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Introduction

The Iraq War, the Afghan War, and the war on terrorism are all powerful warnings that the United States faces major new challenges to its national security. Any analysis of these challenges, and of the current pressures on U.S. military capabilities, however, must approach these subjects in a far broader context. It must attempt to deal with all of the complexity involved in assessing what America’s overall approach to strategy, force planning, programming, and budgeting should be.

There are important and immediate issues to be dealt with. The war on terrorism, the Afghan conflict, and the Iraq War have revealed that U.S. forces have serious limitations, even in fighting a single major regional contingency. Some of these limitations are the result of past mistakes and strategic failures; some are a matter of resources; some are matters of force structure; and some are the result of the fact that the United States must now adapt its tactics, training, and technology to deal with new kinds of threats.

It is clear that the United States must prepare to fight very different kinds of war with a far higher level of political content and vastly improve its capabilities for tasks like stability operations and nation building. Iraq, Afghanistan, and the broader war on terrorism have also shown that terrorists, insurgents, and other enemies can fight the United States using asymmetric methods that severely limit its advantages in conventional warfighting capability, technology, professionalism, and intelligence. The United States is being forced to make changes to its national strategy to fight a new kind of “long war” against transnational terrorism that is as much an ideological and a cultural struggle as a military one. These developments are forcing the United States to modify many aspects of its strategy, force posture, and military spending, and the way the rest of the federal government organizes for war.

None of the challenges the United States faces mean it cannot remain the world’s preeminent military power, although they do mean that the risks the United States
faces in military action have increased, and it is becoming steadily more dependent on its allies as well as regional friends and collective diplomatic and military action. The United States has demonstrated that it has an unparalleled capability to fight conventional wars and retains the world’s largest and most capable nuclear forces. It deploys its military forces on a global level, and it is supported by a mixture of formal and informal alliances that span the world.

The United States faces far fewer limits to its military capabilities than any potential enemy or rival nation-state. China is an emerging power, but will take a decade or more to seriously modernize its forces. Russia may be slowly recovering economically, but is making only faltering progress toward military reform. Europe has turned inward and is focused on its economic and social future. It acts, if at all, as either individual nations supporting the United States or NATO, or in peacemaking and humanitarian roles. The rest of the world is either allied to the United States or consists of third-rate military powers.

Yet, U.S. strategy and military planning must still recognize that wars like Iraq and Afghanistan are only one example of the kind of war the United States will have to fight in the future. The United States may have to fight major conventional wars in Korea or the Taiwan Strait, which might escalate to the use of nuclear weapons. It must deal with very different kinds of asymmetric threats like an Iran with massive revolutionary forces, long-range missiles, and possible future nuclear weapons. The United States cannot afford to shape or size its strategy, forces, and defense budgets around any one type of war or scenario; it has to find an affordable mix of capabilities that both deals with probable threats and sudden uncertainties.

More broadly, the United States needs to create new civil-military capabilities. It cannot perform key missions like conflict termination, stability operations, and nation-building without the ability to provide far more civilians who can support such military operations and the transition to creating stable postwar outcomes and states. The failures within the Department of Defense are matched by failures in the overall structure of the U.S. national security community and civilian departments and agencies. Effective transformation must go far beyond military forces; it must affect the entire U.S. government.

The United States also must reevaluate its recent approach to alliances and to the world. Military power is only one dimension of power, and the United States must learn that allies and friends must be treated as true partners and not as nations the United States can always lead. The United States needs to relearn a key lesson of the Cold War. This is not a unipolar world, and there are many times the United States should listen and follow. U.S. security depends on working out relations with competing powers, not on dominating them. U.S. strategy can succeed only by minimizing military intervention and relying primarily on patience, diplomacy, and collective action in concert with its allies and other states. A reliance on unilateralism and hard power can succeed only in alienating the world. No matter how well the United States shapes its military strength, multilateralism and soft power must still be the rule and not the exception.
THE RICH STATES HAVE MORE MONEY

Fortunately, the resource limits on U.S. defense efforts are far smaller than those faced by any potential threat or rival. Statistics on world military expenditures are notoriously uncertain, as are efforts to make direct comparisons of national military and security spending. In fact, the United States no longer attempts to make public estimates of global military spending in the *CIA World Factbook* and no longer publishes an annual report on *World Military Expenditures and Arms Transfers*.

Nongovernmental and UN reports generally have limited credibility. The International Institute of Strategic Studies (IISS), however, does draw on a variety of national inputs. The most recent data published by the IISS are compared in Figure 1.1. The IISS reports that the United States has spent well over $400 billion a year by its definition. This compares with a maximum of around $220 billion a year for NATO Europe, $65 billion for Russia, and less than $60 billion for China.¹

If one looks at total regional expenditures, the IISS estimates that the entire Middle East spends under $60 billion, all of East Asia (including China) spends some $165 billion, all of Central and Latin America spend around $25 billion, and all of Sub-Saharan Africa spend less than $8 billion. Even if one adds in the

![Figure 1.1 Comparative Military Spending in 2003](image-url)

supplemental costs of the Iraq War and the Afghan War—which are not counted in the IISS estimates—the United States has spent more than 50 percent of all the national security expenditures in the world in recent years.

Nevertheless, as the following chapters show, current U.S. military efforts put only limited pressure on the U.S. gross domestic product and the federal budget. In spite of the Iraq War, the Afghan War, and the war on terrorism, current U.S. military expenditures are close to a historic low as a percentage of both its post–World War II gross national product and total federal spending. U.S. defense manpower is lower than at any time since the beginning of World War II. There are many competing demands for U.S. defense expenditures, but by any practical standard, the current level of U.S. military efforts does not begin to “stretch” U.S. capacity to create much larger forces.

MORE EFFICIENT AND MORE EFFECTIVE FORCES

Money is only one measure of U.S. military power and effectiveness. The United States may face new challenges, but it has already made extraordinary qualitative advances in its forces. The United States has no monopoly on modern tactics, technology, and training or in creating modern professional forces. It is, however, the only nation that has as yet combined high spending levels with a systematic and effective effort to exploit what some have called the “revolution in military affairs.”

For all of the challenges the United States now faces in dealing with new kinds of warfare, the Gulf and Iraq wars have shown that the United States leads the world in many areas of military innovation. Moreover, recent wars have given the United States far more practical experience in actually making use of such changes than any other major power. Russia has learned little from its recent struggles in Chechnya and has only begun to modernize an obsolete force structure that used to emphasize mass over quality and relied on low-grade conscripts. China is more active in such modernization, but begins with far less modern forces and a far less developed military-industrial base.

Britain is the only European power with recent meaningful warfighting experience. Efforts to create collective “European” forces are largely rhetorical accounting exercises, and France is the only other European nation seeking modern power projection capability. Europe may be slow to emerge as any kind of independent military force, although the European Union is gradually creating a separate military identity from NATO. Europe does, however, have considerable influence over U.S. security actions that go beyond sheer military force—as French and German actions over the Iraq War made clear. Europe has also shown that it can play a major role in deploying both peacemaking forces and “soft power.”

The other regions of the world have some modern military powers like Israel and Japan, but they are comparatively small. The two Koreas represent a highly localized concentration of force, but one where U.S. long-range precision-strike capabilities make a decisive difference in the balance. Aside from a few emerging military powers such as India, most of the world’s other military forces consist of small,
uncoordinated powers that either have low rates of modernization or buy showpiece equipment they cannot properly man or sustain.

**U.S. Advantages in Conventional Warfare**

It may be decades before it is clear just how far current changes in technology and tactics will have a lasting impact in changing the nature of warfare and whether such changes can cope with the ability of resourceful enemies to adapt to them, but the United States has had lesson after lesson in how it should use its resources in improving and modernizing its capability to wage conventional war. For all of the problems the United States now faces in dealing with new kinds of warfare, the Gulf and Iraq wars have shown that the United States leads the world in several areas of military innovation:

- **Unity of command:** The level of unity of command, and “fusion,” achieved during the Gulf War was scarcely perfect, but it was far more effective than that possible in most states. Advanced powers have improved its unity of command and ability to conduct joint operations.

- **Jointness, combined operations, combined arms, and the “AirLand Battle”:** Advanced powers can use technology to train and integrate in ways that allow far more effective approaches to jointness, combined arms, and combined operations. They have developed tactics that closely integrate air and land operations.

- **Emphasis on maneuver:** The United States had firepower and attrition warfare until the end of the Vietnam War. In the years that followed, it converted its force structure to place an equal emphasis on maneuver and deception. This emphasis has been adopted by Britain and France and other advanced states.

