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FORECASTING ASIAN
STRATEGIC ENVIRONMENTS FOR
NATIONAL SECURITY DECISIONMAKING:
A REPORT AND A METHOD

Wayne Wilcox

PREPARED FOR:
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PREFACE

This research is part of the RAND interdepartmental seminar on Asian Security Problems, led by Charles Wolf, Jr., which was begun in 1968. Its shape stems from the seminar's concern with the optimum deployment and allocation of American military instruments in Asia, in the present, and over the middle-term future. As part of the seminar's work, members were encouraged to systematically consider the nature and range of changes in the Asian security environment, so that present policy choices could be set into a prospective as well as present context. This effort required the development of a new forecasting technique which, along with some substantive analysis, is reported in this Memorandum.

The elements of method and substance integrated in this report are drawn from a wide expert community. Charles Wolf's creative concern with rigorous analytical and projective models introduced the members of the seminar to the logic of presenting the relationship between policy choices and governmental "conditions" in matrix form, a contribution that is central to this forecasting model. The substantive papers of other participants in the seminar, some of which are described below, provided new perspectives on the patterns of development, change, and interaction relevant to Asian security problems over the next decade.

The previous RAND work of Olaf Helmer, Norman Dalkey, Ed Paxson, and Thomas Brown in developing, refining and expanding the Delphi technique has been central in meeting the problem of reducing the number of alternative futures that a fertile imagination can plausibly develop.

The Delphi technique assigns probability to forecasted developments by means of iterative, polled, expert opinion, taking the repolled expert consensus as the high point of a distribution curve, and considering the inter-quartile range of expert opinion as the parameters of the forecast's variability. The accuracy of experts in assigning probabilities to alternatives may be empirically measured. See, for example, R. L. Winkles, "Scoring Rules and the Evaluation of Probability Assessors," Journal of the American Statistical Association, September 1969, Vol. 64, pp. 1073-78. Such methods have been used in weather forecasting...
and in grading examinations, and the theory and techniques in the field are making rapid strides. Ed Paxson's work uses policy rather than outcome forecasting; see his forthcoming RM, *A Delphi Examination of Civil Defense*. Also important are the alternatives to Delphi weighting and averaging in Thomas Brown, *Probabilistic Forecasts and Reproducing Scoring Systems*, another forthcoming RM. These methods have been suggestive, and to them have been added the products of the seminar, especially the notion of limiting alternative futures on the basis of policy salience.

The author has also been able to draw upon the work of Professor W.T.R. Fox, Warner Schilling, and Donald Puchala in the Columbia University/Arms Control and Disarmament Agency project which was concerned with working "backwards" from certain future situations to the present, hypothesizing intervening stages that were sensitive to U.S. choice. This approach has been modified in this Memorandum, but its logic—a reverse decision-tree process—remains.
SUMMARY

This research report presents a forecasting model, based on political and technological forecasting techniques, that promises benefits to planners and decisionmakers in identifying salient futures for present policy consideration. The brief note on methodology traces five steps necessary for "Alternative Salient Futures (ASF) forecasts": the development by experts of alternative futures for relevant states, and their portrayal in matrix form with U.S. policy concerns; the development of parametric resource forecasts for the same states; analysis of interactions within a given arena of alternative future states under varying assumptions of context; the narrowing of salient futures, both national and interactional, by using modified Delphi techniques; and the analysis of decision chains linking the present to the forecasted, salient future with a view toward identifying branch points sensitive to U.S. influence. The case is made that U.S. planning in the past has suffered because it was not modulated by a neutral forecasting input.

A preliminary national ASF forecast is then reported for India, 1980, offering several dimensions for analytical presentation. The form of the Indian government in 1980 is first explored, and found to be much less important to outcomes than might otherwise be thought to be the case. Three economic-development growth tracks are then considered, to study what might be their effect on Indian public policies toward issues of U.S. concern. High growth rates will tend to embolden Indian governments regardless of the absolute magnitudes of resources available, and the highest growth-track India by 1980 will be more politically autonomous than at present. Issues of Indo-American relations therefore turn on questions of shared interests rather than national influence and dependency.

A third dimension of India's possible futures is revealed in a study of the source, type, and relative magnitude of aid as a measure of the differential effects of India's dependence upon capital and technology exporting countries. This tends to suggest that assistance modulates Indian policy, and offers it considerable incentives not to
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violate the interests of the superpowers should they be shared. Trade-off analysis is less relevant for India's choices in most issues salient to the USSR and USA than the maintenance of bi-national and balanced relationships.

A fourth dimension of India's position in 1980 considers its security problems, their nature and source, against four different military force postures and scales. This clearly reflects the latent needs for a very large scale military effort by India if it is to meet existent contingent threats, and those emergent in the next decade. At present, resource and technological constraints require India to meet its "security gap" through foreign assistance and management, reinforcing its dependency at the cost of its strategic (although not political) autonomy.

The next section of the RM attempts to construct a five-power Asia in 1980 under conditions of changing kinds of governments in the United States, USSR, CPR, Japan, and India, accompanied by gross estimates of resources available for defense purposes in 1980. This form of forecasting is necessarily more general than a national forecast; it is designed to "bracket the probable" rather than portray, graphically, expert opinion. The forecast example postulates a revivalist USSR, a moderate, technocratic China, a moderately left Japan and a weakened and provincialized India under two assumptions: first, that the United States has withdrawn from forward deployment in Asia; and second, that it has remained with both troops and resources. Northeastern Asia tends to be stabilized independently of U.S. initiatives and commitments in this forecast, while southern Asia's stability is a function of great-power involvements, either Russian or American. This testifies to the importance of what might be considered conditioning effects of "weaker" parties in Asia, and the necessity for a withdrawn America to change its diplomacy quite fundamentally to act expeditiously in support of opportunities, rather than attempting to create opportunities by the use of national military and economic power. This is, of course, only one forecast that should be iterated for other combinations of salience to contemporary policy questions.
The last section of the report concerns retrospective outcome analysis, the backward tracing of the history that would have had to happen to link a salient future to the present. This exercise attempts to establish branch points for the application of influence, as well as an understanding of the sorts of developments over which influence may not be exerted. It also presents the problems of sequence in forecasting.
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I. ORIGINS, ESSENTIALS, AND COGNATES OF THE METHOD

The approach outlined in this Memorandum is an amalgamation of previous methods, plus some new processes, hereafter called "alternative salient futures forecasting," and abbreviated ASFF. In essence it calls for the following steps:

1. The development of a number of alternative politico-technological scenarios for relevant international actors, and the portrayal of these alternatives in variable/outcome matrices.
2. The development of complimentary parametric forecasts of resource availabilities, coupled with technological, manpower, and military constraint analysis.
3. The analysis of interaction between relevant actors in a chosen time frame, under varying assumptions of context;
4. The analysis of salient alternative futures from the interaction matrices, and the assignment of probabilities to them using modified Delphi techniques.
5. The secondary analysis of probable, salient futures with reference to reverse decision-tree theory to locate evolution chains and branch points sensitive to U.S. influence.
6. The analysis of costs and benefits of alternative U.S. attempts to influence choices at critical branch points leading to defined, probable, salient futures.

It should be clear that this approach deals initially with the functions of a probability distribution, not the distribution itself, and that it is equally applicable across the spectrum of imaginable futures. The logic of ASF forecasting is that the yield, in the first stage, is policy salience, not probability. This allows the forecaster to integrate an unusually wide range of objective and subjective variables without restrictive limits being imposed by the necessity of assigning more than order-of-magnitude plausibility measures to them. This yields the reputed "surprise-free" benefits of scenario analysis, overcomes the extrapolation-by-increment bias present in most planning methods and stretches the forecasts to extremes that should bracket
the probable. The method has another advantage, which is that it reveals many futures that are either beyond American capacities for influence or of little or no relevance to American public policy. The remaining salient futures then become elements for analysis in a second stage of the method.\(^1\)

The yield, in the second stage, is a retrospective natural history of a future strategic environment, that is, a statement of what would have had to have happened between the present and the salient future that is described. As will be shown, the linkages between present and future may be surmised by creating policy-chains that are sensitive to various trends and agents of change. These in turn may be associated with probabilities, generated either from technological forecasting, Delphi-technique concensus, or the intuitive estimates of the forecaster, decisionmaker, or planner. At this point, salient futures are narrowed to some range of "probable," salient futures.

The yield, in the third stage, is a prospective strategy, keyed to branch points associated with alternative development patterns. Having delimited the future by salience and "the odds," and having made at least rough calculations about the sensitivity of various developments to American influence, the stage is set for contingent strategies of resource allocation and mix relevant to choices as they emerge from the interplay of multiple actors, technological change, and contingent choices in the international system. Since choices are determinist at every stage in politics, constantly eliminating choices that once were open, the forecasting method is necessarily iterative, constantly opening new branching alternatives prospectively, while informing decisionmakers and planners retrospectively.

A model of a completed planning statement based on an ASF forecast might read: "If . . . [one of many forecast conditions emerged in 1980], and U.S. decisionmakers faced . . . [specified problems and

\(^1\) Salience is, in this method, a function of policy concern defined in the forecast objectives. In the substantive part of this RM, therefore, it refers to outcomes which would have major effects on the U.S. security posture in Asia.
opportunities], they should advance or foreclose [finite goals] by recognizing . . . [specific features of the strategic environment], undertaking policies of . . . [specific posture-policy means] within . . . [time limits associated with branch points] and within . . . [specified resource availabilities] given . . . [a range of uncertainty]. A number of such statements, associated with a range of policy interests, could then be assessed as one set of "ifs" became more relevant than another, and as new "if" statements were generated out of a changing strategic environment.
II. ALTERNATIVE UNITS FOR FORECASTING

ASF forecasting can concern national as well as international developments, as in the following sections on India, along a multi-dimensional spectrum of policy concerns. For example, changes in the type of government in India would have effects on the subsequent strategic posture of the country, and might change its parameters for autonomy. Similarly, the Indian strategic environment could be changed with the exaggeration or reduction of military contingencies, producing new opportunities for resource allocations. Rates of growth for different Indias in the future would relate not only to the quantum of resources available for international purposes, but also to the pattern of integration into the world economy. National-actor forecasts, therefore, may proceed along any policy-relevant dimension of interest to the forecaster, and the salient, probable futures thus generated can then be set into whatever context is useful in problem definition.

The juxtaposition of several international actors requires equivalent forecasts for each, coupled with alternative estimates of autonomy-capability. This interaction level of analysis must be much less fine-grained than that for a single state because, like all generalizations, it requires that aggregative categories be used in the analysis. By setting modest boundaries for the arena, however, and by seeking only gross patterns of cooperation and competition in political interaction, the number of alternatives may be somewhat reduced.

