



# INVESTMENT IN PEOPLE AND IDEAS

THE ARTS  
CHILD POLICY  
CIVIL JUSTICE  
EDUCATION  
ENERGY AND ENVIRONMENT  
HEALTH AND HEALTH CARE  
INTERNATIONAL AFFAIRS  
NATIONAL SECURITY  
POPULATION AND AGING  
PUBLIC SAFETY  
SCIENCE AND TECHNOLOGY  
SUBSTANCE ABUSE  
TERRORISM AND  
HOMELAND SECURITY  
TRANSPORTATION AND  
INFRASTRUCTURE  
WORKFORCE AND WORKPLACE

This PDF document was made available from [www.rand.org](http://www.rand.org) as a public service of the RAND Corporation.

[Jump down to document](#) ▼

The RAND Corporation is a nonprofit institution that helps improve policy and decisionmaking through research and analysis.

## Support RAND

[Purchase this document](#)

[Browse Books & Publications](#)

[Make a charitable contribution](#)

## For More Information

Visit RAND at [www.rand.org](http://www.rand.org)

Explore the [RAND Investment in People and Ideas Program](#)

View [document details](#)

## Limited Electronic Distribution Rights

This document and trademark(s) contained herein are protected by law as indicated in a notice appearing later in this work. This electronic representation of RAND intellectual property is provided for non-commercial use only. Unauthorized posting of RAND PDFs to a non-RAND Web site is prohibited. RAND PDFs are protected under copyright law. Permission is required from RAND to reproduce, or reuse in another form, any of our research documents for commercial use. For information on reprint and linking permissions, please see [RAND Permissions](#).

This product is part of the RAND Corporation occasional paper series. RAND occasional papers may include an informed perspective on a timely policy issue, a discussion of new research methodologies, essays, a paper presented at a conference, a conference summary, or a summary of work in progress. All RAND occasional papers undergo rigorous peer review to ensure that they meet high standards for research quality and objectivity.

OCCASIONAL  
P A P E R

---



# Making Policy in the Shadow of the Future

Gregory F. Treverton



INVESTMENT IN PEOPLE AND IDEAS

This paper results from the RAND Corporation's Investment in People and Ideas program. Support for this program is provided, in part, by donors and by the independent research and development provisions of RAND's contracts for the operation of its U.S. Department of Defense federally funded research and development centers.

**Library of Congress Cataloging-in-Publication Data**

Treverton, Gregory F.

Making policy in the shadow of the future / Gregory F. Treverton.

p. cm.

Based on a report submitted by the National Intelligence Council.

ISBN 978-0-8330-4980-3 (pbk. : alk. paper)

1. United States—Foreign relations. 2. Political planning—United States. 3. National security—United States.  
I. National Intelligence Council (U.S.) II. Title.

JZ1570.T74 2010

327.73—dc22

2010015065

The RAND Corporation is a nonprofit research organization providing objective analysis and effective solutions that address the challenges facing the public and private sectors around the world. RAND's publications do not necessarily reflect the opinions of its research clients and sponsors.

**RAND**® is a registered trademark.

© Copyright 2010 RAND Corporation

Permission is given to duplicate this document for personal use only, as long as it is unaltered and complete. Copies may not be duplicated for commercial purposes. Unauthorized posting of RAND documents to a non-RAND website is prohibited. RAND documents are protected under copyright law. For information on reprint and linking permissions, please visit the RAND permissions page (<http://www.rand.org/publications/permissions.html>).

Published 2010 by the RAND Corporation

1776 Main Street, P.O. Box 2138, Santa Monica, CA 90407-2138

1200 South Hayes Street, Arlington, VA 22202-5050

4570 Fifth Avenue, Suite 600, Pittsburgh, PA 15213-2665

RAND URL: <http://www.rand.org>

To order RAND documents or to obtain additional information, contact

Distribution Services: Telephone: (310) 451-7002;

Fax: (310) 451-6915; Email: [order@rand.org](mailto:order@rand.org)

## Summary

---

*Global Trends 2025: A Transformed World*, produced by the U.S. National Intelligence Council (NIC), is a nice projection of current trends, such as the enormous growth of wealth in China and Asia.<sup>1</sup> It also demonstrates the perils of projection—for example, by predicting continued rapid growth in the global economy, which was reasonable enough from the perspective of mid-2008.