- **Emphasis on deception and strategic/tactical innovation:** No country has a monopoly on the use of deception and strategic/tactical innovation. High-technology powers with advanced battle management and information systems will, however, be able to penetrate the enemy’s decision-making system and react so quickly that the opponent cannot compete.

- **“24-hour war”—Superior night, all-weather, and beyond-visual-range warfare:** “Visibility” is always relative in combat. There is no such thing as a perfect night vision or all-weather combat system, or way of acquiring perfect information at long ranges. Advanced technology air and land forces, however, have far better training and technology for such combat than they ever had in the past and are designed to wage warfare continuously at night and in poor weather. Equally important, they are far more capable of taking advantage of the margin of extra range and tactical information provided by superior technology.

- **Near real-time integration of C^4I/BM/T/BDA:** New C^4I/BM/T/BDA organization, technology, and software systems make it possible to integrate various aspects of command, control, communications, computers, and intelligence (C^4I); battle management (BM); targeting (T); and battle-damage assessment (BDA) to achieve a near real-time integration and decision-making—execution cycle.
• **A new tempo of operations:** Superiority in virtually every aspect of targeting, intelligence gathering and dissemination, integration of combined arms, multiservice forces, and night and all-weather warfare make it possible to achieve both a new tempo of operations and one far superior to that of the enemy.

• **A new tempo of sustainability:** Advanced forces will have maintainability, reliability, reparable, and the speed and overall mobility of logistic, service support, and combat support force activity that broadly match their maneuver and firepower capabilities. The benefits of these new capabilities are already reflected in such critical areas as the extraordinarily high operational availability and sortie rates of Western combat aircraft and the ability to support the movement of heliborne and armored forces.

• **Rapidly moving, armed, computerized supply and logistics:** Rather than steadily occupy and secure rear areas and create large logistic and rear-area supply forces, focus on creating computerized logistic systems capable of tracing the location of supplies and the needs of forward combat units. Send supplies and service support units forward to meet demand on a near real-time basis. Send supply, logistics, maintenance, and recovery units forward to meet demand using airpower and long-range firepower to secure the lines of communication and flanks of land forces. Arm and train logistic and service support units to defend themselves against insurgents and light attacking forces. Ensure that armor, rotary-wing, and fixed-wing combat units can move forward as quickly as possible.

• **Beyond-visual-range air combat, air defense suppression, air base attacks, and airborne C4I/BM:** The Coalition in the Gulf had a decisive advantage in air combat training, beyond-visual-range air combat capability, antiradiation missiles, electronic warfare, air base and shelter and kill capability, stealth and unmanned long-range strike systems, identification friend or foe and air control capability, and airborne C4I/BM systems like the E-3 and the ABCCC (Airborne Command and Control Center). These advantages allowed the Coalition to win early and decisive air supremacy in the Gulf and Kosovo conflicts and paralyze the Iraqi Air Force in the Iraq War. Advanced forces will steadily improve the individual capability of these systems and their integration into “netcentric” warfare.

• **Focused and effective interdiction bombing:** Advanced forces organize effectively to use deep strike capabilities to carry out a rapid and effective pattern of focused strategic bombing where planning is sufficiently well coupled to intelligence and meaningful strategic objectives so that such strikes achieve the major military objectives that the planner sets. At the same time, targeting, force allocation, and precision kill capabilities have advanced to the point where interdiction bombing and strikes are far more lethal and strategically useful than in previous conflicts.

• **Expansion of the battlefield: “Deep Strike”:** As part of its effort to offset the Warsaw Pact’s numerical superiority, U.S. tactics and technology emphasized using AirLand battle capabilities to extend the battlefield far beyond the immediate forward “edge” of the battle area (FEBA) using advanced near real-time targeting systems, precision weapons, and area munitions. The UN Coalition exploited the resulting mix of targeting capability, improved air strike capabilities, and land force capabilities in ways during the Gulf War that played an important role in degrading Iraqi ground forces during the air phase of the war, and which helped the Coalition break through Iraqi defenses and exploit the breakthrough. In Kosovo, the United States and NATO began to employ more
advanced deep strike targeting technologies and precision strike systems. These capabilities made striking further advances in the Iraq War, and far more advanced systems are in development.

- **Technological superiority in many critical areas of weaponry:** The West and some moderate regional states have a critical edge in key weapons like tanks, other armored fighting vehicles, artillery systems, long-range strike systems, attack aircraft, air defense aircraft, surface-to-air missiles, space, attack helicopters, naval systems, sensors, battle management, and a host of other areas. This superiority goes far beyond the technical edge revealed by “weapon-on-weapon” comparisons. Coalition forces exploited technology in “systems” that integrated mixes of different weapons into other aspects of force capability and into the overall force structure.

- **Integration of precision-guided weapons into tactics and force structures:** Advanced forces exploit a technical edge in the ability to use precision-guided weapons coupled to far more realistic training in using such weapons and in the ability to link their employment to far superior reconnaissance and targeting capability.

- **Realistic combat training and use of technology and simulation:** During the Gulf and Iraq wars, the United States and Britain took advantage of training methods based on realistic combined arms and AirLand training, large-scale training, and adversary training. These efforts proved far superior to previous methods and were coupled to a far more realistic and demanding system for ensuring the readiness of the forces involved. They show the value of kinds of training that allow forces to rapidly adapt to the special and changing conditions of war.

- **Emphasis on forward leadership and delegation:** Technology, tactics, and training all support aggressive and innovative leadership.

- **Heavy reliance on NCOs and highly skilled enlisted personnel:** Advanced forces place heavy reliance on the technical skills, leadership quality, and initiative of noncommissioned officers (NCOs) and experienced enlisted personnel.

- **High degree of overall readiness:** Military readiness is a difficult term to define since it involves so many aspects of force capability. All professional, combat-experienced forces that rely on high-technology training aids and netcentric systems do, however, have the ability to set more realistic standards for measuring readiness and ensuring proper reporting, and adequate funding over a sustained period of time.

These qualitative advantages more than offset the fact that the United States is not a “superpower” in quantitative terms. Figure 1.2 shows that other powers have substantially larger forces and that the number of forces the United States can credibly project in any one contingency is a small fraction of total U.S. forces. Numbers, however, cannot measure the impact of precision-guided weapons, advances in areas like stealth, “netting” forces for joint operations, and the other advances listed above.

The Vulnerabilities of Less Advanced Powers

Put differently, the United States has shown the world it is able to exploit a range of serious weaknesses in the conventional warfighting capabilities of less advanced powers. These weakness are largely the mirror image of the strengths inherent in
U.S. force transformation, and they are weaknesses few potential threat nations have any near-term hope of countering:

- **Authoritarianism and overcentralization of the effective command structure**: The high command of many countries is dependent on compartmentalized, overcentralized C⁴I/BM systems that do not support high tempo warfare, combined arms, or combined operations and lack tactical and technical sophistication. Many forces or force elements report through a separate chain of command. C⁴I/BM systems often are structured to separate the activity of regular forces from elite, regime security, and ideological forces. Systems often ensure major sectors and corps commanders report to the political leadership, and separations occur within the branches of a given service. Intelligence is compartmentalized and poorly disseminated. Air force command systems are small, unit oriented, and unsuited for large-scale force management. Coordination of land-based air defense and strike systems is poorly integrated, vulnerable, and/or limited in
volume-handling capability. Combined operations and combined arms coordination are poor, and command interference at the political level is common.

- **Lack of strategic assessment capability:** Many nations lack sufficient understanding of Western warfighting capabilities to understand the impact of the revolution in military affairs, the role of high-technology systems, and the impact of the new tempo of war. Other countries have important gaps in their assessment capabilities reflecting national traditions or prejudices.

- **Major weaknesses in battle management, command, control, communications, intelligence, targeting, and battle-damage assessment:** No Middle Eastern country except Israel has meaningful access to space-based systems, or advanced theater reconnaissance and intelligence systems, unless data are provided by states outside the region. Most lack sophisticated reconnaissance, intelligence, and targeting assets at the national level or in their individual military services. Beyond-visual-range imagery and targeting is restricted to largely vulnerable and easily detectable reconnaissance aircraft or low performance unmanned aerial vehicles (UAVs). Many rely on photo data for imagery and have cumbersome download and analysis cycles in interpreting intelligence. Many have exploitable vulnerabilities to information warfare. Most are limited in the sophistication of their electronic warfare, signals intelligence (SIGINT), and communications intelligence (COMINT) systems. Their communications security is little better, or worse, than commercial communications security. They have severe communications interconnectivity, volume handling, and dissemination problems. Additionally, they cannot provide the software and connectivity necessary to fully exploit even commercial or ordinary military systems. They lack the C4I/BM capability to manage complex deep strikes, complex large-scale armor and artillery operations, effective electronic intelligence, and rapid cycles of reaction in decision making.