The importance of this problem is illustrated by twenty-five years of U.S. Cold-War planning. A special feature of most U.S. forecast-planning since 1945 has been its central preoccupation with the USSR. This emphasis has been criticized on the grounds that it deflected attention from the conflicts that actually developed, mis-identified communism as the enemy rather than a particular state, and inflexibly committed American resources by over-insuring the central strategic balance. Casual observers have explained this imbalance as the product of Cold-War emotionalism, while most government officials have consistently justified the notion of "prime concern to prime threat." The fact is that this pattern may be explainable to a high degree by
the "preoccupation with means," rather than futures, of planners, and the absence of independent, policy-neutral forecasts.

Thus, planners and forecasters in the second Eisenhower Administration had very little general-purpose-force (GPF) capability and, therefore, emphasized nuclear central-war-situation forecasts by extending nuclear deterrence to almost all conflict. When the Kennedy Administration came to Washington, it heeded both the "missile gap" and "GPF gap" alarms, widening capabilities for flexible response to narrowing forecasts of the possible futures in which U.S. forces would be needed. Secretary McNamara's SALT address in San Francisco in the last year of the Johnson Administration admitted that the early Kennedy Administration's policies were overreactions to phantom weaknesses, and that the USSR's crash missile program in response was in no small measure the result. What the Kennedy Administration could have used to modulate its policies was a series of middle-range forecasts, independent of capability gaps, detected and advanced by operating governmental agencies.

The Nixon Administration has taken steps to reduce the U.S. GPF capability, and the "step back, step down" posture associated with the Guam Doctrine implies a lowered commitment in Asia. This change, of course, establishes new parameters for U.S. influence in the future of Asia that all forecasts must incorporate. The danger, however, is that planners will view the future narrowly within the constraints of their newly reduced means without explicating the choices that may emerge in the middle term because of those changed American commitment parameters; that is, they will not see indigenous opportunities.

An example of this effect in the current policy dialogue is the "necessity-into-virtue" argument that suggests that, since "we couldn't manage Asia, neither can the Russians or Chinese." This distorts a forecast of Asia by emphasizing U.S. global rivals rather than the factors and forces at work producing change in Asia, and is therefore a misplaced concern that veils more than it reveals. The choice of actors and an arena for neutral forecasting, independent of U.S. capabilities, therefore, is important but perilous.
After these preliminary but not inconsiderable efforts have been made to frame and neutralize a forecast, the stage is set for a truly multi-variate, rich and complex model for contingency analysis and policy choices: multiple salient future environments generating contingencies in which a range of constrained instruments are directed to critical margins to produce nationally acceptable outcomes. The following sections of this report present a preliminary analysis based on the ASFF method, first for national futures for India in 1980, and then for a five-power-defined (CPR, USSR, Japan, India, U.S.) Asia of 1980. The forecasts are necessarily preliminary, and are meant to be illustrative of the outputs rather than definitive of the method or of the RAND forecasting study for Asia in the next decade. Subsequent research reports will concern the details of the method, some empirical tests for the forecasting methods, and some evaluation techniques.
III. ALTERNATIVE INDIAS IN ASIAN CONTEXT, 1980

India is the largest non-Communist state in the world, and the poorest. Alone among the underdeveloped countries of Asia, it has managed to sustain a stable, democratic, and nationalist government since independence in 1947. This stability has been in part the product of the special strength and role of a waning asset -- the Indian National Congress -- and the men who managed it. In 1969, Prime Minister Indira Gandhi and the party professionals, menacingly called "The Syndicate," fought for control of the party and publicly shattered its unity. The next general elections in India, to be held no later than 1972 and probably earlier, will in all likelihood witness the end of one-party dominance in the central government. It will also witness the end of "the Old Guard" in Indian politics, people who knew and worked with Gandhi and shared the unity that struggle against the British forged.

Similarly, the last Sandhurst-trained commander-in-chief of the Indian army has left his post, and the new officers in both the military and civil services are those trained in an independent India, and without strong links to the British administrative and military tradition.

The stability of the past, therefore, is no guarantee for the future. The key question for American decisionmakers is not whether the Congress party will prevail in the next general elections, or whether the civil and military services will qualitatively change in the course of the next generation, but rather: what kind of domestic political changes in India would have salient effects for American interests in India, in the region, and in the world? And this question should be followed with a concern with what U.S. policies might now, and in the mid-term future do to maximize favorable outcomes and minimize the damage of unfavorable trends.

The process by which a society empowers an elite is necessarily a multi-dimensional and complex one. For a 1980 forecast, it is perhaps enough in the first instance simply to characterize five
types\(^2\) of Indian governments that could develop without worrying about how they might develop: (1) a centrist coalition, much like the present Congress and its allies; (2) a rightist coalition, composed of both secular and religious conservative parties like the Jan Sangh and Swatantra; (3) a leftist coalition, heavily dependent on communist and socialist parties; (4) a highly decentralized, "Balkanized," confederal system with the states governed by parochial and local parties, and (5) a military dictatorship. All of these alternatives are plausible enough to have been discussed in the Indian press, and by foreign experts on the Indian political system. The U.S. decisionmaker quite rightly should ask, however, what difference it makes to the United States which of these regimes comes to pass.

Table 1 attempts to comparatively portray the effects of regime difference on a number of policy issues of major concern to the United States. Area experts may disagree on some outcome judgments summarized in the table, and others are clearly covariant or contingent upon other factors. Nonetheless, the broad patterns of relationships and policy biases that characterize a forecast may be clearly shown to inform both planners and decisionmakers, and may be refined in shorter term forecasts as the future nears.

As one would expect, even a cursory assessment of the hypothesized outcomes reveals the covariant quality of issues. For example, Regime III on issue 1 (III x 1) in Table 1 postulates that a leftist government in New Delhi would have a propensity to moderate the dispute with China. Yet such a step is more dependent upon Sino-Soviet and Indo-Soviet relations than on the propensity of the leftist coalition, since the Soviet aid relationship and the factions of the Communist Party are the most salient submerged variables in the Indian calculus of political

\(^2\)The problem of assigning descriptive terms to various types of regimes is a difficult one. "Left" and "Right" are not the same categories when applied to India and China, let alone the USSR or Japan. When discussing regime types, area experts tend to use their own implicit set of attributes which may not be directly comparable to others. This caution does not assume as much importance in national forecasting as in international interaction matrices, but it nonetheless requires careful use of what might appear to be comparable "labels."
### Table 1

**REGIME-TYPE/POLICY PROCLIVITY FOR INDIA, 1980**

<table>
<thead>
<tr>
<th>Policy Issue</th>
<th>I Centrist</th>
<th>II Rightist</th>
<th>III Leftist</th>
<th>IV Provincialist</th>
<th>V Military</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sino-Indian relations</td>
<td>Moderately hostile&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Very hostile</td>
<td>Less hostile&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Very hostile</td>
<td>Very hostile&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>2. Indo-Soviet relations</td>
<td>Normalized, if aid present</td>
<td>Suspicious; reluctant</td>
<td>Friendly&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Suspicious; reluctant</td>
<td>Very friendly&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>3. Indo-American relations</td>
<td>Normalized, if aid present</td>
<td>Friendly</td>
<td>Suspicious; cool relations</td>
<td>Suspicious; reluctant</td>
<td>Friendly</td>
</tr>
<tr>
<td>4. Indo-Pakistan relations</td>
<td>Restrained hostility</td>
<td>Worsened relations&lt;sup&gt;d&lt;/sup&gt;</td>
<td>Better relations&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Differential; provincial hostility</td>
<td>Hostile</td>
</tr>
<tr>
<td>5. Level of international activity</td>
<td>High</td>
<td>Moderately high</td>
<td>Moderately high</td>
<td>Lower</td>
<td>Moderately high&lt;sup&gt;f&lt;/sup&gt;</td>
</tr>
<tr>
<td>6. Military force levels</td>
<td>Stable, moderate rise</td>
<td>Rising rapidly&lt;sup&gt;d&lt;/sup&gt;</td>
<td>Declining&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Declining</td>
<td>Rising</td>
</tr>
<tr>
<td>7. Military force (GPF/nuc) investments&lt;sup&gt;e&lt;/sup&gt;</td>
<td>GPF and small nuclear force</td>
<td>Nuclear emphasis; larger GPF option&lt;sup&gt;d&lt;/sup&gt;</td>
<td>GPF; nuclear force</td>
<td>GPF and nuclear force</td>
<td></td>
</tr>
<tr>
<td>8. Political system stability</td>
<td>High</td>
<td>Lower</td>
<td>Low&lt;sup&gt;d&lt;/sup&gt;</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>9. Economic system characteristics</td>
<td>Mixed</td>
<td>Mixed; private sector and étatist</td>
<td>Mixed; pbl.sector up, private sector constrained</td>
<td>Private sector emphasis</td>
<td>Étatist; state capitalism</td>
</tr>
<tr>
<td>10. Extra-South Asian regional interest</td>
<td>Moderate</td>
<td>More (with U.S.) interest</td>
<td>More (with USSR) interest</td>
<td>Very little interest</td>
<td>Moderate interest</td>
</tr>
</tbody>
</table>

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a. Assuming no grand settlement on frontiers, status, and international posture.
b. Especially if Sino-Soviet relations were improved over 1970.
c. Assuming continued high levels of Soviet military assistance.
d. Especially if Jan Sangh dominant in coalition.
e. Assuming that India does not develop nuclear weapons before 1975.
f. Depending, of course, on how broad the "left" spectrum, with breadth correlating to stability.
expediency. Throughout Column III, the Sino-Soviet relationship and Indo-Soviet aid dependencies remain central to the choices a leftist government might make.

Similarly, Column II, issue 7 (II x 7) postulates that a rightist government would emphasize a nuclear force. This follows from India's location, contiguous to two "leftist" nuclear powers, so long as the assumptions are that, (1) there is no U.S. nuclear guarantee; (2) the CPR and USSR are perceived threats; (3) the step has collateral advantages against Pakistan; and perhaps most crucial, (4) India by 1980 has the technological capability to build or buy a credible force.

Less dramatically, perhaps, Column IV tends to show 1970 U.S. policy interests in the Nuclear Proliferation Treaty (NPT), private sector economics, and low arms budgets best served by a weak and fragmented India. This outcome cell, however, veils such variables as the costs and risks of a fluid subcontinent in which all great powers would have minimum inhibitions and strong incentives to undertake strategic initiatives, let alone the costs of an Asia in which India's role in an Asian balance of power became rather like Southeast Asia.