### **Making Policy in the Shadow of the Future**

This analysis takes the NIC document as a starting point and does what the NIC could not do: draw implications for U.S. policy. It focuses on issues for which attention to 2025 suggests policies different from those that would be pursued absent that long-range thinking. The shadow of the future falls across current policymaking in several other ways.

Some policies that are appropriate for 2025 also are also the right ones now. For instance, the NIC's vision of a multipolar world in 2025, in which transnational actors are much more important, implies a style of leadership in which the United States would visibly consider other major states' interests in framing its own approach. Yet that also seems the right style of leadership now, especially in dealing with the global economic crisis. So, too, the NIC vision of China in 2025—continued growth and, with it, an increased stake in the international order—seems to call for U.S. policies, both now and in the future, that will accommodate Chinese power, trying to steer it toward constructive engagements with both the United States and international institutions.

In other cases, the current agenda is driven by very current problems, which policy aims to try to reconfigure. For them, the required long-term thinking may be as much backward as forward, drawing on historical perspective to set reasonable long-term aspirations. For instance, in neither Afghanistan nor Pakistan are the options attractive. Both are on the wrong side of the NIC's trends, standing, for instance, outside the general trend—driven by growth and declining fertility—of reduced “youth bulges” of unemployed young men that afflict poor countries.

---

<sup>1</sup> National Intelligence Council, *Global Trends 2025: A Transformed World*, Washington, D.C., November 2008. As of April 6, 2010: [http://www.dni.gov/nic/NIC\\_2025\\_project.html](http://www.dni.gov/nic/NIC_2025_project.html)

## Visions of 2025 Change Policies for Now

### Reshaping Approaches to Energy and Climate Change

Of the issues where long-term thinking might drive the need to act *differently now*, climate change and energy is the plainest, for absent a vision of the future, current policy might do very little. Dramatic reductions in greenhouse gas emissions will not stop global warming; too much already has accumulated. And the economic crisis has made it all the harder to reach agreement on an international regulatory regime with certain high costs in raising the price of fossil fuels and distant, ill-defined benefits: Witness the refusal of the U.S. Congress to sign on to the Kyoto Protocol in December 1997.

That means that the United States will need to focus as much on adapting as on reducing emissions—a significant departure from current policy. The critical implications are the second-order social and political reactions to the manifestations of climate change—for instance, mass migrations away from vulnerable coastal areas to regions perhaps ill-equipped to take them. Dealing with those will require vastly expanded international cooperation for relief in the short run and, beyond the short run, a reorientation of policy to promote adaptation and spur technological changes, along with new means and international organizations to monitor and enforce compliance and a focal point within the U.S. government to coordinate diplomatic activity with domestic policy. All these need to start now.

### Fiscal Discipline After the Immediate Economic Crisis Is Passed

The longer-term questions about the economic crisis are whether the United States, given its economic flexibility, will emerge sooner and better than other countries from the economic crisis that intervened. How much will “free market” ideals be tarnished, thus leaving governments more deeply involved in their economies, in the financial sector and beyond? And what new international processes and institutions will be created?

Long-term interests do not require different policies now. Rather, the risk is that crisis policy will *not* turn around when the time comes for doing so. The immediate agenda was dominated by massive bailout and stimulus operations, ones conceived as “domestic” policy, producing U.S. budget deficits on a scale without precedent, at least in nominal terms. Yet, once the immediate crisis is passed, the nation’s need to end its long consumption boom and raise aggregate savings—household, corporate, and government—by about 4–6 percent of gross domestic product (GDP), and do so without protracted recession and deflation, will test the resilience of the U.S. economy.

