted.<sup>5</sup> Émigrés and defectors were an important source of intelligence, as were “walk-ins,” Soviet bloc officials who offered to provide intelligence on their own initiative. Today, in contrast, if a known al-Qaeda operative were to approach a U.S. official with a briefcase, the American's immediate instinct would likely be to take cover. The entire dynamic is different.

These features give al-Qaeda and similar groups remarkable resilience. In December 2001 al-Qaeda seemed on the ropes. But after lying low for a while, it transformed itself. Today it is a largely virtual organization, even more networked than before. The new al-Qaeda has a minimal, concealed central command and distributes its operations worldwide among cells in Iraq, East and North Africa, Southeast Asia—and Europe. Its websites offer texts, memoirs, magazines, and even video documentaries with high production values.<sup>6</sup>

### *Economic Efficiency: The Case of China*

Now consider China. Like al-Qaeda, it also has a lot more staying power than America's old Soviet opponents, but its strength is in a different



dimension—economic. The Soviet Union failed largely because of its cumbersome, inefficient, centrally planned economy. Because the Soviet economy was devoid of incentives and full of discouragement, by the 1980s, the Soviet gross domestic product was flat, and America then twisted the knife by accelerating the arms race. The stalling Soviet economy was a working assumption of U.S. officials as early as 1977, when the Central Intelligence Agency’s Directorate of Intelligence reported that “the Soviet economy faces serious strains in the decade ahead. . . . Reduced growth, as is foreshadowed over the next decade, will make pursuit of [the Soviet Union’s] objectives much more difficult, and pose hard choices for the leadership.”<sup>7</sup>

This was also the view of top U.S. officials. It was built into the Carter administration’s Presidential Directive 18, which defined U.S. national strategy. This directive said that, “though successfully acquiring military power matching the United States, the Soviet Union continues to face major internal economic and national difficulties, and externally it has few genuinely committed allies.”<sup>8</sup> The Reagan administration took the idea a step further. When Reagan addressed the British Parliament in June 1982, he said that “it is the Soviet Union that runs against the tide of history by denying human freedom and human dignity to its citizens. It also is in deep economic difficulty. The rate of growth in the national product has been steadily declining since the fifties and is less than half of what it was then.” The logical path, then, was to leave “Marxist-Leninism on the ash-heap of history.”<sup>9</sup>

Now compare that situation with China today. Mao Zedong’s heirs may keep his portrait over Tiananmen Square, but they are not foolish enough to follow his economic notions. After Deng Xiaoping defeated the Gang of Four in the late 1970s, China adopted free market reforms. Its economy has expanded at double-digit annual rates ever since.

Yet not only is America unlikely to stress the Chinese economy into oblivion; we do not *want* China to implode like the Soviet Union. The political chaos throughout the Pacific Rim would be unfathomable, the refugee problem would be enormous, and the shelves of Wal-Mart would be empty.

Indeed, the Chinese and American economies are so thoroughly intertwined that it is hard to even consider China a “threat,” at least in the conventional sense of the word. The total annual trade between the two countries currently is more than \$385 billion, up from \$4.9 billion in 1980, when China had just begun adopting market reforms. Today China is our second-largest trading partner (after Canada), our fourth-largest market for exports, and our second-largest source of imports. The *People’s Daily* reports that U.S. investments in China total more than \$48 billion, distributed in 45,000 projects. The U.S. Treasury reports that China, in turn, holds about \$600 billion of the federal debt.<sup>10</sup>

So where U.S. Cold War policy may have been predicated on the Soviet Union imploding, today our national policy is implicitly predicated on *preventing* that from happening in China. Despite its overall strength, several Chinese weaknesses could lead to political crises, which, in turn, would cause major problems for the United States: labor unrest, conflict between the cities and the countryside, a shortage of workers fifteen or twenty years from now resulting from China’s population control policies, competition over natural resources from India or Japan—or simply a slowdown in economic growth. China will face more competition from the next tier of modernizing countries, like Vietnam. Already the rate of foreign investment in China has begun to taper off; the rate of foreign investment in China actually dropped in 2006 for the first time since 1990.