As suggestive as such a matrix and its associated analysis may be, the fact is that regime type in India is relatively insensitive to marginal American inputs. Moreover, the propensity of various alternative regimes in important policy areas is less important than their capabilities. To refine the implications of regime change on U.S. interests, therefore, the next step is to assess a future India's resource availabilities, both domestic and "borrowed by diplomacy." Figure 1 shows some gross resource availability curves under different assumed growth tracks.

A 3-percent growth average in India would barely balance population growth, and it is unlikely that any government could find more than 3 or 4 percent of GNP for investment in defense and foreign policy purposes. In such circumstances, the Indian defense budget in 1980 would

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3As George Kennan has written, "The political development of great peoples is conditioned and determined by their national experiences, but never by the manipulations of foreign powers in their internal affairs." Memoirs: 1885-1960, Little, Brown, New York, 1967.
be no more than about $3 billion, and might be very considerably less.  

For purposes of convenience, all resource availability figures in this RM are in U.S. dollars. This masks the difference in purchasing power between local currency and their dollar equivalent. The effect is to systematically devalue the actual resource availability for countries other than the United States. In subsequent work with this method, a major effort will be made to portray resource availability curves as measured by defense purchasing power. This in itself requires considerable costing and economic analysis, and for the USSR and CPR will require use of highly classified sources. The present draft seeks only to demonstrate relative elasticities associated with economic growth.

The rate of growth of an economy is not, of course, independent of the allocation to defense, as Fig. 1 implies; to account for this
With higher magnitudes of foreign assistance and with optimum Indian performance, the highest plausible range of economic growth that can realistically be considered in the decade 1970–80 would be 7 percent. At this growth rate, governmental budget elasticity would be much more marked, and 5 to 6 percent of GNP might be available for allocation to defense and foreign policy purposes, especially if India's strategic vulnerability were to increase as a result of Chinese, Russian, or American moves.

At highest levels of growth and defense allocation, the Indian budget for foreign affairs and defense could not exceed about $8 billion. It needs to be remembered that this great Indian effort by 1980 under best possible forecast circumstances would only slightly exceed the 1965 Chinese defense budget. It might, however, make possible the financial quantum of support necessary for the development of a small nuclear force if the technological or foreign constraints allowed it.

An important related set of questions concerns the nature of Indian allocation priorities that might follow from quite different rates of growth. Table 2 presents more policy/growth rates for India.

It seems clear that India will attempt a program of nuclear weapons no matter what the rate of growth, although the pace of development of

country by country would also require extensive economic analysis. This again will have to wait for subsequent study.

5 The period 1960–65 shows a positive correlation between defense expenditures and investment, with both suffering in poor years, and both increasing in good ones. Large amounts of foreign assistance after 1962 made possible the defense level expenditure spurt from about 2.0 percent of gross domestic product in 1960 to about 4.0 percent in 1966.

6 Developmental expenditures of the Indian AEC seem to be insensitive to growth figures. Moreover, as K. Subrahmanyan has written, "The underlying expectation is that the atomic energy program will serve as the nucleus around which other sophisticated technologies will develop. . . . Indians see in their nuclear power development the path for their technological take-off," Bulletin of the Atomic Scientists, May 1968, p. 32. One could even argue that higher defense expenditures might promote growth, since the under-utilized industrial plant is an endemic problem, and the price level in industrial products has been stable for a long period.
<table>
<thead>
<tr>
<th>Policy Capability</th>
<th>I 1970 - 4.5%</th>
<th>II 3% Growth</th>
<th>III 5.5% Growth</th>
<th>IV 7% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Nuclear force development</td>
<td>Very slow&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Slow</td>
<td>Increasing pace</td>
<td>Fast</td>
</tr>
<tr>
<td>2. Conventional force levels</td>
<td>Stable, tending higher with GNP</td>
<td>Stable</td>
<td>Stable, qualitative improvement</td>
<td>Somewhat higher with qualitative improvement</td>
</tr>
<tr>
<td>3. Insurgency and domestic violence</td>
<td>Likely but localized</td>
<td>Likely especially in east and south</td>
<td>Likely but localized</td>
<td>Likely but localized; more urban</td>
</tr>
<tr>
<td>4. Diplomatic posture</td>
<td>Dual-align; USSR-USA</td>
<td>Dependent &amp; weak; lowered world profile</td>
<td>Non-align; 3d world identity; less polit. dependency</td>
<td>Regional pretensions as middle power</td>
</tr>
<tr>
<td>5. Declaratory international policy</td>
<td>UNCTAD&lt;sup&gt;b&lt;/sup&gt; support; anti-revolution; emphasis on aid</td>
<td>Anti-rich world; radical parochialist growth; emphasis on multi-lateral aid</td>
<td>UNCTAD&lt;sup&gt;b&lt;/sup&gt; support; moderate neutralism; aid and trade emphasis</td>
<td>UNCTAD&lt;sup&gt;b&lt;/sup&gt; support; independent advocacy; trade emphasis</td>
</tr>
<tr>
<td>6. Domestic governmental organization</td>
<td>Stable federal system; under stress</td>
<td>More govt controls; employment schemes in public sector</td>
<td>Planning &amp; growth stress; some controls and coercion</td>
<td>Shift of federal problem to cities; stress; more coercion.</td>
</tr>
<tr>
<td>7. Domestic economic organization</td>
<td>Govt regulation; mixed private-public investment</td>
<td>Govt controls up; low public investment</td>
<td>Govt controls moderate; some public investment</td>
<td>Govt investment up, controls down</td>
</tr>
<tr>
<td>8. Pakistan &amp; regional posture</td>
<td>Status quo in Kashmir; no major SEA presence</td>
<td>Status quo; no extra-regional presence</td>
<td>Status quo, but some concern with neighbors</td>
<td>More active regional diplomacy in West Asia and Southeast Asia</td>
</tr>
<tr>
<td>9. Foreign aid</td>
<td>Critical dependence for growth &amp; imports</td>
<td>Great dependence on aid for essential imports &amp; commodities</td>
<td>Dependence for pace of growth</td>
<td>Decreasing dependence; increasing foreign trade</td>
</tr>
</tbody>
</table>

**NOTE:** Direction and quality of security threat is assumed constant; great-power relationship with U.S.-USSR assumed at 1969 state. Resource availability and policy choice are assumed to show marginal propensities to invest in different areas.<br><sup>a</sup>This may reflect technological and political constraints more than those posed by resource problems.<br><sup>b</sup>United Nations Commission on Trade and Development.
a nuclear force will be dependent upon technology, budgets, and the implications of the mix between general purpose forces and nuclear forces. High rates of growth tend to promote most U.S. goals in India, while Column III performance serves very few purposes except India's continuing dependency upon the capital-exporting countries. With an increasing Soviet aid and trade role in South Asia, combined with a decreasing American role, that contingency appears more and more unattractive.

India cannot and does not need to generate all of its own security and foreign affairs instruments, however, as long as it is able to use its diplomacy and shared interests with the great powers to serve its purposes. India is the largest aid recipient of both the U.S. and USSR, and the largest less-developed country (LDC) buyer of Soviet arms (other than the UAR, which receives concessional military assistance and has a high wastage rate). A key element in India's national strategy, therefore, is the manipulation of "loaned, borrowed, and paralleled" resources. This makes for an active diplomacy and puts New Delhi into unwanted but necessary dependency relationships with great powers pursuing their own autonomously defined interests. Despite resolute and persistent efforts, India's attempts to become self-sufficient in defense production have not met with great success, and the world weapons-technology revolution continuously erodes the Indian position. The great powers can continue to change the strategic balance within the subcontinent and between the Asian states by transferring resources; the Indian force levels and the drive toward defense production has increased the cost of "buying in" to a decisive manipulation of regional political relationships through aid, but it has not made Delhi's position decisive.

Row 2 in Table 2, Conventional force levels, reflects the fact that increasing resources build quantitative increases, with their quality remaining a function of the availability of foreign technology to the modern industrial segment of the Indian economy—an economy which is dependent upon external sources for licenses, key commodity inputs,
technology, and sometimes management. Apart from small arms and artillery, most military equipment of the Indian armed forces is based on foreign design, materials, subassembly fabrication, and licensed manufacturing techniques.

For example, despite more than twenty years of investment and experience in aircraft manufacturing, the HF-24 fighter-bomber that is considered to be indigenous was designed by a German (Kurt Tank) and is powered by a British engine. The MiG-21 and RD-9 turbine factories, much delayed in agreement, delayed further in organization and construction, and now assembling aircraft appear to be highly dependent upon Soviet licenses, manufacturing, and subassembly work. The Soviet licensing agreement, like that of Vickers for the Vijayanta tank and Leander class frigates, and British Aircraft Corporation (BAC) for the Avro-248 transport plane, is quite costly in foreign exchange. Nonetheless, repair and maintenance problems bedevil the services as they try to keep British, American, Russian, and French equipment operating, suffering from the problems of short foreign exchange with which to buy spare parts, and worrying constantly about the effects of a USSR embargo similar to that of 1965 by the United States and the United Kingdom.

The problem is complicated because foreign dependency relationships cannot always be paralleled with vital national interests on another front. Most Indian governments have sought assistance to maximize their domestic goals and their position toward their immediate neighbors. Most

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7 Michael Kidron's definitive Foreign Investments in India (London: Oxford University Press, 1966) concludes that about 40 percent of the modern sector of the Indian industry is either controlled, partially owned, or heavily influenced by Western firms, notably British ones. In the critical petro-chemical, refining, and pharmaceutical fields, the percentage is 80. There are varying estimates of the indigenous percentage of Indian assembled arms from both Russian and British licensing arrangements, but it is clear that key components to all systems must be imported. India recognizes this problem, as may be seen from its wide choice of partners in technological transfers.

8 An extreme case is reported in The Statesman, Weekly, July 20, 1968. "The INS Brahmaputra, a brand new anti-aircraft frigate, developed clutch troubles around 1960, but no foreign exchange was released for setting this defect right for the many months during which she remained out of commission."

foreign-aid donor states, however, seek to influence India's position for global purposes of the Cold War or the containment of China. Indian diplomacy is always committed to maximizing the "terms of trade" in this relationship, earning for New Delhi the reputation of being "difficult to deal with," and sometimes "impossible to trust." The key to Indian foreign policy, therefore, is to understand that its spokesmen are concerned with turning changing dependency relationships in one area into strengths in another to solve domestic problems, to ensure a regional environment of Indian liking and to neutralize the effects of great power "leverage" that might threaten their national position.

Table 3 attempts to portray the likely responses of any Indian regime to changes in the quality or source of Indian dependency relationships. An assumption is made that whatever may be the absolute magnitude of economic and military assistance, if any, in 1980, its relative salience to the Indian decisionmakers will be as great as in 1968. An assumption is also made that the Indians will continue to view Pakistan and Peking as potential security threats.