Yet, the still harder challenge will be political. For Congress, especially, spending is visible, while taxation is painful and fiscal discipline invisible. Combine the atomized, running-for-office-all-the-time structure of Congress with institutions for budget reconciliation that have turned out to be weak, and the result is a built-in bias toward spending. So the challenge, once the immediate crisis is past, will be to build, first, an argument for fiscal discipline rooted in national security and, second, ways to take and enforce the required—and painful—choices. Achieving fiscal discipline requires beginning to think now about new revenue sources, such as a value-added tax, and special procedures, such as fast-track authority for approving trade agreements or the procedures for military base closing and realignment, that amount to some tying of the hands of the executive or Congress, or both, once some blue-ribbon panel has reached recommendations.

### The Effect of Revolutions in Military Affairs

*Global Trends* identified the proliferation of both nuclear and precision-guided weapons as a potential source of geostrategic discontinuity, but the NIC did not pursue the question. The military is notable because it does think long-term: Weapons imagined today won't be fielded for a decade and, once deployed, may be in service for several generations. Surely, the war phase in Iraq was a stunning success of networking sensors and firepower. While the post-2003 counterinsurgency (COIN) operations were much more wrenching, even there technology—for instance to enable *Predator* strikes on al Qaeda leaders—gave the United States an advantage.

Yet potential foes like Hizbollah will be far better equipped than insurgents in Iraq or Afghanistan to attack armored and air forces. Like it or not, the threat from precision-guided munitions (PGMs) will mean that the United States simply won't be able to move and concentrate forces the way it did in Iraq. Nor, given PGMs and fear of vertical escalation, will the United States be able to mount expeditionary forces with impunity in, say, areas near China.

The issue is whether the current debate between the counterinsurgency advocates (*COINtistas*, in Pentagon slang) and the more traditional “Big” Army, Navy, and Air Force is the right one. In the current debate, a focus on COIN and state-building means larger but less technologically intensive forces, while the other side argues that the United States should shun such engagements and instead concentrate on sustaining the capability to deter and defeat major military rivals. This argument features the high-technology, combat vehicle-intensive forms of combined arms warfare that characterize the “Big” Army, Navy, and Air Force.

Yet, the economic crisis and accompanying strain on defense spending should push the country toward a more multifunctional military that is optimized neither for conventional nor COIN operations but is able to “swing” between these missions. The proliferation of PGMs will make COIN requirements similar to those of conventional systems (armor protection and jamming, for instance) and will support such a “swing force.”

### Visions of the Nuclear Future

The NIC's vision of terrorism has it on the wane, given demographics, plus economic growth and political pluralism, yet more lethal as the spread of technology makes the most lethal instruments within reach. In these circumstances, the most actionable immediate policies are accelerating global efforts to “lock up” nuclear materials and dealing case-by-case with would-be proliferators. Yet the long-term issue is nuclear abolition. A world without nuclear weapons would be in America's interest, not least because it would relax some of the constraints on the United States threatening or using the conventional weapons in which it reigns supreme.

Yet abolition would discomfort nonnuclear allies, many of which, like Japan, feel secure precisely because the United States *has* nuclear weapons, and so extends nuclear deterrence to allies. Moreover, nuclear *knowledge* cannot be made to disappear, so a world of zero nuclear weapons, even if tightly verified, would in reality be a world in which some states might secretly retain a few weapons and in which a number of powers were a matter of weeks or months away from producing them. Abolition is powerful symbolism, but, in the end, decisions by states to go nuclear are driven by their security calculations, not by symbolism.

So, the convenient near-term course will be to pursue feasible steps that are in the U.S. interest in any case while giving lip service to abolition. That has been the approach of the Obama administration. It might include commitments to ratify the Comprehensive Test Ban treaty, ideally in tandem with China, to negotiate cuts in U.S. and Russian weapons to around 1,000—the administration agreed with Russia on reductions in April 2010— increase delays

in launch times, better safeguard weapons, and so on. However, the question remains: Should abolition be a real goal, one both pushed and prepared for in the immediate future? If so, that would entail serious conversations with allies about how to sustain their security, along with serious analysis of the implications of zero.

### **Reshaping International Law and Institutions**

International institutions and processes, reflecting the configuration of state power more than 60 years ago, are ill-suited to virtually all the attributes of future. Both rising powers and transnational forces are badly underrepresented. Yet, necessity can be the parent of longer-term innovation, and the economic crisis will impel creativity in devising multilateral arrangements and openness by the United States to ideas even from abroad: Witness the Group of 20 or the evolutions in the U.S. approach to dealing with “toxic” financial assets.