- **Lack of cohesive force quality:** Most countries’ forces have major land combat units and squadrons with very different levels of proficiency. Political, historical, and equipment supply factors often mean that most units have much lower levels of real-world combat effectiveness than the best units. Further, imbalances in combat support, service support, and logistic support create significant additional imbalances in sustainability and operational effectiveness. Many states add to these problems, as well as lack of force cohesion, by creating politicized or ideological divisions within their forces.

- **Shallow offensive battlefields:** Most states face severe limits in extending the depth of the battlefield because they lack the survivable platforms and sensors, communications, and data processing to do so. These problems are particularly severe in wars of maneuver, in wars involving the extensive use of strike aircraft, and in battles where a growing strain is placed on force cohesion.

- **Manpower quality:** Many states rely on the mass use of poorly trained conscripts. They fail to provide adequate status, pay, training, and career management for NCOs and technicians. Many forces fail to provide professional career development for officers and joint and combined arms training. Promotion often occurs for political reasons or out of nepotism and favoritism.

- **Slow tempo of operations:** Most military forces have not fought a high-intensity air or armored battle. They are at best capable of medium-tempo operations, and their pace of operations is often dependent on the survival of some critical mix of facilities or capabilities.
• Lack of sustainability, recovery, and repair: These initial problems in the tempo of operations are often exacerbated by a failure to provide for sustained air operations and high sortie rates, long-range sustained maneuver, and battlefield/Combat Unit recovery and repair. Most forces are heavily dependent on resupply to deal with combat attrition, whereas Western forces can use field recovery, maintenance, and repair.

• Inability to prevent air superiority: Many states have far greater air defense capability on paper than they do in practice. Most have not fought in any kind of meaningful air action in the last decade, and many have never fought any significant air action in their history. C4I/IBM problems are critical in this near real-time environment. Most countries lack sophisticated air combat and land-based air defense simulation and training systems and do not conduct effective aggressor and large-scale operations training. Efforts to transfer technology, organization, and training methods from other nations on a patchwork basis often leave critical gaps in national capability, even where other capabilities are effective.

• Problems in air-to-air combat: Air combat training levels are often low and the training unrealistic. Pilot and other crew training standards are insufficient, or initial training is not followed up with sustained training. There is little effective aggressor training. Airborne warning and control system and ABCCC capabilities are lacking. Electronic warfare (EW) capabilities are modified commercial-grade capabilities. Most aircraft lack effective air battle management systems and have limited beyond-visual-range and lookdown/lookdown/shoot-down capability. Most air forces supplied primarily by Russia or Eastern European states depend heavily on obsolete ground-controlled vectoring for intercepts. Key radar and control centers are static and vulnerable to corridor blasting.

• Problems in land-based air defense: Many states lack anything approaching an integrated land-based air defense system and rely on outdated or obsolete radars, missile units, and other equipment. Other states must borrow or adapt air defense battle management capabilities from supplier states and have limited independent capability for systems integration—particularly at the software level. They lack the mix of heavy surface-to-air missile systems to cover broad areas or must rely on obsolete systems that can be killed, countered by EW, and/or bypassed. Most Middle Eastern short-range air defense systems do not protect against attacks with standoff precision weapons or using stealth.

• Lack of effective survivable long-range strike systems: Many nations have the capability to launch long-range effective air and missile strikes, but have severe operational problems in using them. Refueling capabilities do not exist or are in such small numbers as to be highly vulnerable. Long-range targeting and battle-damage assessment capabilities are lacking. Training is limited and unrealistic in terms of penetrating effective air defenses. Platforms are export systems without the full range of supplier avionics or missile warheads. Assets are not survivable or lose much of their effective strike capability once dispersed.

• Combined (joint) operations, combined arms, and interoperability: Many states fail to emphasize the key advances in the integration of warfighting capabilities from the last decade. They have not developed combined arms capabilities within each service, much less interservice joint warfare capabilities. When they do emphasize combined arms and joint operations, they usually leave serious gaps in some aspects of national warfighting capability. There is little or no emphasis on interoperability with neighboring powers.
• **Rough/special terrain warfare:** Although many forces have armed helicopters, large numbers of tracked vehicles, and can create effective rough terrain defenses if given time; they have problems in conducting high-tempo operations. Many tend to be road-bound for critical support and combined arms functions, and lack training for long-range, high-intensity engagements in rough terrain. Many are not properly trained to exploit the potential advantages of their own region. They are either garrison forces or forces that rely on relatively static operations in predetermined field positions. These problems are often compounded by a lack of combat engineering and barrier crossing equipment.

• **Night and all-weather warfare:** Most forces lack adequate equipment for night and poor-weather warfare and particularly for long-range direct and indirect fire engagement and cohesive, sustainable, and large-scale maneuver.

• **Armored operations:** Most countries have sharply different levels of armored warfare proficiency within their armored and mechanized forces. Few units have advanced training and simulation facilities. Most land forces have interoperability and standardization problems within their force structure—particularly in the case of other armored fighting vehicles where they often deploy a very wide range of types. Many are very tank heavy, without the mix of other land force capabilities necessary to deploy infantry, supporting artillery, and antitank capabilities at the same speed and maneuver proficiency as tank units. Most forces have poor training in conducting rapid, large-scale armored and combined operations at night and in poor weather. Effective battle management declines sharply at the force-wide level—as distinguished from the major combat unit level—and sometimes even in coordinating brigade or division-sized operations.

• **Artillery operations:** Many states have large numbers of artillery weapons, but serious problems in training and tactics. They lack long-range targeting capability and the ability to rapidly shift and effectively allocate fire. Many rely on towed weapons with limited mobility or lack off-road support vehicles. Combined arms capabilities are limited. Many units are effective in using mass fire only against enemies that maneuver more slowly than they do.

• **Attack and combat helicopter units:** Some countries do have elite elements, but many do not properly train their helicopter units or integrate them into combined or joint operations.

• **Commando, paratroop, and Special Forces:** Many countries have elite combat units that are high-quality forces at the individual combat unit level. In many cases, however, they are not trained or organized for effective combined and joint warfare or for sustained combat. This seriously weakens their effectiveness in anything but limited combat missions.

• **Combat training:** Training generally has serious problems and gaps, which vary by country. Units or force elements differ sharply in training quality. Training problems are complicated by conversion and expansion, conscript turnover, and a lack of advanced technical support for realistic armored, artillery, air-to-air, surface-to-air, and offensive air training. Mass sometimes compensates, but major weaknesses remain.

• **Inability to use weapons of mass destruction effectively:** Any state can use weapons of mass destruction to threaten or intimidate another or to attack population centers and fixed area targets. At the same time, this is not the same as having an effective capability and
doctrine to obtain maximum use of such weapons, or to manage attacks in ways that result in effective tactical outcomes and conflict termination. Many states are acquiring long-range missiles and weapons of mass destruction with very limited exercise and test and evaluation capabilities. This does not deny them the ability to target large populated areas, economic centers, and fixed military targets, potentially inflicting massive damage. At the same time, it does present problems in more sophisticated military operations. Many will have to improvise deployments, doctrine, and warfighting capabilities. In many cases, weaknesses and vulnerabilities will persist, and they will be able to exploit only a limited amount of the potential lethality of such systems.

THE LIMITS TO U.S. CAPABILITIES AND THE CHALLENGE OF ASYMMETRIC WARFARE

In spite of all these U.S. advantages in fighting conventional wars, however, the recent fighting in Iraq, Afghanistan, and against transnational threats like Al Qa’ida has shown that there are major gaps in U.S. capabilities that current and potential enemies can exploit. Some of these gaps are dictated by the size of U.S. forces and the problems it faces in power projection. China, North Korea, and Russia maintain massive conventional forces, and mass still tells. The threat of a major war between the Koreas and the escalation of a clash over the Taiwan Strait remain major threats. Even a nation like Iran has sufficient conventional capability to be a major deterrent to U.S. ability to actually invade and occupy its territory.

The technological advantages the United States now enjoys are also often going to be temporary and subject to the laws of diminishing returns as other nations approach U.S. levels of capability. Other powers and key potential enemies have realized that they can benefit from adapting the tactics, technologies, and training methods that have given the United States such outstanding conventional warfighting capabilities. The United States cannot ignore the fact that some potential threat nations can and will go further and eventually develop conventional warfighting capabilities that can compete directly with those of the United States.