The table outputs show a uniformly increased Indian autonomy under conditions of mutual (and presumably competitive) Soviet and American assistance, and a uniformly lowered level of autonomy under "sole source" conditions. Thus, assuming that India had not developed a nuclear force by 1980 and that the U.S. and USSR were still aiding India, Column I, issue 1 (I x 1) shows a high propensity for such development, while all other columns for row 1 except VI show very real constraints as long as U.S. and USSR policies favor nonproliferation. That is, India's policy would tend to be constrained to conform to great-power policy in a sensitive area if the tradeoff advantages of the aid dependence relationship outweighed the security advantages of the nuclear force.

In summary, domestic resources and the resources available from transfers allow India to play an important role in many different contexts. Nonetheless, India's constraints set relatively narrow limits of strategic autonomy in matters of importance to the great powers. If there was not competition between them, India would have even less
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Nuclear force development</td>
<td>No public decision to develop</td>
<td>Highly probable</td>
<td>Probable</td>
<td>Low probability</td>
<td>Low probability</td>
<td>Moderate</td>
<td>Very high probability</td>
</tr>
<tr>
<td>2. Conventional force levels</td>
<td>High, going up slightly</td>
<td>High but stable; qual. improvement</td>
<td>Higher; qual. improvement</td>
<td>Somewhat higher</td>
<td>Lower</td>
<td>Lower</td>
<td>Lower within resource constraints</td>
</tr>
<tr>
<td>3. Insurgency capability</td>
<td>Moderate, tending higher</td>
<td>n.a.</td>
<td>Moderate</td>
<td>Moderate to high</td>
<td>Moderate to high</td>
<td>Moderate</td>
<td>Moderate to higher</td>
</tr>
<tr>
<td>4. Diplomatic posture</td>
<td>Dual alignment</td>
<td>Dual alignment</td>
<td>Dual alignment</td>
<td>Pro-US; not ally</td>
<td>Pro-SU; not ally</td>
<td>Nationalist; isolationist</td>
<td></td>
</tr>
<tr>
<td>5. Declaratory policy</td>
<td>Non-alignement; anti-CPRb</td>
<td>Non-alignement; anti-CPRb</td>
<td>Non-alignement; anti-CPRb</td>
<td>Non-alignement; pro-US</td>
<td>Pro-US</td>
<td>Nationalist; anti-Pakistan</td>
<td></td>
</tr>
<tr>
<td>6. Domestic political order</td>
<td>Stable, weak central authority</td>
<td>Stronger center</td>
<td>Stronger center</td>
<td>Stronger center</td>
<td>Stronger center</td>
<td>Stronger</td>
<td>Much weaker</td>
</tr>
<tr>
<td>8. Pakistan &amp; regional policy</td>
<td>Restrainted hostility</td>
<td>Restrainted hostility</td>
<td>Restrainted hostility</td>
<td>Restrainted hostility</td>
<td>Moderated hostility</td>
<td>Moderated hostility</td>
<td>Open</td>
</tr>
</tbody>
</table>

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a But a public position refusing the NPT assurances not to develop.
b On the assumption that Sino-Indian and Sino-Soviet relations remain bad.
c Assuming continued American commitment to NPT and LDC-arms limitation goals.
d These increases are a function of obsolescent Indian equipment and/or standardization of foreign supply type.
e This assumes a finite supply of foreign assistance, putting pressure of ruble-rupee trade and arms vs investment capital.
f This assumes both USA and USSR have good relations with Pakistan, and that India has GFP superiority.
latitude in policy choices. This predicament explains the forced pace toward defense production self-sufficiency, and the eagerness of India to procure only those weapon systems that can be licensed for manufacture in India.

Of importance to American decision-makers is the fact that security assistance seems most effective to political influence, while domestic policy seems less responsive. One could perhaps construct an aid-sensitive spectrum of policies, ranging from security policy to domestic politics. This is especially important because U.S. policy after 1965 carries a self-denying ordinance prohibiting major security assistance to the South Asian states, and the Russians and Chinese have come to fulfill that role in large measure. Coupled with increasing Indian self-sufficiency and large stockpiles of Soviet-designed weapons, this development weakens U.S. influence over the security postures of the South Asian states, and could be reversed only at great cost with a considerable time lag.

The 1970 American posture, described in Column II of Table 3, provides the United States with almost no leverage in any critical area of policy, and permits Indian defense expenditures and nuclear force development to increase, the only apparent tradeoff being continued U.S. access and the viability of the (largely British) foreign investment and private sector. So long as Washington, Moscow, and New Delhi share general interests, this pattern is acceptable; in case of conflict, there is no readily available American response except termination of economic assistance, itself a wasting diplomatic capability.

Another dimension useful in constructing models of Indian influence, or the predicament of alternative Indias in a future Asia may be found by contrasting threat environments. The amity-enmity conditions in which an India might find itself in 1980 reflect great variance. A détente with Pakistan and China presents few problems in military and

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9 The 1970 Indian stance on NPT is informed by this situation, which is called in India the incipient "duumvirate of superpowers."

10 For Pakistan, the role is supplied by the CPR. West European arms suppliers have also profited from U.S. policy, but the pattern is high commercial profit with few political influence goals.
diplomatic posture, edges the great powers out of their special security roles in South Asia and leads to other major changes. This underscores the sensitivity of Indian public policy to its enemies and the potential benefits of settlement. But to this truism the policymaker might wryly ask, "So what else is new?"

For more specific purposes, a planner or forecaster seeks a specialized perspective on a given problem. Suppose the force-level planners in JCS were to review basing, allied forces, mobility capabilities, and likely contingencies salient to U.S. interests in India's neighborhood. What sorts of Indian force configurations would be able to manage local contingencies, in 1980, at different budgetary levels? Table 4 shows Indian force postures/military contingencies. It postulates forces defined by roles and missions from nuclear deterrence against China to a heavy GPF force against Pakistan. Force III represents a "marginal-cost-is-no-concern" balanced force, and IV a "no-direct-foreign-supply-available" force.

This analysis shows a high-cost strategic nuclear force to be a poor investment for India because of its very limited applicability. Force II is marginal in many contingencies if heavy investment is made in armor (against Pakistan threat) rather than mobile infantry forces. Force IV is unable to meet most contingencies but still might manage domestic law and order problems. Force III, as expected, has much to commend it, but requires very high levels of finance that might undercut other investment and manpower priorities.11

In summary, the ASF method when applied to country problems reveals a rich set of alternatives, only some of which are salient to U.S. policymakers. Moreover, all outcomes of broad significance are covariant with a wide range of relationships in which regime type, rates of economic growth, resource transfer patterns, resource allocation proclivities, goals of governing elites, and the "fit" of policy packages to contingencies are involved. In each perspective on

11 Moreover, the introduction of new, complex, weapons systems in an LDC requires long lead times and very heavy investments in manpower, training, and command and control facilities.
### Table 4

**INDIAN FORCE POSTURE AND MILITARY CONTINGENCIES, 1980**

<table>
<thead>
<tr>
<th>Contingency</th>
<th>Force I Nuclear ($4-5 billion)^a</th>
<th>Force II GPF ($2-3 billion)^b</th>
<th>Force III Multiple Balanced Force ($6-8 billion)^b</th>
<th>Force IV GPF No Forn Supply ($2-3 billion)^b</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Coup politics</td>
<td>Possible</td>
<td>Possible</td>
<td>Possible</td>
<td>Possible</td>
</tr>
<tr>
<td>2. Federal secession: Tamiland</td>
<td>Sufficient but slow</td>
<td>Sufficient but slow</td>
<td>Sufficient</td>
<td>Sufficient</td>
</tr>
<tr>
<td>3. Naga border insurgency</td>
<td>Difficult but possible</td>
<td>Sufficient</td>
<td>Sufficient</td>
<td>Sufficient</td>
</tr>
<tr>
<td>4. CPR-backed guerilla, NE Frntr Agy</td>
<td>Very difficult</td>
<td>Difficult</td>
<td>Sufficient</td>
<td>Difficult</td>
</tr>
<tr>
<td>5. Himalayan border local war, CPR, Sikkim</td>
<td>Very difficult</td>
<td>Difficult</td>
<td>Possible</td>
<td>Very difficult</td>
</tr>
<tr>
<td>6. Pakistan local war^c</td>
<td>Sufficient^d</td>
<td>Sufficient^d</td>
<td>Sufficient</td>
<td>Difficult^d</td>
</tr>
<tr>
<td>7. Burma war, CPR</td>
<td>Insufficient</td>
<td>Insufficient</td>
<td>Possible</td>
<td>Impossible</td>
</tr>
<tr>
<td>8. Peace-keeping SE Asia</td>
<td>Insufficient</td>
<td>Insufficient</td>
<td>Possible</td>
<td>Difficult</td>
</tr>
<tr>
<td>9. Peace-keeping in ME and Persian Gulf</td>
<td>Insufficient</td>
<td>Difficult</td>
<td>Possible</td>
<td>Difficult</td>
</tr>
<tr>
<td>10. CPR nuclear threat</td>
<td>Possible^e</td>
<td>Irrelevant</td>
<td>Possible^e</td>
<td>Impossible</td>
</tr>
</tbody>
</table>

^a Almost all contingencies depend upon the residual GPF capability. The assumption made is that mobility is sacrificed for nuclear weapons development; otherwise GPF at 1970 level and equipment.

^b All resource figures are given in U.S. dollars; see footnote 4, p. 11 above.

^c All outcomes are fundamentally contingent upon Pakistan's supply position and forces in readiness, except Column III.

^d At 1970 ratios of proportionality of forces.

^e If delivery systems are available for a minimum deterrent force, or if U.S.-USSR guarantee.
alternative salient futures, some areas of choice promising significant marginal value are clear; in others, no choice is significant for outcomes.

Generally, constraints are most important in forecasting the effectiveness and plausibility of policies. The degree of dependency on external actors of the Indian decisionmakers limits their choice by restricting their instruments. While the Indian atomic energy program may be relatively insensitive to foreign control, the development of a nuclear force is not. The loan or sale of capacities to compete in international politics by the great powers and the capital exporting middle powers is the most significant single variable in assessing which India will compete in the Asia of 1980, and on what terms. An Indian capability forecast, therefore, must emphasize the changing magnitude and source of India's dependency relationships, itself a function of U.S.-USSR competition and cooperation, and of India's ability to find resources in the world with which to compete. What cannot be forecast or assessed with such assurance are India's problems and opportunities in 1980 in Asia. That requires a regional forecast.
IV. TWO ALTERNATIVE SALIENT FUTURES FOR ASIA, 1980

The following examples of arena analysis are presented to portray the relationships between changes in the domestic political system and the international posture of the five major Asian states — CPR, USSR, Japan, India, and the United States. Each national portrayal is accompanied by a resource availabilities forecast. The five profiles are then analyzed under two alternative conditions: an American troop and aid withdrawal from all Asian commitments, and an American withdrawal of U.S. troops only.