Yet the most important factor that defines the relationship between the United States and China is that the leaders of the two countries have exactly the opposite assessment of the same set of facts. U.S. leaders are betting that Chinese citizens will get a taste of economic freedom and demand political freedom to go with it. Americans are also betting that the next generation of Chinese leaders will be compelled to grant these freedoms if they hope to maintain the growth and stability that is necessary for the regime to survive.<sup>11</sup>

Chinese leaders, however, are betting exactly the opposite. They are wagering that they can balance economic freedoms with political controls indefinitely. A comment by Premier Wen Jiabao (second in the

Chinese hierarchy, behind President Hu Jintao) in a February 2007 *People's Daily* editorial made the views of the leadership clear. "We are still far away from advancing out of the primary stages of socialism," Wen wrote, using a euphemism from Marxist theory to say that China had not progressed far enough for the Communist Party to relinquish control. Some officials and writers had speculated that faster reform was needed to defuse the unrest that might accompany the growing disparities in income accompanying China's rapid development.<sup>12</sup> Wen was heading off any debate and made the position of the government clear by saying, "We must stick with the basic development guideline of that stage for 100 years"—referring to the stage that precedes democracy, meaning, in effect, that the Chinese leadership did not anticipate major political reforms for at least another century.

History is likely on America's side. The record shows that countries that modernize usually become democratic. The conditions necessary for modernization (education, freedom of communication, decentralization of decision making) eventually create an environment favorable for democracy.

For now, however, Chinese economic growth means that China has more political clout, more economic influence, and more money to spend on its armed forces. Its defense budget has grown at about the same rate as its gross domestic product. Also, some recent developments are troubling, like its test of an antisatellite weapon in January 2007 and its purchases of modern submarines and fighter aircraft from Russia. These actions suggest that Chinese military planners aim to develop the capability to compete with the United States, at least in their region.<sup>13</sup> But the most important aspect of Chinese economic growth, political influence, and military power is so obvious that it is usually overlooked: *They are going to be with us for the indefinite future.* Unlike the Soviet threat, there is no logical, conceptual endpoint to the Chinese challenge.

### *Leadership Sophistication: The Case of Russia*

Finally, consider the current regime in Russia. The old Soviet leaders were the best advertisement for containment a Western leader could

want. They openly supported revolution abroad. If you happened to forget about their military power, they would obligingly truck their tanks and missiles through Red Square in a May Day parade. And if you were not sure exactly what those tanks and missiles were for, they would stage a military exercise rehearsing an invasion of Western Europe. With the gulag, the ubiquitous secret police, single-ticket elections, and state censorship on everything from political speech to telephone books, the Soviet Union was a villain out of Central Casting. Such a ham-handed adversary made it easier for Western leaders to rally the popular support containment required.

Alas, the strongmen who govern Russia today not only dress better than the old Soviet apparatchiks; they are also smarter and subtler. Little wonder; of the thousand or so top officials in Russia today, about a quarter served in the KGB or its successors—and that is just what their official biographies say. Read between the lines and look for gaps in employment and suspicious assignments, and some experts will say the figure is closer to three-quarters.<sup>14</sup> In essence, a good portion of today's Russian leadership is a semiclandestine network of the most sophisticated, ambitious, well-connected, and ruthless members of the old regime. From their statements, they appear to believe that if the Soviet Union was a failure in any respect, it was mainly in tactics, possibly in strategy, but not in principle. The result of this heritage and mindset: a new, improved autocrat.

Thanks to alcohol, tobacco, and social stress, the average life expectancy for a Russian male today is just fifty-eight years, about ten to fifteen years less than his counterparts in the United States and Western Europe.<sup>15</sup> But Russians blame Mikhail Gorbachev for the Soviet collapse itself, and they link the economic troubles of the early 1990s to privatization, which they blame on oligarchs who profited from the process. The past ten years are seen as a period of recovery and reassertion of national greatness, and that is credited to Vladimir Putin. The skies of downtown Moscow today are filled with construction cranes, the streets are filled with Mercedes-Benz cars, and the traffic gridlock resembles Washington's.

Russian leaders counter their opponents at home in ways that demonstrate just how much more sophisticated they are than the old Soviet

leaders. The Soviets jailed dissidents; today's Russian leaders jail oligarchs (who just happen to be the most likely source of an effective opposition). When Putin took control of appointing Russian regional leaders in 2005, he denied having done so, arguing that he only changed the procedures; you had to read the fine print to understand that the new procedures effectively gave the federal executive veto power over appointments.<sup>16</sup> When Russian leaders cracked down on foreign organizations that promoted democracy or monitored freedom, they did not simply ban them. Rather, they enacted a mandatory registration process that achieved the same purpose.<sup>17</sup>

Where the Soviets tried to control the entire economy (killing it in the process), Russia's new elites just corner key market sectors, like oil and gas, using legal maneuvers to seize companies, and then they manage their acquisitions through crony networks. Rather than rebuilding the Soviet-era, state-controlled broadcast media, Russian authorities use legal maneuvers to take effective control of the largest commercial news organizations and strong-arm tactics to intimidate individual journalists.