Russia continues to develop highly advanced military technology and weapons systems. China is actively modernizing its forces in ways that improve its conventional capabilities, but also strengthen its nuclear forces and ability to wage asymmetric warfare. More than any other potential rival, it has sought to develop a new force structure that could both match the United States in some of the areas where it is strongest and exploit the areas where U.S. forces currently seem less capable. Chinese force transformation is only beginning to gather serious momentum, but it represents the one serious effort to bring new and different mixes of tactics, training, and technology together in a form that is truly innovative and modern.

The United States may not want peer competitors or the rebirth of a multipolar world, but it will happen. Much of America’s present qualitative edge will inevitably diminish or vanish as nations like China modernize their forces. The United States has recognized this reality in its new national strategy and in the Quadrennial Defense Review it issued in February 2006.2
The choices of major and emerging powers, including India, Russia and China, will be key factors in determining the international security environment of the 21st century.

India is emerging as a great power and a key strategic partner. On July 18, 2005 the President and Indian Prime Minister declared their resolve to transform the U.S.–India relationship into a global partnership that will provide leadership in areas of mutual concern and interest. Shared values as long-standing, multi-ethnic democracies provide the foundation for continued and increased strategic cooperation and represent an important opportunity for our two countries.

Russia remains a country in transition. It is unlikely to pose a military threat to the United States or its allies on the same scale or intensity as the Soviet Union during the Cold War. Where possible, the United States will cooperate with Russia on shared interests such as countering the proliferation of weapons of mass destruction, combating terrorism, and countering the trafficking of narcotics. The United States remains concerned about the erosion of democracy in Russia, the curtailment of non-governmental organizations (NGOs) and freedom of the press, the centralization of political power and limits on economic freedom. Internationally, the United States welcomes Russia as a constructive partner but views with increasing concern its sales of disruptive weapons technologies abroad and actions that compromise the political and economic independence and territorial integrity of other states.

Of the major and emerging powers, China has the greatest potential to compete militarily with the United States and field disruptive military technologies that could over time offset traditional U.S. military advantages absent U.S. counter strategies. U.S. policy remains focused on encouraging China to play a constructive, peaceful role in the Asia-Pacific region and to serve as a partner in addressing common security challenges, including terrorism, proliferation, narcotics and piracy. U.S. policy seeks to encourage China to choose a path of peaceful economic growth and political liberalization, rather than military threat and intimidation. The United States’ goal is for China to continue as an economic partner and emerge as a responsible stakeholder and force for good in the world.

China continues to invest heavily in its military, particularly in its strategic arsenal and capabilities designed to improve its ability to project power beyond its borders. Since 1996, China has increased its defense spending by more than 10% in real terms in every year except 2003. Secrecy, moreover, envelops most aspects of Chinese security affairs. The outside world has little knowledge of Chinese motivations and decision-making or of key capabilities supporting its military modernization. The United States encourages China to take actions to make its intentions clear and clarify its military plans. Chinese military modernization has accelerated since the mid-to-late 1990s in response to central leadership demands to develop military options against Taiwan scenarios.

The pace and scope of China’s military build-up already puts regional military balances at risk. China is likely to continue making large investments in high-end, asymmetric military capabilities, emphasizing electronic and cyber-warfare; counter-space operations; ballistic and cruise missiles; advanced integrated air defense systems; next generation torpedoes; advanced submarines; strategic nuclear strike from modern, sophisticated land and sea-based systems; and theater unmanned aerial vehicles for employment by the Chinese military and for global export. These capabilities, the vast distances of the Asian theater, China’s continental depth, and the challenge of en route
and in-theater U.S. basing place a premium on forces capable of sustained operations at
great distances into denied areas.

The United States will work to ensure that all major and emerging powers are inte-
grated as constructive actors and stakeholders into the international system. It will also
seek to ensure that no foreign power can dictate the terms of regional or global security.
It will attempt to dissuade any military competitor from developing disruptive or other
capabilities that could enable regional hegemony or hostile action against the United
States or other friendly countries, and it will seek to deter aggression or coercion. Should
deterrence fail, the United States would deny a hostile power its strategic and operational
objectives.

Shaping the choices of major and emerging powers requires a balanced approach, one
that seeks cooperation but also creates prudent hedges against the possibility that co-
operative approaches by themselves may fail to preclude future conflict. A successful
hedging strategy requires improving the capacity of partner states and reducing their vul-
nerabilities. In this regard, the United States will work to achieve greater integration of
defensive systems among its international partners in ways that would complicate any
adversary’s efforts to decouple them. The United States will work with allies and partners
to integrate intelligence sensors, communication networks, information systems, missile
defenses, undersea warfare and counter-mine warfare capabilities. It will seek to
strengthen partner nations’ capabilities to defend themselves and withstand attack,
including against ambiguous coercive threats.

The United States needs to shape its strategy and force plans around the fact that it
has never been a military “superpower” in the sense that it has had enough military
strength to dominate every military encounter anywhere in the world. It has always
faced severe limits and risks in using military force, particularly where it has faced
major powers like Russia and China or in conflicts involving nations with different
cultures and religions. Its ability to project air and missile power, or control sea-
lanes, has never been matched by a similar ability to project land power, and much
of its strength has always been dependent on its structure of formal and informal
alliances.

The breakup of the Soviet Union and the dissolution of the Warsaw Pact may have
deprived the United States of a direct military rival, but “globalism” and massive
changes in the world economy are creating rivals of a very different kind. The United
States may not want national or regional rivals, but the reemergence of a more multi-
polar world is almost inevitable. This, in turn, will increase the challenge to U.S.
capabilities imposed by time, distance, and geography. The United States must act
regionally, regardless of its global capabilities, and fighting half way across the world
is still a daunting challenge. The United States also cannot always choose its enemies
according to its own priorities or concentrate its forces accordingly. History has
shown that U.S. power projection must be equally capable to dealing with conven-
tional threats all over the world, and often in unexpected areas and with little
warning.

Most important, the United States faces an increasing range of threats that do not
rely on conventional forces. The United States faces new threats from nonstate actors
and from combinations of hostile states and nonstate actors. These include threats like neo-Salafi Islamist extremist groups such as Al Qa’ida that oppose the United States on ideological and religious grounds and fight through combinations of asymmetric warfare and terrorism. Such nonstate actors cannot be defeated simply by defeating their “fighters” or destroying their leadership. New movements will emerge and old movements will mutate as long as the ideological, cultural, political, and economic forces that create such movements continue to exist. Many such nonstate actors already consist of clusters of affiliated groups that do not have formal ties or clear hierarchies. Defeating any given groups or element is at best a tactical victory. New or existing movements will adapt and expand to take their place.

**U.S. Military Vulnerabilities**

Both states and nonstate actors can fight the United States at political and ideological levels where U.S. military strength cannot determine the outcome. They can also attack the United States using insurgency, terrorism, and other asymmetric means where the United States has less or no advantage because of its conventional and nuclear strength. The most important near- and midterm challenge the United States faces is that the world does not have to fight the United States on its own terms. Conventional combat is only one way of waging war or exerting military power. The fighting in Iraq and Afghanistan has made it clear that U.S. preeminence in conventional warfighting does not mean the United States has any lead in counterterrorism or counterinsurgency, that it has mastered conflict termination, or that it is effective in stability operations and nation building.

The United States has entered the war on terrorism, the Afghan conflict, and the Iraq conflict with a force posture and national security system designed to fight states and the conventional forces of the Cold War and has shown it has many gaps and shortcomings in dealing with the new kind of wars that the United States now has to fight. These struggles have all exposed many of the long-standing vulnerabilities that the United States had previously exposed in Vietnam, Lebanon, Haiti, and Somalia, as well as new ones:

- **Sudden or surprise attack**: Power projection is dependent on strategic warning, timely decision making, and effective mobilization and redeployment for much of its military effectiveness.

- **Saturation and the use of mass to create a defensive or deterrent morass**: There is no precise way to determine the point at which mass, or force quantity, overcomes superior effectiveness, or force quality—historically, efforts to emphasize mass have been far less successful than military experts predicted at the time. Even the best force, however, reaches the point where it cannot maintain its edge in C4I/battle management, air combat, or maneuver warfare in the face of superior numbers or multiple threats. Further, saturation may produce a sudden catalytic collapse of effectiveness, rather than a gradual degeneration from which a high-technology force dependent upon such
systems recover. This affects forward deployment, reliance on mobilization, and reliance on defensive land tactics versus preemption and “offensive defense.”