THE CHINESE PEOPLE'S REPUBLIC (CPR)

Three regime types might be usefully posited for the Chinese People's Republic, one corresponding to a Maoist-Left party-led coalition (I); one corresponding to a military-technocratic "praetorian" coalition (II); and one in which Chinese central authority is fragmented and the state is weak (III). These potential regimes are matched in Table 5 against the following policy issues: relations with each of the other main actors, contiguous zones in contest, military force levels and mixes, and declaratory foreign policy predispositions. As in national ASF forecasts, these policy predispositions are only a rough guide to decisionmakers' goals. Making them operative requires resources that fit specific contingencies and favorable cost-risk opportunities for strategic initiatives. Moreover, they are highly intercorrelated, as means and goals always are. Area experts have not been polled in a Delphi exercise on policy propensities of China, and many are unlikely to agree to those cases described in rows 5 and 6 which concern Chinese aspirations in Southeast and Northeast Asia.

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12 This section is informed by the work of Thomas Robinson of the RAND staff, who has considered the ranges of possible Chinese domestic political outcomes in great detail.  
13 China experts on the RAND staff have proposed a major exercise of this nature, as well as a test of the method using 1960 evidence to "forecast" 1970.
## Table 5
**CPR REGIME TYPE/POLICY PREDISPOSITION, 1980**

<table>
<thead>
<tr>
<th>Policy Issue</th>
<th>Regime Type</th>
<th>I: Maoist-Left</th>
<th>II: Military-Technocratic</th>
<th>III: Weak, fragmented</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sino-Soviet relations</td>
<td>Hostile</td>
<td>Détente</td>
<td>Deferred action-</td>
<td>Deferred action-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>appeasement</td>
<td>appeasement</td>
</tr>
<tr>
<td>2. Sino-Amer. rel.</td>
<td>Hostile</td>
<td>Hostile(^a)</td>
<td>Deferred protagonism</td>
<td></td>
</tr>
<tr>
<td>3. Sino-Japanese relations(^b)</td>
<td>Pol. hostility; trade</td>
<td>Seek technologi-</td>
<td>Rapprochement</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>cal cooperation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Sino-Ind. rel.</td>
<td>Hostile</td>
<td>Indifferent</td>
<td>Defensiveness ( Tibet)</td>
<td></td>
</tr>
<tr>
<td>5. SE Asia rel.</td>
<td>Seek influence</td>
<td>Seek hegemony(^c)</td>
<td>No commitment</td>
<td></td>
</tr>
<tr>
<td>6. Korean relations</td>
<td>Compete w/USSR for influence</td>
<td>Seek N. Korean</td>
<td>Lowered interest</td>
<td></td>
</tr>
<tr>
<td>7. Military force levels</td>
<td>Very high</td>
<td>Very high</td>
<td>High but provincialized</td>
<td></td>
</tr>
<tr>
<td>9. Declaratory foreign pol.</td>
<td>Ideological sponsor, Wars of Nat. Liberation &quot;Internationalism&quot;</td>
<td>&quot;Nationalist&quot; China; state issues</td>
<td>Hermit China</td>
<td></td>
</tr>
<tr>
<td>10. Level of int. pol. activity</td>
<td>High</td>
<td>High</td>
<td>Lower</td>
<td></td>
</tr>
<tr>
<td>11. Economic goals</td>
<td>Autarchy: Social change</td>
<td>Expanded trade</td>
<td>Expanded trade</td>
<td></td>
</tr>
<tr>
<td>12. Political idiom</td>
<td>Radicalism</td>
<td>Professionalism</td>
<td>Parochialism</td>
<td></td>
</tr>
</tbody>
</table>

\(^a\) Depending upon Soviet-American relations.

\(^b\) Depending upon Japanese strategic posture and capabilities in East Asia.

\(^c\) Depending upon U.S. posture and presence.
but this formulation is meant only to be suggestive. In the first instance, it is adequate to look to salient, plausible futures, not probable ones.

Figure 2 presents the domestic resource possibilities for China in 1980. Some economists believe that in the current period the Chinese defense budget is about 10 percent of GNP. Assuming that that percentage can be maintained and perhaps even marginally increased on a 7 percent high track of growth, any Chinese government inheriting the treasury in 1980 would find itself with between $13.5 billion and $20.6 billion for defense and foreign purposes. The large "if" in this

![Resource availability curves for China 1980, with 4% and 7% growth rates; benchmark year 1965; GNP $75 billion](image)
question is the state of the economy between now and 1980, and the
nature of which type of Chinese regime will make intermediate decisions.
It also depends upon the foreign-exchange component of increased defense
expenditures. This tends to illuminate the importance of the Maoist-
technocrat struggle, for another decade of Maoist rule might see China
with a lower growth rate, leaving the government of 1980 with a larger
population but not a larger available public budget.

The most salient 1980 forecast for a Peking regime important to
American foreign policy would be Type II, a military-technocratic coal-
tion committed to economic growth, a normalization of relations with
the USSR and a lower profile in radical ideologizing. If even distantly
normal relations with the USSR were reestablished or if such a China
normalized relations with the United States or Japan, such contact
would make available to China a range of "borrowed and loaned" capaci-
ties that would appreciably increase its military and industrial capac-
ity. In any case, Sino-Japanese and Sino-West European trade by 1980
should provide China with access to technology and import of the major
sophisticated weaponry. Even if such a government continued to have
poor relations with the USSR and restricted relations with Japan and
the West, perhaps including the United States, the effect would be the
same --- China's resource availabilities would increase. The effect of
this growing capability may best be seen in comparison to other Asian
states in the same period.

It remains to be said that a fragmented China is also a very
salient forecast for U.S. foreign policymakers. A weak China would
involve external powers in internal Chinese politics and present a
dramatically different strategic environment in East Asia. But in
that case, China's future would become much more dependent upon other
actors in the world system, and hence drop off the "players list" to
become a major item on the "opportunities and prizes" list. This
China forecast is well worth pursuing, since it would present U.S.
decisionmakers with the highest risk, highest cost, greatest oppor-
tunity choices imaginable in the Asia of 1980. It exceeds the scope
of this paper, however, since it assumes a radically reduced measure
of autonomy for Peking, and hence very different interaction patterns.
THE USSR

For purposes of comparability three Soviet regimes for 1980 may also be posited: an evangelical-revivalist government, a moderate, political-technical coalition, and a liberal reformist social-democratic coalition. 14 Table 6 presents these alternative Soviet governments against the same range of policy concerns as for China, and with the same assumptions and qualifications.

Of these salient future USSRs, Column III represents a low-risk, low-cost forecast, even though such a Soviet government would seek détente with the CPR, continue to follow competitive policies with the United States, and maintain nuclear parity. Moreover, it would probably provide a great fillip to Soviet economic growth and export competitiveness, and thereby become a much more important European and LDC actor. For Asia, however, this salient Soviet future translates as a lowered posture and presence.

More salient conflict futures are those of I and II. Regime II is a model of an adaptive system that attempts to reconcile domestic claims and ambitious foreign goals, like the 1970 Breznev-Kosygin government. Regime I would pursue foreign goals, if need be, at the expense of domestic claims and, consequently, with higher levels of domestic coercion.

With continuing high levels of economic growth, however, the Soviet economy by 1980 may have developed a guns-and-butter capability. That conceivably could make possible an "evangelical" foreign policy and a "moderate" domestic policy, depending upon the cost of taking advantage of strategic opportunities (which are, for the USSR, a function of U.S. and CPR commitments). Figure 3 presents the resource availability curves for the USSR in 1980. The 1965 benchmark GNPs was about $375 billion and the percentage devoted to defense/foreign affairs about 15 percent. 15

14 These are gross aggregates of a much more fine-grained analysis of alternative Soviet futures made by Fritz Ermarth of the RAND staff.
15 These figures suffer all the disabilities of distortion found in cross-national comparisons of economic accounts, and in which security considerations further distort meaningful comparison by the use of...
Table 6

USSR REGIME-TYPE/POLICY PREDISPONITION, 1980

<table>
<thead>
<tr>
<th>Policy Issue</th>
<th>I: Evangelical</th>
<th>II: Moderate</th>
<th>III: Liberal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. USSR-CPR relations</td>
<td>Predisposed to conflict with CPR</td>
<td>Predisposed to détente with CPR</td>
<td>Détente with CPR</td>
</tr>
<tr>
<td>2. USSR-USA relations</td>
<td>Very hostile; strategic rivalry</td>
<td>Competitive coexistence; strategic parity</td>
<td>Competitive coexistence; political rivalry</td>
</tr>
<tr>
<td>3. USSR-Japan relations</td>
<td>Hostile(^a)</td>
<td>Accommodation(^a)</td>
<td>Cooperation</td>
</tr>
<tr>
<td>4. USSR-India relations</td>
<td>Lower interest; possibly hostile</td>
<td>Low interest; normalized relations</td>
<td>More interest; cordial relations</td>
</tr>
<tr>
<td>5. SE Asian relations(^c)</td>
<td>Seek control of Communist parties</td>
<td>Seek influence with governments</td>
<td>Lowered interest</td>
</tr>
<tr>
<td>6. Korean relations</td>
<td>Seek alliance with N. Korea</td>
<td>Seek influence with governments</td>
<td>Lowered interest but still significant</td>
</tr>
<tr>
<td>7. Military force level</td>
<td>Higher</td>
<td>Responsive to USA, CPR either way, but at high level</td>
<td>Lower level, arms control interest</td>
</tr>
<tr>
<td>8. Force mix</td>
<td>New emphasis on mobile GPF; Nuclear parity</td>
<td>Emphasize Nuc; some GPF growth for Europe, CPR</td>
<td>Stable Nuc. parity, SALT, stable to declining GPF</td>
</tr>
<tr>
<td>9. Declaratory foreign pol.</td>
<td>Communist ideology internationalist</td>
<td>Russian state interest dominant</td>
<td>Russian state interests exclusively</td>
</tr>
<tr>
<td>10. Level of int. pol. activity</td>
<td>Very high</td>
<td>High</td>
<td>Lower</td>
</tr>
<tr>
<td>11. Economic goal</td>
<td>Autarchy, capital investment, military consumption</td>
<td>Growing international trade and consumer investment</td>
<td>Greater trade and greater consumption</td>
</tr>
<tr>
<td>12. Political idiom</td>
<td>Stalinism</td>
<td>Social Conservatism but economic change</td>
<td>Liberalization</td>
</tr>
</tbody>
</table>

\(^a\) Depending upon Japanese regime type and U.S.-Japan relations.
\(^b\) Depending upon Indian regime type and U.S.-India relations.
\(^c\) Depending upon U.S. commitments and presence in the region.
Fig. 3 -- Resource availability curves for USSR 1980, with 6% and 8% growth rates; bench-mark year 1965, GNP $375 billion

An evangelical-revivalist Soviet government in 1980 might be able to call on as much as $200 billion for defense and foreign policy purposes, while a moderate government could radically cut back the percentage of GNP to defense and still maintain an $80-100 billion defense establishment. If, however, Soviet growth moves on the lower track and an arms race with the United States continues, the Russians will have little budget elasticity or posture flexibility because of the scale of costs in maintaining strategic proportionality with the United States. The opportunities for Soviet power depend, therefore, not only on domestic performance but on the global context and especially on U.S. policy.