Russian leaders today have a defter touch, but they are perfectly willing to get tough if they think they need to. Regime opponents do seem to have a way of disappearing, sometimes via mysterious illnesses and conveniently timed accidents. Eleven journalists were murdered between 2002 and 2007; none of the cases were solved.<sup>18</sup> It is a velvet glove / iron fist approach that Tony Soprano would admire.

With oil and gas in cooperative hands, the Russian government can use them to assist Russian foreign policy, and especially in keeping former Soviet states in line. They can sell energy at favorable prices to win friends and withhold supplies to exert control. Russian leaders are so adept at using carrots, sticks, and leashes that they not only maintain control; they even stand for election—and win. Putin was reelected by 71 percent of the voters in 2004, and he likely could have gotten an exemption to constitutional term limits had he wanted to run in 2008.

You can see similar trends elsewhere. Despots learn from each other's mistakes and become more sophisticated all the time. Even the dictators today who do not risk elections, like North Korea's Kim Jong Il and

Libya's Muammar Qadafi, seem cagier than those of the past. They know when to turn up the heat (and win concessions), as when North Korea launched a half dozen missiles and exploded a nuclear weapon in 2006. They also know when to turn down the heat (and win concessions), as in 2005, when Libya surrendered its nuclear weapons program.

The overall trend is clear. Today America faces adversaries that are more resilient and more adaptable than the Soviet Union ever was.

## Two Challenges

Since the Soviet Union collapsed fifteen years ago, scholars and pundits have been looking for a single, integrating organizing concept, like the Cold War-era doctrine of containment, to explain the course of world events and provide a road map for U.S. policy. But if there is any lesson from the recent past, it is that *there is no single organizing concept, and there is not going to be one*. And *that* is exactly what we need to prepare for. America is destined to encounter and confront a continuing stream of varied problems, each requiring a different approach than the one that came before, and many presenting choices that are entirely at odds with each other. National security will, for the foreseeable future, be something that we constantly have to *manage*, adapting as necessary, attending to the urgent threat while maintaining the sense of proportion that ensures us options and the means to stay in the competition for as long as necessary—which is to say indefinitely.

So the task is to design a grand strategy that can deal with this complexity, and build the organization that can carry it out. There are two challenges for the United States. First, *how do we prepare ourselves for an environment where threats can arise and change nature suddenly, and often from unexpected quarters?* This is the immediate, near-term problem and includes such threats as proliferation, terrorism, and flare-ups in regions like the Levant, the Persian Gulf, the Taiwan Strait, and the Korean Demilitarized Zone. It also includes other emergencies, like the

potential for political instability as a result of a disaster or a sudden pandemic, which might not seem to involve an adversary but are fast-breaking and require fast action.

The second challenge: *How do we keep up with our geopolitical competitors and retain the political, economic, and cultural influence we have enjoyed for the past century?* This is the long-term problem we face, extending thirty, forty, or fifty years into the future. It has even larger stakes—namely, the fate of nations and the world order. Our success will decide whether the United States can keep its predominant role in the world and set the agenda for world events.

To deal with these two general challenges, U.S. national security policy and organizations need two general qualities. The first is *agility*. In a world where threats can emerge suddenly and change form quickly, we have to be at least as agile as the competition.

The second quality is *endurance*, so we are able to keep our power and influence for as long as necessary—which currently seems likely indefinitely. Endurance, in turn, has two components: *pacing*, so that we do not expend so much of our wealth, manpower, and attention on one problem that we are ill prepared for others; and *growth*, which depends on productivity and promoting the innovation and entrepreneurship that will allow us to keep up with our competitors.

Just as there is no single geopolitical concept explaining the challenges the world presents today, there is also no single solution that will deal with all of them effectively. So forget what you have heard proposed—American hegemony, world community, a bigger military, a stronger UN, closing the borders, expanding free trade, or promoting democracy. None offers a comprehensive fix to all the different national security problems America faces today. Indeed, there are more choices to make than solutions to be found, and national security policy today is something that we need to constantly adapt and adjust, even as we keep an eye on our ideals and long-range goals.

Next, we look at some of the big trends in politics, economics, technology, and society as a whole that are shaping the threats we face today. Then we consider some specific threats and what we must do to deal with them.