- **Limited capability to take casualties:** Warfighting is not measured simply in terms of whether a given side can win a battle or conflict, but how well it can absorb the damage inflicted upon it. Many powers are highly sensitive to casualties and losses. This sensitivity may limit its operational flexibility in taking risks and in sustaining some kinds of combat if casualties become serious relative to the apparent value of the immediate objective.

- **Limited ability to inflict casualties and collateral damage:** Dependence on world opinion and outside support means some nations increasingly must plan to fight at least low- and mid-intensity conflicts in ways that limit enemy casualties and collateral damage to its opponents.

- **Low-intensity and infantry/insurgent dominated combat:** Low-intensity conflict makes it much harder to utilize most technical advantages in combat—because low-intensity wars are largely fought against people, not things. Low-intensity wars are also highly political. The battle for public opinion is as much a condition of victory as killing the enemy. The outcome of such a battle will be highly dependent on the specific political conditions under which it is fought, rather than RMA-like capabilities.

- **Hostage-taking, kidnapping, executions, and terrorism:** Like low-intensity warfare, hostage taking, kidnapping, executions, and terrorism present the problem that advanced technology powers cannot exploit their conventional strengths and must fight a low-level battle primarily on the basis of infantry combat. Human intelligence (HUMINT) is more important than conventional military intelligence, and much of the fight against terrorism may take place in urban or heavily populated areas.

- **Urban and built-up area warfare:** Advanced military powers are still challenged by the problems of urban warfare. In spite of the performance of U.S. forces in the Iraq War, cases like Fallujah’s and Sadr’s urban operations have shown that truly pacifying a hostile city or built-up area can be extremely difficult. It also is not clear what would happen if a more popular regime—such as the government of Iran—tried to create an urban redoubt. Moreover, most Western forces are not trained or equipped to deal with sustained urban warfare in populated areas during regional combat—particularly when the fighting may affect large civilian populations on friendly soil.

- **Extended conflict and occupation warfare:** Not all wars can be quickly terminated, and many forms of warfare—particularly those involving peacekeeping and peace enforcement—require prolonged military occupations. The result imposes major strains on the United States politically, economically, and militarily.

- **Weapons of mass destruction:** The threat or actual use of such weapons can compensate for conventional weakness in some cases and deter military action in others.

- **Proxy warfare and false flags:** As the Lockerbie case demonstrated, states can successfully carry out major acts of terrorism through proxies without having their identity quickly established or suffering major military retaliation. Al Khobar is a more recent case where Iran’s full role still remains uncertain and no retaliation has occurred. Similarly, the various charges that Iraq was the source of the first World Trade Center attack, and the conspiracy theories that follow, indicate that false flag operations are feasible. So do
the number of terrorist incidents where unknown groups or multiple groups have claimed responsibility, but the true cause has never been firmly established.

- **HUMINT, area expertise, and language skills:** U.S. and Western capabilities to conduct operations requiring extensive area knowledge and language skills are inherently limited. Similarly, high-technology intelligence, surveillance, and reconnaissance (IS&R) assets have not proved to be a substitute for HUMINT sources and analytical skills, although they can often aid HUMINT at both the operational and analytical levels.

- **Attack rear areas and lines of communication:** The United States talks about “swarm theory” and discontinuous battlefields, but Iraqi regular and irregular forces quickly learned—as Iraqi insurgents did later—that U.S. rear area, support, and logistic forces are far more vulnerable than U.S. combat elements. Such “swarming” may be slow, if irregular forces are not in place, but potential opponents understand this and can fight discontinuous battles of their own.

- **Political, ideological, and psychological warfare:** As has been discussed earlier, the United States is vulnerable to such attacks on the grounds of ethnicity, religion, its status as a superpower active in the region, and its ties to Israel. Ironically, some can exploit its ties to moderate and conservative regimes on the grounds it fails to support reform, while others can exploit its efforts to advance secular political and economic reforms on the grounds they are anti-Islamic.

### Threat of Asymmetric Innovation

Experts may indulge in petty semantic arguments over whether the United States must now call such forms of warfighting “asymmetric,” “irregular,” or “fourth-generation war.” The fact remains that guerrilla, terrorist, and insurgent movements have repeatedly shown that they can exploit such vulnerabilities. It has also been shown that they now are able to draw on the history of past successes, adopt new tactics proven by other movements and actors on a near real-time basis, and innovate on their own.

For all the talk of such conflicts involving new forms of warfare, there is a vast pool of historical experience that such attackers can draw upon. The United States sometimes confuses an enemy’s knowledge of history with innovation, largely because Americans do not have the same collective memory as states and movements in the region. Hostile actors can draw on a long historical menu of past tactics and their results and adapt them to specific tactical circumstances. One has only to read Sun Tzu to find that many of the tactics that today’s nonstate actors exploit in Afghanistan and Iraq are the same as those that other practitioners of asymmetric and irregular warfare have practiced for centuries.

In fact, America’s very strengths have forced many of its enemies to find new ways to exploit its weaknesses. As a result, Iraq and Afghanistan have provided so many case examples of “lessons” that mix innovation with historical experience that it is possible only to touch upon some of the more specific “innovations” that insurgents have used in Iraq and Afghanistan, but even a short list is impressive:
• **Attack the structures of governance and security by ideological, political, and violent means:** Use ideological and political means to attack the legitimacy of the government and the nation-building process. Intimidate and subvert the military and security forces. Intimidate and attack government officials and institutions at the national, regional, and local levels. Strike at infrastructure, utilities, and services in ways that appear to show the government cannot provide essential economic services or personal security.

• **Create alliances of convenience and informal networks with other groups to attack the United States, moderate regional governments, or efforts at nation building:** The informal common fronts operate on the principle that the “enemy of my enemy” is my temporary friend. At the same time, movements “franchise” to create individual cells and independent units, creating diverse mixes of enemies that are difficult to attack.

• **Link asymmetric warfare to crime and looting; exploit poverty and economic desperation:** Use criminals to support attacks on infrastructure and nation-building activity, raise funds, and undermine security. Exploit unemployment to strengthen dedicated insurgent and terrorist cells. Blur the lines between threat forces, criminal elements, and part-time forces. At the same time, insurgents and Islamists have shown a steadily more sophisticated capability to exploit holidays, elections and other political events, and sensitive targets both inside the countries that are the scene of their primary operations and in the United States and the West. Attacks on Kurdish and Shi’ite religious festivals and the Madrid bombings are cases in point.

• **Push “hot buttons.” Try to find forms of attack that provoke disproportionate fear and “terror” and force the United States and its allies into costly, drastic, and sometimes provocative responses:** Terrorists and insurgents have found that attacks planned for maximum political and psychological effects often have the additional benefit of provoking overreaction. Hamas and the PIJ exploited such tactics throughout the peace process.

The U.S. response to the attacks on the World Trade Center and the Pentagon led to U.S. overreactions—particularly at the media and Congressional levels—that helped alienate the Arab and Islamic worlds from the United States. At a different level, a limited anthrax attack had a massive psychological impact in the United States, inflicted direct and indirect costs exceeding a billion dollars, drew immense publicity, and affected the operations of a key element of the U.S. government for several weeks.

• **Use media as an intelligence and communication system and for information warfare:** Islamist movements, Palestinian groups, and many others have learned how to capture maximum exposure in regional media, use the Internet, and above all exploit the new Arab satellite news channels. In contrast, U.S. officials often confuse their occasional presence with successful impact.

• **“Game” and manipulate regional, Western, and other outside media:** Use interview access, tapes, journalist hostage takings and killings, politically led and motivated crowds,
drivers, and assistants to journalists, and timed and targeted attacks to attempt to manipulate Western and outside media. Manipulate U.S. official briefings with planted questions.

- **Externalize the struggle:** Bring the struggle home to the United States and its allies as in the cases of the World Trade Center, the Pentagon, and Madrid. Get maximum media and political impact. Encourage a “clash between civilizations.” Avoid killing fellow Muslims and collateral damage. Appear to be attacking Israel indirectly. Undermine U.S. ties to friendly Arab states.

- **Use Americans and other foreigners as proxies:** There is nothing new about using Americans and other foreigners as proxies for local regimes or attacking them to win support for ideological positions and causes. There has, however, been steadily growing sophistication in the timing and nature of such attacks and in exploiting softer targets such as American businessmen in the country of operations, on striking at U.S. and allied targets in other countries, or in striking at targets in the United States. It is also clear that such attacks receive maximum political and media attention in the United States.

- **Attack UN, NGO, embassies, aid personnel, and foreign contractor business operations:** Attacking such targets greatly reduces the ability to carry out nation building and stability operations to win hearts and minds. Attacking the “innocent,” and curtail their operations or driving organizations out of the country, has become an important focus of insurgents and Islamist extremist attacks.