JAPAN

Like China and the USSR, Japan may be thought of as having three plausible future regime types that might be labeled centrist-conservative, nationalist right, and socialist left.\textsuperscript{16} As Table 7 shows, any change from a conservative-centrist coalition in Tokyo produces highly salient futures for U.S. policy in Asia. This suggests that Japan's future posture is capable of evoking important changes in those strategic Asian environments that are particularly sensitive to type of governmental regime.

In general, however, a socialist left or a centrist government would not present apparent challenges to the strategic stability of East Asia, or to the United States or its major interests. While a socialist Japan might have more cordial relations with the USSR and CPR than the United States, there is no logic in a forecast that argues the United States would be foreclosed from trade and economic interchange. American basing might be impossible in Japan, but that contingency is likely to materialize independent of Japan's changing relationships with the Communist states.

The more radical salient forecast is Regime II, a nationalist-rightist party coalition. While this type of government would pursue military preparedness and increase force levels, and increase competition and rivalry with the other powers of the region, it is not at all clear that such a Japan would present a threat to the United States, but it would be an independent Asian actor pursuing its own strategic goals. It would in all likelihood assume responsibility for regional security in the areas of its sea frontiers, and in South Korea if the U.S. withdrew; perhaps a better way to see Japan's capability is not in coercive diplomacy, but in its growing ability to establish incentives for other states to seek Japanese relationships.\textsuperscript{17}

\textsuperscript{16} This section has been informed by a seminar presentation and editorial critique by Paul Langer.

\textsuperscript{17} The examples of Taiwan and South Korea illustrate Japan's ability to use its economy to "de-fuse" strategic sensitivities and build into the economic relationship a larger measure of cooperation and contact than any amount of security investments could yield.
Table 7
JAPANESE REGIME-TYPE/POLICY PREDISPOSITION, 1980

<table>
<thead>
<tr>
<th>Policy Issue</th>
<th>Regime Type</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I Centrist</td>
<td>II National Right</td>
<td>III Socialist Left</td>
</tr>
<tr>
<td>1. USSR-Japan</td>
<td>Normalized</td>
<td>Rivalry</td>
<td>Cordial</td>
</tr>
<tr>
<td>relations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. USA-Japan</td>
<td>Cordial</td>
<td>Competitive</td>
<td>Cool</td>
</tr>
<tr>
<td>relations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. China-Japan</td>
<td>Accommodation</td>
<td>Rivalry</td>
<td>Cordial</td>
</tr>
<tr>
<td>relations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. India-Japan</td>
<td>Slight interest</td>
<td>No interest</td>
<td>Slight interest</td>
</tr>
<tr>
<td>relations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. SE Asia</td>
<td>Trade interest</td>
<td>Political goals</td>
<td>Econ. interest</td>
</tr>
<tr>
<td>relations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. NE Asia</td>
<td>ROK commitment</td>
<td>More presence</td>
<td>Minimum commitment</td>
</tr>
<tr>
<td>relations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Military force</td>
<td>Modest; rising</td>
<td>Rapid rise</td>
<td>Modest</td>
</tr>
<tr>
<td>level</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Military force</td>
<td>GPF; high technology</td>
<td>Nuc.force program; more presence</td>
<td>GPF, naval</td>
</tr>
<tr>
<td>mix</td>
<td></td>
<td>mobile larger GPF</td>
<td></td>
</tr>
<tr>
<td>9. Declaratory</td>
<td>Modest; &quot;workshop of Asia&quot;</td>
<td>Japan as an example</td>
<td>Japan, as the Yugoslavia of Asia</td>
</tr>
<tr>
<td>foreign policy</td>
<td></td>
<td>and leader</td>
<td></td>
</tr>
<tr>
<td>10. Level of int'nat.</td>
<td>Moderate</td>
<td>High</td>
<td>Moderate</td>
</tr>
<tr>
<td>polit. activity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Economic goals</td>
<td>Growth; world trade</td>
<td>More autarchy; weapons developmt.</td>
<td>Growth, world trade</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Political idiom</td>
<td>Commercialism</td>
<td>Chauvinism</td>
<td>Social Democracy</td>
</tr>
</tbody>
</table>
No Asian power shows such apparent elasticity of resource availabilities for defense and foreign policy in 1980 as Japan, both because of impressive growth rates and the low percentage of 1970 defense expenditure. Figure 4 shows the possibilities of the Japanese economy.

![Graph showing resource availability curves for Japan 1980, with 8% and 10% growth rates; benchmark year 1965, GNP $85 billion.](image)

Fig. 4 -- Resource availability curves for Japan 1980, with 8% and 10% growth rates; benchmark year 1965, GNP $85 billion.

What makes this pattern different from the other states in Asia is the present very low base of defense expenditure. There appears\textsuperscript{18} to be more room for a "step level" increase in available foreign-defense expenditures in the Japanese economy than in any other Asian power.

\textsuperscript{18}It is almost impossible to find an expert on the Japanese political system who believes that a Japanese government could in fact move to much higher defense levels without risking political survival.
but this same amount could also be invested in foreign aid, investment, and trade promotion. The magnitudes of resources available for 1980 could conceivably range from $5 billion, if the present small percentage of GNP remained the allotment for defense, to $50 billion if the Japanese decided to allocate as much to defense as does China, and if growth rates could be maintained with such diversions of investment capital into military consumption.

Any change of U.S. commitments in Asia is likely to have an important effect on the Japanese security posture, but with or without American treaty resources, the 1980 Japan is capable of mounting a most impressive independent effort. This is even more clear when one considers that the USA, USSR, and CPR have to deploy their resources on many fronts to meet many possible contingencies. The Japanese can specialize their allocations to serve more immediate interests and in most circumstances could have theater parity in military and economic competition. Moreover, unlike India and China, Japan has neither a technological nor a manpower constraint, independent of budgetary resources. Its strategic autonomy, therefore, makes a close study of its political future much more important.

INDIA

While Indian dependency relationships make New Delhi a very different kind of actor to compare with the other four major Asian states in the forecast, the effect of regime changes may also be seen by assuming a range of three coalitions. A right-of-center parliamentary regime, a left-of-center parliamentary regime, and a weak national government in which the states exercised great power provide a plausible spectrum of Indian governments for 1980. As Table 8 shows, elite propensities in major policy areas are considerably modified by dependence and vulnerability. This suggests that the most effective forecasts of India's role in the Asia of 1980 will be contingent upon the roles and postures of the great powers as much as on Indian predelictions and capabilities.
<table>
<thead>
<tr>
<th>Policy Issue</th>
<th>Regime Type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I Rightist</td>
</tr>
<tr>
<td>1. Sino-Indian relations</td>
<td>Very hostile</td>
</tr>
<tr>
<td>2. Indo-Soviet relations</td>
<td>Suspicious; reluctant</td>
</tr>
<tr>
<td>3. Indo-American relations</td>
<td>Friendly</td>
</tr>
<tr>
<td>4. Indo-Pakistan relations</td>
<td>Worsened relations</td>
</tr>
<tr>
<td>5. Level of international activity</td>
<td>Moderately high</td>
</tr>
<tr>
<td>6. Military force levels</td>
<td>Rising rapidly</td>
</tr>
<tr>
<td>7. Military force (GPF/ nuc investments)</td>
<td>Nuc emphasis; larger GPF</td>
</tr>
<tr>
<td>8. Extra-South Asian regional interest</td>
<td>More (with U.S.) interest</td>
</tr>
</tbody>
</table>

*a Especially if Sino-Soviet relations were improved over 1970.

*b Especially if Jan Sangh dominant in coalition.

*c Assuming that India does not develop nuclear weapons before 1975.
Figure 5 presents the aggregate resource-availability forecasts for India by 1980 under assumptions of 3, 5.5, and 7 percent. The 1970 percentage of GNP to defense is about 4 percent, and as a percentage has been slightly declining for the past two years. As with the Soviet and Chinese figures, it is almost impossible to find a true foreign-exchange equivalent figure for the purchasing power, in defense, of the Indian rupee. Notwithstanding the rough nature of the figures, it is clear that for the equivalent of about $1.7 billion per year in operating costs, the Indians field the fourth largest army in the world, are moving toward a 45-squadron all-jet air force, and have a navy with one aircraft carrier and several submarines.

![Graph showing GNP growth tracks and actual GNP at constant prices.](image-url)

1965 actual GNP at constant prices (1949-50) = $50 billion

1980 GNP growth track
@ 3% = $86 billion

1980 GNP growth track
@ 5.5% = $122.5 billion

1980 GNP growth track
@ 7% = $151.7 billion

(Percentage of GNP to defense, foreign affairs)

Fig. 5 -- Resource availability curves under different assumed growth profiles for India, 1980
The most salient regime for New Delhi in 1980 as a problem for U.S. policy might be a rightist coalition, intent upon military expansion and regional hegemony. It might, on the other hand, be the leftist coalition intent upon closer collaboration with the socialist countries, either on the basis of the Breznev doctrine or the Chinese world vision of the period. A very weak or fragmented India is perhaps the most salient policy problem of all, since such an India would undoubtedly collapse into violence with at least Pakistan, if it remained united, attempting to satisfy its irredentist claims. It is difficult to see any 1980 Indian regime making a fundamental difference, as a protagonist, to the rest of Asia. No 1980 Indian government will have the military or economic means to challenge or threaten the United States, USSR, Japan, or China. Regardless of New Delhi's success in attaining strategic autonomy, which would imply an end to critical dependence upon outside powers for essential military and economic assistance, the new autonomy would not give India a lever on any other major state in the region except possibly an unsupported Pakistan. For their own reasons, all Delhi governments would be inclined to manage South Asian strategic relationships in the interests of the status quo, and hence would be more or less in accord with the superpower predispositions in the region. In short, India is not a threat unless it collapses, and even the salience of the policy problems of the collapse would be a function of external, great-power competition to restore its national authority.

