

# Executive Summary

*The first duty of the grand strategist is . . . to appreciate the commercial and financial position of his country; to discover what its resources and liabilities are. Secondly, he must understand the moral characteristics of his countrymen, their history, peculiarities, social customs and systems of government, for all these quantities and qualities form the pillars of the military arch which it is his duty to construct.*

—J.F.C. Fuller

Since the November 2008 election in the United States, a great deal of ink has been spilled over *grand strategy*, the process by which all instruments of national power are orchestrated to realize the policy of the United States in a dynamic global competition of state and nonstate actors. A successful grand strategy must assign roles and missions, determine methods to make these assignments mutually supporting, and identify areas of potential conflict and cooperation, both domestic (interagency) and with foreign allies and other partners. Beyond executing military operations and strategies, joint Service professionals play an important role in providing advice to policymakers; contributing to a grand strategy that connects ends, ways, and means; and supporting other Federal agencies as they bring to bear diplomatic, informational, and economic support strategies of their own. To do this effectively, an understanding of the global environment of competition and cooperation is indispensable. In this issue, *Joint Force Quarterly* explores important contextual elements against which U.S. grand strategy is devised, restrained, and inevitably revised.

The Forum begins with current trends in the economic dimension of national power, with dovetailed essays by Ellen Frost, William Overholt, and James Lacey and David Asher addressing this most puissant and fundamental instrument of power from a broad strategic perspective. The key theme of this survey is the global redistribution of economic power, a power that can be thought of as the ability to resist external control or influence. Just

as globalization has altered the content of economic power, so has it limited the sovereignty associated with it. Despite the fact that Asian countries now hold roughly two-thirds of the world's foreign exchange reserves, the majority of it is denominated in dollars, and consequently these governments have a large financial and commercial stake in the health of the American economy. Nevertheless, huge trade and budget deficits, heavy dependence on imported oil, record-high consumer debt, and rising levels of protectionism undermine U.S. influence abroad. Sustained economic power is at the root of sustainable military power. Strategic planners need to overcome stovepipe thinking that consigns economic and security issues to different mental boxes. Global economic trends must be understood and incorporated as a core element of strategic analysis. As Cicero pointed out some 2,000 years ago, the key to success in war is "endless streams of money."

In our second Forum installment, Michael Moodie extrapolates conflict trends by addressing three dimensions: the nature of conflict, why conflict occurs, and how conflict is waged. Major power competition has a military dimension, even if it is not prominent at the moment. Future conflicts between states are less likely to be motivated by political ideology than they are by the age-old goal of control—of territory, resources, or political, economic, and social power. Conflicts are increasingly between "communities" that are defined by ethnicity, religion, language, or some self-defined criteria. The characteristics of these community conflicts are that they involve failed or failing states, they do not

involve classic military confrontations, they are hard to end, and they are localized. Many contemporary conflicts are made possible by the exploitation of illicit activities that involve what some analysts call "dark networks." Such networks facilitate conflict in two ways. First, they provide a source of income that funds both acquisitions and operations. Second, they provide operational support, such as exploitation of a globalized financial system to manage monetary assets. Mr. Moodie concludes with the prediction that most future conflicts will not be America's wars or even America's conflicts. The U.S. military response to these future conflicts shall require careful calibration.

The third Forum entry calls for an "all-of-society" response to transnational movements and terrorism. After identifying Salafi jihadism as the most prominent threat, within which al Qaeda is the standard bearer, Mark Stout, Thomas Lynch, and T.X. Hammes compare its strengths and weaknesses, trends and goals. Ultimately, the objective is to see the West evacuate the Muslim world as a step toward toppling corrupt regimes and hastening the beginning of the caliphate. In organizational and strategic terms, al Qaeda has suffered substantial setbacks in recent years, but it is adaptable. In alliance with young and highly militant Pakistani-Pashtun collaborators, al Qaeda has overthrown most of the tribal elder system in western Pakistan and embarrassed the Pakistani military. It has tried to formalize relationships with all forms of regional Salafi jihadist and insurgent activity and to extend access to underdeveloped recruiting networks in North Africa and Western Europe. Salafi jihadism remains dangerous. It is irregular in nature, but easy to understand because it is an open mass movement with universal aspirations. The key issue for developing all-of-society defenses against various threats is developing the rule sets that allow all elements of society to participate without having any specific individual or agency in command.