- **“Horror” attacks, atrocities, and alienation:** Whether or not the tactics were initially deliberate, insurgents in Iraq have found that atrocities like desecrating corpses and beheadings are effective political and psychological weapons for those Islamist extremists whose goal is to divide the West from the Islamic world and create an unbridgeable “clash of civilizations.”

  Experts have long pointed out that one of the key differences between Islamist extremist terrorists and previous forms of terrorists is that they are not seeking to negotiate with those they terrorize, but rather to create conditions that can drive the West away, undermine secular and moderate regimes in the Arab and Islamic worlds, and create the conditions under which they can create “Islamic” states according to their own ideas of “Puritanism.”

  This is why it serves the purposes of Islamist extremists, as well as some of the more focused opponents of the United States and the West, to create massive casualties and carry out major strikes, or carry out executions and beheadings, even if the result is to provoke hostility and anger. The goal of Osama bin Laden and those like him is not to persuade the United States or the West; it is rather to so alienate them from the Islamic and Arab worlds that the forces of secularism in the region will be sharply undermined and Western secular influence can be controlled or eliminated. The goal of most Iraqi insurgents is narrower—drive the United States and its allies out of Iraq—but involves many of the same methods.

  Seen in this context, the more horrifying the attack, or incident, the better. Simple casualties do not receive the same media attention. They are a reality of war. Killing (or sometimes releasing) innocent hostages does grab the attention of the world media. Large bombs in crowds do the same, as does picking targets whose innocence or media
impact grabs headlines. Desecrating corpses, beheadings, and similar acts of violence get even more media attention—at least for a while.

Such actions also breed anger and alienation in the United States and the West and provoke excessive political and media reactions, more stringent security measures, violent responses, and all of the other actions that help provoke a clash of civilizations. The United States and the West are often provoked into playing into the hands of such attackers.

At the same time, any attack or incident that provokes massive media coverage and political reactions appears to be a “victory” to those who support Islamist extremism or those who are truly angry at the United States—even though the actual body count is often low, and victory does not mean creating stronger forces or winning political control. Each such incident can be used to damage the U.S. and Western view of the Arab and Islamic worlds.

- Keep “failed states” failed and/or deprive local governments and nation-building efforts of legitimacy. Attack nation building and stability targets: There is nothing new about attacking key economic targets, infrastructure, and aspects of governance critical to the functioning of the state in an effort to disrupt its economy, undermine law enforcement and security, and encourage instability. The Al Qa’ida and Taliban attacks on road works and aid workers; Iraqi insurgent and Islamist attacks on aid workers and projects; and their role in encouraging looting, sabotage, and theft does, however, demonstrate a growing sophistication in attacking stability efforts and tangible progress in aid and governance. These tactics also interact synergistically with the above tactics.

- Confuse the identity of the attacker; exploit conspiracy theories: Insurgents and Islamists have learned that a mix of silence, multiple claims to be the attacker, new names for attacking organizations, and uncertain levels of affiliation all make it harder for the United States to respond. They also produce more media coverage and speculation. As of yet, the number of true false-flag operations has been limited. However, in Iraq and elsewhere, attacks have often been accompanied by what seems to be deliberate efforts to advance conspiracy theories to confuse the identity of the attacker or to find ways to blame defenders of the United States for being attacked. In addition, conspiracy theories charging the United States with deliberately or carelessly failing to provide an adequate defense have been particularly effective.

- Shelter in mosques, shrines, high-value targets, and targets with high cultural impact: Again, exploiting facilities of religious, cultural, and political sensitivity is not a new tactic. However, as operations against Sadr and in Fallujah have shown, the tactics raise the media profile, create a defensive deterrent, and can be exploited to make the United States seem anti-Islamic or to be attacking a culture and not a movement.

- Exploit, exaggerate, and falsify U.S. attacks that cause civilian casualties and collateral damage, friendly fire against local allies, and incidents where the United States can be blamed for being anti-Arab and anti-Islam: Terrorists and insurgents have found they can use the media, rumor, and conspiracy theories to exploit the fact the United States often fights a military battle without proper regard to the fact it is also fighting a political, ideological, and psychological war.

Real incidents of U.S. misconduct, such as the careless treatment of detainees and prisoners and the careless and excessive security measures are cases in point. So too are careless political and media rhetoric by U.S. officials and military officers.
Bin Laden, the Iraqi insurgents, etc., all benefit from every Western action that unnecessarly angers or frustrates the Arab and Islamic worlds. They are not fighting to influence Western or world opinion; they are fighting a political and psychological war to dominate Iraq and the Arab and Islamic worlds.

- **Mix crude and sophisticated IEDs**: Hezbollah should be given credit for having first perfected the use of explosives in well-structured ambushes, although there is nothing new about such tactics—the Afghans used them extensively against the Soviets. Iraq has, however, provided a unique opportunity for insurgents and Islamist extremists to make extensive use of improvised explosive devices (IEDs) by exploiting its mass stocks of arms. The Iraqi attackers have also learned to combine the extensive use of low-grade IEDs, more carefully targeted sophisticated IEDs, and very large car bombs and other devices to create a mix of threats and methods that is much more difficult to counter than reliance on more consistent types of bombs and target sets.

- **Suicide bombs, car bombs, and mass bombings**: The use of such tactics has increased steadily since 1999, in part due to the high success rate relative to alternative methods of attack. It is not always clear that suicide bombing techniques are tactically necessary outside struggles like the Israel-Palestinian conflict, where one side can enforce a very tight area and perimeter, and point target security. In many cases, timed devices might produce the same damage.

Events in Iraq have shown, however, that suicide bombers still have a major psychological impact and gain exceptional media attention. They also serve as symbols of dedication and commitment, can be portrayed as a form of Islamic martyrdom, and attract more political support and attention among those sympathetic to the cause involved.

At the same time, regional experts must be very careful about perceiving such methods of attack as either a recent development or as Islamic in character. For instance, Hezbollah used suicide bombings in the 1980s, with an attack on the U.S. Embassy in Beirut in 1981 and in six attacks in 1983 killing 384 people—including 241 U.S. Marines. Moreover, Hindu terrorists and the Tamil Tigers made extensive use of suicide bombings long before the Palestinians. In fact, Hindu terrorists still lead in the amount of suicide bombings committed by a particular group. The Tamil Tigers have carried out 168 such attacks since 1987 versus 16 for Hezbollah versus Israel (1983–1985), 44 for the Palestinians (1999–2004), and 28 for Al Qa'ida (1999–2004). A profiling of the attackers in some 168 attacks also found that only a comparative few could in any sense be called religious fanatics rather than believers in a cause.3

- **Attack lines of communication (LOCs), convoys and logistic movements, rear areas, and support activity**: Iran and Afghanistan have shown that dispersed attacks on logistics and support forces often offer a higher chance of success than attacks on combat forces and defended sites and make the fight based on “deep support” rather than on “deep strikes” beyond the FEBA.

- **Better use of light weapons and more advanced types; attack from remote locations or use timed devices**: While much will depend on the level of insurgent and Islamist extremist access to arms, Iraq and Afghanistan have seen a steady improvement in the use of systems like mortars and antitank weapons and efforts to acquire Manpads, antitank guided missiles (ATGMs), mortars, rockets, and timed explosives. The quality of urban and road ambushes has improved strikingly in Iraq, as has the ability to set up rapid attacks and exploit the vulnerability of soft-skinned vehicles. Hezbollah successfully
exploited such weapons in its war with Israel in 2006 and showed that nonstate actors are capable of making effective use of advanced ATGMs, antiship missiles, and the threat of using advanced short-range air defense systems.

- Create informal distributed networks for C^4IBM and IS&R—deliberately or accidentally:
  Like drug dealers before them, Islamist extremists and insurgents have learned enough about COMINT and SIGINT to stop using most vulnerable communications assets and to bypass many—if not most—of the efforts to control cash flow and money transfers.

  The use of messengers, direct human contact, and more random methods of electronic communication are all cases in point. At the broader level, however, insurgents in Iraq seem to have adapted to having cells and elements operate with considerable autonomy and by loosely linking their operations by using the media and reporting on the overall pattern of attacks to help determine the best methods and targets.

  Smuggling, drug sales, theft and looting, and direct fund transfers also largely bypass efforts to limit operations through controls on banking systems, charities, etc. Under these conditions, a lack of central control and cohesive structure may actually be an asset, allowing highly flexible operations with minimal vulnerability to roll-up and attack.