THE UNITED STATES

Three types of American political regimes may also be postulated for 1980: an internationalist administration with Asian security commitments; a reduced-profile, European-oriented administration; and a domestic-priorities government. These governments would represent a spectrum of selective commitment propensities, from global to European regional to domestic. As with the others, Table 9 portrays only one dimension of forecasted, salient governmental goals.
<table>
<thead>
<tr>
<th>Policy Issue</th>
<th>I Internationalist</th>
<th>II Europeanist</th>
<th>III Domestic Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>US-USSR relations</td>
<td>Global competition</td>
<td>European rivalry, reduced 3rd area conflict</td>
<td>Reduced competition</td>
</tr>
<tr>
<td>US-CPR relations</td>
<td>Hostile</td>
<td>Reduced GPF military concern</td>
<td>Little competitive concern</td>
</tr>
<tr>
<td>US-Japan relations</td>
<td>Cordial, alliance</td>
<td>Emphasis on Japan's regional duty</td>
<td>Less concern except trade</td>
</tr>
<tr>
<td>US-India relations</td>
<td>Aid donor; support</td>
<td>Limited interest</td>
<td>Little interest</td>
</tr>
<tr>
<td>SE Asia relations</td>
<td>Security-Econ Aid</td>
<td>&quot;Never Again,&quot; off-shore commitment</td>
<td>Little interest</td>
</tr>
<tr>
<td>NE Asia relations</td>
<td>Security-Econ Aid</td>
<td>Commitments only to salvage Japan</td>
<td>No commitment</td>
</tr>
<tr>
<td>Military force level</td>
<td>Very high; GPF and strategic forces</td>
<td>High; strategic forces</td>
<td>High; strategic and defense forces</td>
</tr>
<tr>
<td>Military force mix</td>
<td>Large, mobile GPF; Nuclear offensive superiority</td>
<td>Smaller GPF, Nuclear superiority</td>
<td>Small GPF, Nuclear and ABM</td>
</tr>
<tr>
<td>Declaratory foreign policy</td>
<td>Guarantor of global peace</td>
<td>Stalwart of the West</td>
<td>Fortress America</td>
</tr>
<tr>
<td>Level of intern'l political activity</td>
<td>Very high</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Economic goals</td>
<td>International integration</td>
<td>Multilateral trade strength</td>
<td>Domestic growth and distribution</td>
</tr>
<tr>
<td>Political idiom</td>
<td>Activism</td>
<td>Selective public goals</td>
<td>Introspection</td>
</tr>
</tbody>
</table>
The implications of these different types of regimes will be explored in two modes. But before that is done, resource availability forecasts for the United States need to be made. Figure 6 presents curves describing resource probabilism.

Fig. 6 -- Resource availability curves for USA 1980, at 3% GNP growth rate; benchmark year 1965, GNP $780 billion

Given a true GNP growth rate of 3 percent per year, and a range of from 6 to 10 percent for defense and foreign affairs, an American government in 1980 could reasonably expect to have between $80 and $120 billion to allocate. Since the limitations of these resources will condition postures on the part of the U.S. regime, regardless of its type, we may now compare postures and alternative salient futures.

For purposes of illustration, American Regime II might be chosen as the forecasted salient future. The notion of selective commitment which this regime enunciates provides opportunities for comparing
choices under the first condition, complete disengagement from Asia, and the second condition, withdrawal of an American presence but not American support.

In many categories, these two distinctions blur as does the difference between a domestic-focused and a moderate regime. For example, the 1980 "defense/foreign available" budget at 6 percent of GNP is less than $70 billion, about the 1969 level. The acquisition of major new weapons systems (ABM, Poseidon, C-5, FDLS, AMSA F-15) after Vietnam will require larger percentages to defense spending or major cuts in either GPF or Strategic Forces — the latter unlikely. A moderate internationalist government with a domestic-focused policy therefore will require a cut GPF commitment and lower capabilities unless SALT-negotiated agreements reduce strategic costs. As would a professional army, GPF cuts would also reduce political pressures arising from the draft. Given the scale of the other actors in Asia and the relative decline of American capacity coupled with the absolute rise of risks of nuclear war in Asian involvement, all American postures have an evolutionary bias toward the withdrawal from forward deployment in Asia.

If the USSR continues its highest rate of growth (8 percent), its defense budget could surpass America about 1979 if American growth performance remains at 3 percent. Leaving aside the unlikelihood of such consistent, differential performance, the key question will continue to be the amount of GNP that can and will be mobilized for international and military purposes. Whether the United States commits blood or only treasure to competition in Asia, the fact is that the cost of providing a decisive increment of power to situations in which the USSR, China, or Japan are committed will have dramatically increased by 1980. How much it will have increased depends upon changing governments and the forces they develop. Soviet Government II is


20. These would, of course, also cut Soviet strategic costs, allowing the USSR to strengthen GPF forces and presumably thereby stimulating U.S. GPF expansion.
amenable to arms-control limitations and would appear to be biased in favor of nuclear and ABM systems, limiting available resources for GPF. Regime I, however, would settle for nuclear deterrence and assured destruction while devoting marginal increments of increasing funds to GPF forces. Moreover, Regime I is more likely to wring the largest possible percentage of resources from the economy for foreign purposes. To a high degree, therefore, American security prospects in Asia depend as much upon Soviet, Chinese, and Japanese investment choices between 1970 and 1980 as upon American military resource elasticities in 1980.

No matter what the resources available, however, each initiative that a foreign power seeks to seize has a cost imposed not only by its quality and the transfers of possible global rivals, but by other interested states that can capitalize upon loaned and borrowed resources to emphasize asymmetrical aspects of regional competition in their favor. A regional analysis of Northeast or Southeast Asia, for example, would show that the smaller, more vulnerable and weaker states — actors to be ignored in capability analysis — have a wide repertory of strategies for trapping or involving their so-called patrons. Their range of choice is conditioned by the more powerful and the more committed, but it is not necessarily externally determined. Power frequently exhibits itself as no more than the ability to set relatively wide boundaries. Within these imposed limitations, and subject to their own political and physical constraints, small state diplomats understandably attempt to balance external power (and seize the initiative) in the interests of small state policy autonomy. Thus frequently in history the small state writes the introduction, and the great powers the inconclusive escalation of episodes of international conflict.

Forecasts thus offer the caution that although the United States is a superpower (that is, a global rule-setter), it may lack choice in many specific cases because its paramount interests lie in procedures, boundary location, and system maintenance rather than choice within boundaries. 21 Too many planners' models exaggerate the instrumental

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21 Secretary of State William Rogers, in a maiden statement of his perspectives, wrote: "Great power does not mean great freedom of action
flexibility of American power because they overlook this point, or because they recall the days of relatively unbalanced American autonomy and influence after World War II.

A special category for forecasts concerns great-power configurations in various parts of the global system. Global power is sometimes thought to be relatively independent of its geographic context; in fact, the committed power and policy of the great powers is unique to various regions in the world. The United States and Russia present different patterns of commitment as Asian powers than they do as European powers.

Thus in many situations nationalism is a potent factor making low-cost, effective intervention impossible for any foreign power. In the 1969 Sino-Soviet border conflict the Chinese prepared their defenses for a long war of insurgency should the Russians invade. In certain situations labor-intensive strategies are stalemating to capital-intensive choices, a classic case of poor states transforming necessity into a potent virtue. Failure to recognize the relativity of power leads to a misrepresentation of the purchasing-power inference drawn from graphed capability/resource charts.

The more likely changes and opportunities for strategic initiative will be found in the areas of incentives and influence rather than coercive diplomacy. If U.S. power were not committed in Asia, and if either the USSR or CPR moved indirectly in Southeast or Northeast Asia to improve the position of their old or new local clients (say, a new People's Republic of Java), the relative balance of confidence, morale, and strength between rival local elites might change in favor of accommodation to the "East Wind." This would have little to do with capabilities, but much to do with psychological dimensions of the context of the conflict.

Even if the initiatives were not those of the USSR or CPR, but rather of local elites struggling for power and subsequently committing

and decision. On the contrary, it often means very narrow choices of action, and what we can do to influence events in a given case may well be marginal. "The Complexity of World Affairs," Department of State Bulletin, LX (1558), May 5, 1969, p. 398.
their foreign patrons to their cause, the effect might be the same without a U.S. presence or without a major Japanese involvement. Japanese Regimes I and III have very little reason to concern themselves with high-cost, low-benefit struggles since their orientation is toward the developed world's markets, a trend likely to increase between 1970 and 1980. Japanese Regime II might pursue a strategy of regional commitment, but hardly in support of U.S. strategic aims. Unless the contest was directly related to Japanese security or well-being, Japan is unlikely to make contributory, let alone compensatory, inputs to fill the security void left by American withdrawal.

India is similarly unlikely to be able to make major commitments to security conflicts outside the subcontinent. No type of Indian regime would consider high-cost Asian strategic balancing as within its interests or capabilities by 1980. Like Japan, India will have its work cut out in economic growth, local defense, and domestic security problems.

Without American assistance, therefore, the future of the smaller Asian states and contested areas will be a product of the resources and initiatives of others, moderated by the strength of nationalist governments and the effectiveness of labor-intensive defense. This makes the prospects of states like Cambodia, at least as relatively independent entities, quite dim in the first condition.

The second condition, the transfer of American resources to Asian parties, is more difficult to portray in terms of implications and effectiveness. There are immense and incalculable problems and variances of the effectiveness of loaned instruments in the hands of others. As the Indian national forecasts show, governments frequently find it to their more immediate interests to pursue domestic and regional interests than to deploy resources in the service of global ends defined by great powers. Superpower military assistance is unlikely to be used for anything other than what the donor considers to be deflected purpose.

In Southeast and Northeast Asia, there are very great problems in finding skill levels necessary to utilize the sort of equipment which America or the USSR has available for defense forces. Pilot training, for example, for either jet or helicopter aircraft, is
technical, costly, and arduous for the small elite group that can
master the educational and organizational requisites of group combat.
The AID program in public safety has not been notably effective in
bringing specialized U.S. police equipment to the proper use of a
more effective Asian domestic law and order organization.

Money, invested in elections, skills, and elite morale, does not
always buy effectiveness and may have just the opposite effect. Timely
intervention in such a subtle, tenuous, and complex business as elite
politics is difficult for any foreign power. And which country can
reasonably make hard choices upon the advice of a government unwilling
to make its own hard choices about "fishing or cutting bait"?