So, should the United States forsake incrementalism in favor of bold steps now? Should it embrace the changes in international law that have made people more important and sovereignty less so? Should it embrace the International Criminal Court, not shun it, along with the “responsibility to protect”? Should it seek the outright replacement of the G-7/8 with a somewhat larger group that reflects shifting power and rising powers? Should it also get off the sidelines about UN reform, and push for change in the Security Council’s anachronistic membership? If not a “league of democracies,” should the United States seek a more formal group of democracies—a D-7 or D-8—to clearly advance its democratic values, cooperatively, not at the barrel of a gun? And what role should it seek for NATO?

### **Refashioning Domestic Institutions**

Washington is, in Ernest May’s elegant phrase, more a military headquarters than a national capital.<sup>2</sup> The Pentagon, the CIA, and the National Security Council, creatures of wars hot and cold, are odd choices for addressing trade and economic policy, state failure, migration, disease, climate change—or terrorism. More recent innovations, such as the creation of the Department of Homeland Security or the reorganization of U.S. intelligence, have altered that portrait only somewhat.

To be sure, reorganization is perilous: Unintended side effects often swamp effects, and transitions are long and costly. Yet, resort to incremental change only means the dysfunction will continue longer. So, why not begin now the process of radical change—rethinking military force and diplomacy and the links between them, along with the interactions between the “public” and the “private” spheres, especially in homeland security, where so much “public” interest is in private hands. Ironically, the economic crisis may reshape public-private relations in unanticipated ways if, for instance, the Treasury and the Federal Reserve end up “owning” much of what had been the private banking system.

In the end, serious restructuring would need to include Congress, however unimaginable that now seems. Consolidating oversight arrangements would be just a start. As suggested earlier, the nation’s security requires incentives for Congress that make for fiscal discipline, not profligacy. In that sense, the agenda is very far-reaching indeed—which is another argument for beginning to work on it sooner rather than later.

---

<sup>2</sup> Ernest R. May, “The U.S. Government, a Legacy of the Cold War,” *Diplomatic History*, Vol. 16, No. 2, spring 1992, p. 270.



### Whither Mexico?

About Mexico, *Global Trends 2025* says fairly little, and what it says is pretty sanguine about Mexico's future. Mexico is America's neighbor and largest source of immigrants, second-largest trading partner, and third-largest source of oil. The long-term policy question is whether continuing existing policies—which focus on the wall and border control, plus quasi-military assistance through the Mérida initiative, much of it technology—is enough in light of dramatically increasing violence, including across the border.

The outlines of an alternative long-term policy are not yet in sight, but the starting point is recognizing that the problems cannot be fenced out. Perversely, for instance, tighter control of the borders only discourages back and forth flow, encouraging migrants to stay longer. Given policing organized by geography, the border becomes a seam in U.S. defenses, a sanctuary for criminals as much as a protection against crime. The Bush administration's approach to Mexican migration was a casualty of September 11th, but it did suggest the possibility of a middle ground, combining temporary work programs with some path to legalizing the status of the undocumented.

Not only is the problem here, it is also *us*—that is, the United States itself is the engine of the trade in drugs and increasingly lethal arms in the hands of the traffickers—a fact that Secretary Clinton acknowledged. Seriously addressing the U.S. demand for drugs is easy to say but very hard to do, as administration after administration discovers. However, it should be possible to do something much more concrete about the enormous flow of weapons across the border into Mexico.

### Extending Long-Term Thinking

Longer-term thinking might be extended to other issues. One category is issues for which current policies seem the right ones in light of long-term thinking but perhaps should be reinforced—for instance dealing with nuclear and bioterror. For another set, short-term imperatives and long-term goals simply seem in conflict, which no amount of reframing can overcome. For instance, the combination of securing energy and fighting terror continues to associate the United States with countries that are undemocratic or unsavory or both—ranging from Egypt to Saudi Arabia to Pakistan, with plenty of others in between. The answer to “Should the United States break away from the autocratic and corrupt?” has been, and continues to be, “Yes, but not yet.”