  The existence of parallel, and not conflicting, groups of hostile nonstate actors provides similar advantages and has the same impact. The fact that insurgent and Islamist extremist groups operate largely independently, and use different tactics and target sets, greatly complicates U.S. operations and probably actually increases overall effectiveness.

The war on terrorism, the Afghan conflict, and the Iraq War are only the most recent catalysts teaching state and nonstate actors to exploit these vulnerabilities. Other post–Cold War struggles like the Western intervention in Bosnia and Kosovo, peacemaking efforts in Lebanon, nation building in Somalia, and civil struggles in places like Chechnya and Sri Lanka have all shown that such tactics are often the only options that offer a credible hope of deterrence or victory against the United States.

**THE CHANGING STRATEGIC ENVIRONMENT: THE “LONG WAR”**

As a result, the United States is forced to look far beyond the challenges of any “overstretch” emerging from the Iraq War and focus on the emerging strategic environment that it now calls the “long war.” The United States not only faces a strategic environment that is very different from the strategic environment it faced in structuring its forces to fight during the Cold War, it faces far more challenges than it did immediately after “9/11,” when it first defined its response to what it then called the “global war on terrorism” or “GWOT.”

The real message of the Iraq War is not that there is a major strain on U.S. forces because of the overall size of its forces, because of the limits imposed by current levels of U.S. defense spending, or because of any strain military spending puts on the U.S. economy. It is rather that the United States has driven other powers to try to emulate
some aspects of U.S. advances in conventional warfare. Warfare is scarcely an exercise in Newtonian physics, but every reaction does tend to create an equal and opposite reaction.

Recent wars have driven both hostile states and nonstate actors to find asymmetric or “irregular” ways of fighting the United States in precisely those areas where its gaps and shortcomings are greatest. Nations and nonstate actors have already shown that they can use tactics like terrorism, covert attack, insurgency, wars of attrition, and a host of other means to fight the United States below the threshold of operations where it can take advantage of its superior conventional capabilities.

The United States must redefine force transformation to fight on the ideological, political, and asymmetric levels, as well as the conventional and nuclear levels. It must also be prepared for long wars of attrition where opponents seek to create sanctuaries and centers of operation, and to dominate countries and regions in terms of a hostile or insurgent presence, rather than defeat U.S. forces in battle. The center of gravity in such wars is not military in the classic sense; it is political, ideological, and perceptual. Civil-military and stability operations, nation building, and conflict termination may all be as important, or more important, than tactical success. In fact, military success without political and ideological success may often prove as irrelevant as it did in Vietnam.

The Threat of Nonstate Actors

U.S. ideological, political, and military vulnerabilities do not provide most hostile or potentially hostile states with a clear way of defeating the United States if the United States determines that stakes are worth escalating to the point where it is willing to use decisive military action. Few regimes are strong and capable enough to risk trying to exploit such vulnerabilities if the United States is determined to pursue a truly critical national interest. Moreover, such tactics often sharply increase the cost of combat to the nations that use them, as well as to the United States, and greatly increase the risk the United States will escalate to remove the regime involved—if this is not part of the original war plan.

This scarcely means that hostile states will not try to exploit U.S. weaknesses if they perceive their own critical interests to be at stake. Nations will pursue the best option they have under duress. They have the option of trying to use violent extremist groups and other nonstate actors as proxies to carry out covert attacks and/or to attempt false-flag operations. Moreover, the distinction between state and nonstate actors is often blurred for other reasons. Failed states with weak or ineffective governments, states involved in civil war, and states that are on the edge of dividing along sectarian, ethnic, or other lines do not have regimes that can be deterred, held responsible, or attacked along conventional military lines. For all intents and purposes, they are nations of nonstate actors.

Many of the vulnerabilities in U.S. warfighting capabilities do, however, tend to favor attacks by nonstate actors. Like many similar wars before them, the Iraq and Afghan conflicts have shown nonstate actors face fewer problems than hostile states
in exploiting asymmetric warfare and U.S. and allied vulnerabilities. Such conflicts, and the outcome of a host of major terrorist incidents, have all shown how difficult it is to deter and defeat true ideologues, those who are willing to be “martyrs,” and those who believe their cause is predetermined to win and will survive even if they and their movement are destroyed. They have shown that insurgents and terrorist groups can hide and disperse in ways that national forces cannot and that some are willing to take serious losses to achieve an ideological or political goal.

Moreover, these wars have shown that nonstate actors now operate in informal and loosely affiliated global networks that draw on the Internet, DVDs and videotapes, cell phones, and satellites to carry out their own “revolution in military affairs.” They also have shown that extremist and insurgent movements carefully study the history of past terrorist/asymmetric warfare/unconventional warfare attacks and work from a long menu of options. They use both history to try to repeat past successes and modern communications to avoid repeating tactics after they fail.

Several key nonstate actors have shown they can do a better job than states at fighting at the political and ideological levels. Movements like Al Qa’ida have shown that even the most successful U.S. tactical victories can sometimes be turned into reasons for calling the United States an enemy of Islam, getting media coverage hostile to the United States, and recruiting new cadres. At the risk of using a terrible pun, post–Cold War conflicts and terrorism have shown that the United States is culturally vulnerable to eschatological warfare and has serious trouble in countering the extremist ability to climb the “eschatological ladder.”

The United States again has recognized these shifts as a key aspect of its most recent Quadrennial Defense Review: 4

“globalization” enables many positive developments such as the free movement of capital, goods and services, information, people and technology, but it is also accelerating the transmission of disease, the transfer of advanced weapons, the spread of extremist ideologies, the movement of terrorists and the vulnerability of major economic segments. The U.S. populace, territory and infrastructure, as well as its assets in space, may be increasingly vulnerable to these and a variety of other threats, including weapons of mass destruction, missile and other air threats, and electronic or cyber-attacks.

“globalization” also empowers small groups and individuals. Nation-states no longer have a monopoly over the catastrophic use of violence. Today, small teams or even single individuals can weaponize chemical, biological and even crude radiological or nuclear devices and use them to murder hundreds of thousands of people. Loosely organized and with few assets of their own to protect, non-state enemies are considerably more difficult than nation-states to deter through traditional military means. Non-state enemies could attempt to attack a wide range of targets including government facilities; commercial and financial systems; cultural and historical landmarks; food, water, and power supplies; and information, transport, and energy networks. They will employ unconventional means to penetrate homeland defenses and exploit the very nature of western societies—their openness—to attack their citizens, economic institutions, physical infrastructure and social fabric.
The threat to the U.S. homeland, however, is broader than that posed by terrorists. Hostile states could also attack the United States using WMD delivered by missiles or by less familiar means such as commercial shipping or general aviation. They could attack surreptitiously through surrogates. Some hostile states are pursuing advanced weapons of mass destruction, including genetically engineered biological warfare agents that can overcome today’s defenses. There is also a danger that the WMD capabilities of some states could fall into the hands of, or be given to, terrorists who could use them to attack the United States.

The Threat of Ideology and Alliance

Afghanistan and Iraq have shown just how well enemies can successfully challenge the United States on political, ideological, and cultural terms. The world perceives the United States as a largely Christian nation, allied to a Jewish state, fighting Islamist extremist enemies that consist of loose and ever-changing “networks” of affiliated groups and cells. So far, the United States has not been able to demonstrate that it can convince the world, particularly the Islamic world, that its commitment to democracy, “globalism,” and secular culture is the path that other states and cultures should follow.

The United States faces an ideological challenge from a range of Islamist extremist movements that have developed methods of complex insurgency that allow them to attack the United States both below and above its threshold of conventional operations. At the tactical level, the United States faces a mix of informal networks of extremist and terrorist groups that have a host of low-cost ways of challenging or attacking the United States and its allies. At the grand strategic level, the United States faces an ideological struggle that is religious and focused on Islam, not Western political values or economic systems.

This struggle has several new elements to which the United States must now respond:

- The ideological threat is not driven by Western values or the norms of Western culture: The United States and its allies know how to carry out ideological struggles based on secular political and economic values. Islamic extremism, however, is based on a rejection of such values. It is not concerned with democracy, communism, or fascism; it is concerned with religion and specifically with Islamic norms and values. Issues like human rights and the rule of law are seen from the perspective of a different culture and often the perspective and priority of religious law. The United States is not seen in terms of its own self-image, but as an alien “crusader,” “imperialist,” and “occupier” that rejects Islam and does not respect Muslims or Arabs. Moreover, Islamic extremism rejects most Middle Eastern regimes, and local reformers, for many of the same reasons. Its goal is religious Puritanism and a unified Islam defined by its own rules and terms.