A major imponderable in analysis, therefore, is the quantum, quality,
timeliness, "fit," and nature of the recipient of foreign assistance.
The constant factor is the desire of nationalist elites to maintain
maximum autonomy, and therefore a second imponderable, the uses to
which assistance will be put, clouds the 1980 picture. One can count
upon the other country's self-interest in every forecast, but it is
much more difficult to count upon national interests' changing definition
and upon its coincidence with that of a changing United States. The
tradeoff, therefore, is between an American policy-posture instrument
generated from domestic resources and mobilization -- U.S. blood and
gold -- and an uncertain "influenceable" instrument, born of expediency
and self-will, effective only when parallel with many variables, and
very difficult to control. The conclusion is inescapable; the instru-
mental flexibility and purposiveness that have characterized U.S.
foreign policy since 1945 are probable in 1980 only with U.S. Regime I,
which appears to most experts to be unlikely. Future U.S. diplomacy,
therefore, may usefully be forecast as being more accommodative than
directive. The policy implication of this forecast counsels a diplo-
macy of opportunism rather than continuing commitment: a flexible
diplomacy to match much weaker capabilities.

An interaction analysis of these five Asian powers in 1980 must
be based on a number of posited conditions of regime-type and capability.
From the foregoing analysis, it seems clear that an evangelical USSR,
a technocratic-military coalition CPR, a right-nationalist Japan, a
Fortress America, and a Disintegrated India all present salient problems for the stability of the strategic balance in Asia. The degree of autonomy and capability of such future regimes, when coupled with their policy propensities, establishes a range of change-producing vectors of interest to contingency planners. This particular set of future regimes would find a balance of power independent of U.S. commitments in Northeast Asia, and grave strategic instability benefitting the USSR in Southern Asia.

A major forecasting effort could work through various combinations of regimes, capabilities, and policy issues to provide a rich variety of forecasts. While salience dictates a somewhat limited range of interesting futures, further limiting can be accomplished by assigning odds to particular futures. By polling experts on the five countries, and perhaps on "prize lists" such as Southeast Asia or basing rights, an expert consensus in the context of the Delphi method can be constructed. Let us assume that such an exercise produced a probability range for the Asia of 1980 that acceded with the five regime types listed above as 0.5–0.7. At that point, detailed capability analysis, an estimate of possible strategic opportunities (from the prize list) and estimated outcomes from the play of the actors is justified.

22 While this research report is not grounded in a Delphi exercise, it is written to advocate such testing of this method of forecasting. Only in the empirical verification of outcome matrix and parametric resource forecasting assumptions will this advocacy be sustained.
V. RETROSPECTIVE OUTCOME ANALYSIS

Once the general context of a particular 1980 forecast is established, particular policy problems within it may be examined discretely. As a necessary concern, the analyst must make some attempt to reason through the chain of developments that would link the 1970 situation with the salient, probable future forecasted for 1980. This chain of development resembles a branching process in which trends, choices, the outcomes of various interactions, and unique events all determine new directions, and foreclose others. To retrospectively understand such a branching process requires a concern with both the forecast future and the present. Strong trends in the present are unlikely to be exhausted in their effect on the next decade, and therefore may be used to narrow the task of retrospective outcome analysis.

Thus, for example, if Japan's increasing technological capability and defense production investments now set into motion an increasingly independent weapons capability, one of the trends in U.S.-Japanese relationships is likely to be a decreasing intimacy of GPF planning and licensing between the two states and the rise of Japanese arms sales in the world. An increasingly visible Chinese strategic deterrence force, as a trend, might also weaken Japanese perceptions of the credibility of an automatic American commitment to Japan in case of Chinese-Japanese conflict, especially if it were oblique to American interest. This trend argues for increasing Japanese attention to a nuclear weapons capability. Trends of Japanese exports in, say, automobiles, coupled with a "Fortress America" might also lead to the rise of protectionism in the United States, and declining economic harmony. All of these trends have the effect of increasing Japanese autonomy of interest, capability, and outlook, and make the future much more an area of variable choice and uncertain opportunity than of extrapolation.

On the other hand, India's weak strategic posture vis-a-vis the Chinese, and its economic dependence upon the superpowers and the Western European states for spares, energy sources, and high technology imports over the next ten years is unlikely to make Indian elite propensities for an independent policy as real as Japanese capabilities for such an
independent policy. Changes in Japanese type of regime are an important variable in U.S.-Japan relations; changes in Indian type of regime are much less important because the Indian range of choice, at least in areas of fundamental American interest, is much less wide. A major change in the Indian growth rate, however, might well produce a more independent India by 1980, and that India would almost surely assert the status of a regional power in southern Asia. If that role is asserted by benefit of Soviet arms and American economic assistance, the autonomy of Indian strategic choices is much more limited than if the Indian economy autonomously can produce the means necessary to assert influence in the region.

Trend analysis, therefore, helps establish the range of variability of the future and of processes important to linking a forecasted future with the present. Outcome analysis, based on assessments of interstate relations, is also a useful controlling process. If one is concerned with Chinese policies in Southeast Asia, a trend analysis concerning Chinese military capabilities offers the picture of an autonomous and powerful China by 1980, facing (in the chosen 1980 context above) a distant United States and a "forward commitment" USSR. The key dimension to this forecast is that the Sino-Soviet relationship and pattern of interaction requires a major portion of Chinese strategic resources to be invested in counter-Soviet commitments. A Chinese bid for influence or hegemony in Southeast Asia would, therefore, confront a globally mobile Soviet military force, a rival center for Communist party direction, and a richer state preempting opportunities that its economy can offer. China's only advantage against a rich Japan, a nationalist Southeast Asia, and a hostile USSR would be military force, and that presumably would be counter-checked by the USSR as well as by nationalist regimes which might be aided as well by the United States. 23

Interactional analysis also offers some guidance in the Japanese case, since the pattern of Sino-Japanese and Russo-Japanese relations would have much to say about the access of the Chinese to proximate advanced technology, or of the Soviets to major developmental changes in the Soviet Far East. It is Japan which holds the key to this interaction.

23 This is in accordance with the latest Indian understanding of the Breznev doctrine of collective security for Asia with Soviet assistance.
set, however, and as with capabilities analysis, it emerges as the country whose range of choice produces the greatest potential for systematic change in the strategic environment.

It goes without saying that India's dependence upon external sources of technological, military, and capital assistance makes the nature of Indo-American, Indo-Soviet, and Sino-Soviet interactions of the greatest importance. A détente between the USSR and CPR would have the effect of making India's principal arms source the ally of its enemy, just as an Indian regime change that produced an anti-Communist regime in New Delhi might not have a fundamental effect on Indian policy because the new government, whatever its propensities, would have to continue to value its good relations with the USSR.

From the foregoing analysis of trends and interactions, it is clear that the range of choice varies as a function of autonomy, capability, and contingency. As security and capability increase, the range of choice increases. Countries like China and India are insecure and relatively incapable vis-à-vis their major rivals. Their autonomy, therefore, is quite limited by their predicament and the range of choice available to their decisionmakers will be circumscribed. The 1980 forecasts for a centrist India or a techno-military coalition in China both posit regimes that seek the most rapid development of capabilities while reducing active hostilities with their rivals. But the degree to which they might be successful, and hence shape the future, is narrowly confined. The Japanese, on the other hand, have quite fundamental security guarantees; their economy and technology give them a highly flexible capability; and their autonomy in a whole range of contingencies not involving the superpowers is therefore quite marked.

This leaves the unique event to be considered in retrospective analysis. Unique events are, obviously, formally unpredictable. Their effect on outcomes can only be estimated with reference to the relative importance of trends, choices, interactions, and fluidity of particular policy events. No forecast may be at the 1.0 confidence level because unique events cannot be integrated into a probability distribution. It is unclear whether a Delphi "odds" consensus on "fundamental change due to unique, unpredictable event" would yield any useful product.
Forecasts, like plans and like policy, are not analytically able to account for the effect of such events, although trends, interactions, and choices all restrict the magnitude of the effect such changes can have. All forecasts, therefore, can only deal with a part of change-producing phenomena; some uncertainty remains.

A final consideration in the process of retrospective linkage analysis concerns the sequence of events, all of which have important effects on the epigenesis of issues. For example, a more vigorous Japanese effort in Asian security would be welcome to the United States in 1970, but if a right-nationalist regime came to power and then began a vigorous expansion of forces and defense industry, the action would not be as welcome. A major Japanese effort to normalize relations with China, and a willingness to collaborate with China in defense production industry would be unacceptable in 1970, but following a Sino-Soviet war or an American normalization with China, such accommodative action might be quite acceptable. U.S.-Japanese relations, in the process, would become better or worse depending upon the sequence as well as the actual policy. A forecast of 1980, independent of the sequence-related evaluations of U.S.-Japanese relations, therefore, is a useful independent exercise, even if tempered with a concern for influencing change in the relationship.

For example, the Japanese expansion of forces following a right-nationalist regime change calls for some contingent American planning to influence the nature of the expansion and to use American economic instruments to ensure that Japanese strategic choices are compatible with U.S. interests. Similarly, a longer view of the Chinese relationship with the USSR might lead to a very different policy toward Japan if it developed intimate defense-related ties with China, and it might be in the interest of the United States to attempt to influence the development of GPF rather than strategic weapons systems.

Influence, however, requires not just plans but resources and will. Some trends in Asia between 1970 and 1980, for example the increasing political autonomy of Japan, are irreversible. Some interactions, like those between the USSR and the Asian countries, are unlikely to be fundamentally influenced by U.S. choices, and even if they might be receptive to such choices, the postulated United States of 1980 is unlikely to
have the resources and will to influence them. Unique events may neither 
be foreseen nor forestalled. Those developments, therefore, which are 
responsive to choice — other governments and ours — will be limited 
in their effect. Even assuming that the United States acknowledges the 
importance of the choices being made, the question will remain whether 
American resources and policy can be effectively committed to influence 
the choice.

The trends apparent in the 1970 strategic environment show a re-
ducing American profile in Asia, an increasing Soviet profile, increasing 
Japanese autonomy and capability, and Indian dependence upon external 
assistance, "loaned" capability. China's slow evolution of an indepen-
dent nuclear force for deterrence is thus far a defensive investment, 
not an offensive force, and China has developed neither the political 
appeal nor the strategic means to power to influence the shape of Asia 
in 1980 by conventional force or economic suasion. Without arresting 
its withdrawal from Asia, the United States therefore has two major 
options for influencing choices within prevailing trends and forecasts: 
the first is to parallel U.S. and Soviet interests in Asia, accepting 
the containment of China as a shared interest and cooperating with the 
USSR by parallel strategic policies; and the second is by maintaining 
an intimate political relationship with Japan, using the incentive of 
technological and economic interchange. Both of these strategies 
transfer the initiative to the other party, and require a diplomacy 
of accommodation rather than direction.