President Obama meets with business leaders at White House

In our fourth installment, Craig Deare calls attention to an area of responsibility that has suffered significant opportunity costs since the beginning of the war on terror. He begins by outlining the reasons why the quality and level of Department of Defense engagement with the nations of the Western Hemisphere have been suboptimal and observes that Latin American security elites see nontraditional, transnational, and other than state-on-state aggression as the most pressing dangers they face. The author takes the reader on a tour of priority countries before outlining the factors that have contributed to U.S. inattention. The second half of the essay is dedicated to thoughts and recommendations to remedy the cumulative effect of many years of inattention or disinterest by the U.S. Government. Perhaps most interesting of these is yet another call for the merger of U.S. Northern Command and U.S. Southern Command. While the author advocates improved U.S. defense policy and hemispheric interaction, he makes it clear that this must be done as a subset of larger U.S. foreign policy interests.

The fifth essay takes us to the other hemisphere and examines how nuclear weapons shape alternate futures. Michael Krepon looks initially at nuclear shocks globally and then narrows his focus to shocks and trends in South Asia specifically. Speaking to the former, he identifies the events and drivers for a negative nuclear future, giving special attention to a breakdown and radical change of governance within Pakistan. Pakistan has managed to hold together despite its many weaknesses, and the population has demonstrated forbearance in the face of persistent misrule. While many analysts fear that it could suffer a massive internal upheaval reminis-

cent of the Iranian revolution, outsiders are poorly situated to track bottom-up changes in Pakistani society. The author addresses five dominant trends in the security calculus on the subcontinent that, while not irreversible, would be difficult to alter. He follows these with influencing factors that could reinforce both positive and negative trend lines. Four shocks, wild cards, and game changers are explored that could significantly accentuate or shift dominant trends in either a positive or negative direction. The policy consequences of this analysis lead Krepon to recommend improved military-to-military ties with both India and Pakistan that include training exercises and arms sales. The primary focus of military assistance to Pakistan should be internal security and counterterrorism programs.

The Forum concludes with a rather pessimistic analysis of demographic trends within the North Atlantic Treaty Organization (NATO) and the implications for the transatlantic relationship in the years ahead. Jeffrey Simon explains that when the Cold War ended in 1989–1990, NATO's European Allies had roughly 60 percent more military personnel than the United States. Today, however, there is near parity between the United States and its European Allies, each with approximately 1,400,000 professional troops. As European militaries have transitioned to smaller, all-volunteer forces concentrated in fewer garrisons, their political importance has eroded, budgets have declined, and the willingness of elites to deploy them has diminished. Declining European population trends are forcing lower enlistment standards and making it difficult to modernize these smaller forces. Muslim immigration has contributed to an increasing European focus on internal security (rather

than defense) and will impact Europe's overall political relations with the Islamic world. Dr. Simon predicts that if NATO still exists in 2050, Europe's demographic marginalization and diminishing social, economic, and political weight will ensure that it will no longer be the center of the world or of U.S. attention. If in fact NATO's Article 5 has less relevance in a 21<sup>st</sup>-century world, and if internal security concerns are becoming more pertinent to Europe than external defense, NATO's overriding task should be to identify what transatlantic interests remain and how to act with common purpose in light of them. It is hard to see how demography will not prove to be NATO's Achilles' heel.

In support of our Forum theme, the back cover of this issue folds out to reveal a modified geographic combatant command map similar to the one published in the new Unified Command Plan. The current U.S. Department of State Regional Bureaus have been overlaid for the convenience of strategic planners in both departments. Please go to our Web site to download a high-density electronic version for local reproduction. For readers in search of additional global strategic analysis to support their appreciation of contextual issues, two of National Defense University's research centers are producing volumes to meet precisely this need. The first is *Global Strategic Assessment 2009: America's Security Role in a Changing World*, edited by Patrick Cronin and produced by the Institute for National Strategic Studies. The second is *Fighting Chance: Global Trends and Shocks in the National Security Environment*, edited by Neyla Arnas and produced by the Center for Technology and National Security Policy. **JFQ**

—D.H. Gurney