For those who support such movements, this struggle is one about religious ideology and ideas, not about who wins battles or Western concepts of democracy. It also is a belief structure that lends itself to wars of attrition and which does not see victory or defeat in national terms. They are well aware that the United States was pushed out of
Lebanon and Somalia and that it won every important battle in Vietnam and still lost the war at the political, psychological, and ideological levels. For many Islamist extremists, defeat at the tactical or even organizational level is far less important than winning what they perceive as political, psychological, and symbolic victories. This not only helps explain their actions in Afghanistan and Iraq, but throughout the Islamic world and in the West.

- It is a transnational struggle fought by many different movements with no clear hierarchy and relying on informal and constantly changing networks and patterns of affiliation: The United States, most Arab and Islamic states, and many other nations are now fighting various forms of asymmetric struggle against Islamist extremists. The Afghan and Iraq conflicts are just one set of lessons in such warfare.

It is far from clear that the United States yet knows how to win this broader war on terrorism. While Al Qa’ida’s initial leadership cadre has taken serious losses since September 11, 2001, a recent IISS estimate indicates that its strength has probably grown if one counts the full range of affiliates throughout the world. Some estimates indicate that as many as 70,000–100,000 men have been trained in various camps in Afghanistan, the Philippines, and elsewhere in the Muslim world in recent decades, and religious schools throughout the Middle East still train young men in Islamist extremist beliefs. The growing anger over the Israeli-Palestinian conflict and the U.S. and British roles in Iraq have served as another cause of new cadres of terrorists, Islamist extremists, and insurgents.

The situation in Afghanistan and Iraq is still fluid, whereas Pakistan remains a question mark. Regional governments have done far better and have generally brought Islamic extremists under control or have defeated them, but there still is fighting at some level in Algeria, Egypt, Libya, Morocco, and Saudi Arabia. Moreover, extremist cells or movements still exist—many growing in strength—in virtually every Arab or Islamist country.

- Many of the underlying forces that cause such threats are coupled to much broader political, social, economic, and ideological struggles within the developing world—and particularly the Arab and Islamic worlds: Figure 1.3 shows that much of the world is still being driven by a lack of global economic competitiveness, slow rates of growth in per capita income, rapid population growth, and a virtual “youth explosion” in a region where unemployment is already critically high.

Failed secularism is a problem at the ideological and political levels. Secular regimes are often repressive and ineffective and do not meet social and economic challenges. Traditional political parties and ideologies like Pan-Arabism, Arab socialism, Marxism, and free market capitalism have failed at the popular level and many turn back to Islam and social custom.

The resulting “clash within a civilization” can lead to either evolution or revolution, and it inevitably interacts with Islamist extremism. These forces create an ongoing and much broader-based political, psychological, and ideological struggle for influence throughout the Middle East.

So far, the United States has shown limited skill in dealing with this ideological struggle. American public diplomacy is weak, underfunded, and undermanned, and often highly ethnocentric U.S. policy is faltering and there often is far too little useful substance to “sell.” U.S. attempts at political, psychological, and information warfare
often do far more to build false confidence than defeat Islamist extremists or influence perceptions in the region.

- **The means of attack are escalating to include proliferation by both states and nonstate actors:** Both hostile state and nonstate actors see weapons of mass destruction as a potential way of compensating for conventional weakness. Nations are still comparatively slow to develop chemical, biological, radiological, and nuclear (CBRN) weapons, but slow does not mean that the threat is not growing. Iraq has failed to retain its weapons of mass destruction, but India and Pakistan have not. Iran and North Korea seem determined to develop nuclear forces. A range of Islamist extremist movements have examined the option of acquiring various CBRN weapons, and Al Qa’ida has made crude attempts to acquire them. Proliferation by nonstate actors is particularly dangerous because extremist movements seek such weapons to magnify the nature of the attack, not to deter or defend.

The United States has recognized these threats in the National Strategy it issued in 2006 and in the Quadrennial Defense Review Report it issued in February 2006. It recognized the need to focus on stability and operations in Department of Defense Directive 3000.05, “Military Support for Stability, Security, Transition, and Reconstruction (SSTR) Operations, which it issued on November 28, 2005.” They are key centers of attention in the new U.S. Army and U.S. Marine Corps field

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**Figure 1.3 Regional Breakdown of Poverty in Developing Countries (Less Than $2 Daily Income)**

<table>
<thead>
<tr>
<th>Region</th>
<th>1990</th>
<th>2002</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Asia and Pacific</td>
<td>1116.0</td>
<td>748.0</td>
<td>260.0</td>
</tr>
<tr>
<td>China</td>
<td>825.0</td>
<td>533.0</td>
<td>181.0</td>
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<tr>
<td>Rest of East Asia and Pacific</td>
<td>292.0</td>
<td>215.0</td>
<td>78.0</td>
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<tr>
<td>Europe and Central Asia</td>
<td>23.0</td>
<td>76.0</td>
<td>39.0</td>
</tr>
<tr>
<td>Latin America and Caribbean</td>
<td>125.0</td>
<td>119.0</td>
<td>106.0</td>
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<tr>
<td>Middle East and North Africa</td>
<td>51.0</td>
<td>61.0</td>
<td>40.0</td>
</tr>
<tr>
<td>South Asia</td>
<td>958.0</td>
<td>1091.0</td>
<td>955.0</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>382.0</td>
<td>516.0</td>
<td>592.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2654.0</strong></td>
<td><strong>2611.0</strong></td>
<td><strong>1993.0</strong></td>
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</table>

<table>
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<tr>
<th>Region</th>
<th>1990</th>
<th>2002</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Asia and Pacific</td>
<td>69.9</td>
<td>40.7</td>
<td>12.7</td>
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<td>China</td>
<td>72.6</td>
<td>41.6</td>
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<td>Latin America and Caribbean</td>
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<td>77.8</td>
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<td>Sub-Saharan Africa</td>
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<td>67.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60.8</strong></td>
<td><strong>49.9</strong></td>
<td><strong>32.8</strong></td>
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manuals on counterinsurgency issued in December 2006, and the focus of major new training programs in each military service.6

But this does not mean that the United States is ready to meet such threats or has effective plans to do so. The United States has shown that it is still inept in dealing with many aspects of political, psychological, and information warfare, and it can be self-deluding and ethnocentric in dealing with different religions, ideologies, and cultures. It has shown that its advantages in defeating conventional forces do not extend to dispersed asymmetric warfare and that its current forces have been vulnerable to strategic overstretch in trying to carry out counterinsurgency and stability operations in even one major contingency. Unless the United States adapts to fight new kinds of war on a continuing and more realistic basis, it risks winning military engagements and losing the real war.

The United States has also shown that it cannot win such wars unless it learns how to succeed in conflict termination and win the peace. Iraq and Afghanistan have made it clear that unless the United States makes stability and nation building a goal and course of action from the first day of planning, then throughout the course of combat, and from the “stabilization” phase to a true peace, its so-called revolution in military affairs will be a tactical triumph and a grand strategic failure.

**Uncertain Coalitions of the Willing**

Finally, there has been another important, if less threatening, change in the security environment. The Iraq War has made it clear that the United States no longer benefits from the polarization of the Cold War and its focus on the secular differences between alliances based on democracy and a Soviet empire based on “communism.” More than at any time since the beginning of World War II, the United States needs to firmly understand that it cannot lead its allies unless it treats them as partners, listens to their concerns and advice, and defers to them when necessary.

This is even truer in the many parts of the world where the United States does not share a common culture, political system, or set of values. The Iraq and Afghan conflicts are just two of the wars that have shown the United States must now deal with nations and cultures with different religions and values. It also faces a world in which many and where many such states and the people feel that the United States is an outside power that is a crusader and a “neoimperialist.”

The idea that the United States can lead and other nations must follow has already been proven decisively wrong, and at a high cost to some key allies like Britain. Elsewhere, U.S. political and military power is also limited by the fact that it is becoming steadily more dependent on local allies and coalitions of the willing. The twenty-first century West is no more united than ancient Greece, and the United States cannot compel loyalty or support from any regional power, no matter how small. Formal alliances do not bind a single ally to follow the U.S. lead or to provide political, military, and economic support. If anything, the Iraq War has been a warning that no power can lead where others do not follow.
A CLIMATE OF ONGOING CHALLENGES

Any discussion of the strains or overstretch in U.S. forces must consider all these realities in the context of both current U.S. military capabilities and what the United States can and should do to improve them. It is always easy to postulate some crisis in U.S. defense, exaggerate trends, and postulate some simple solution. As the following chapters show, however, the United States scarcely has “hollow forces.” Iraq, Afghanistan, and the war on terrorism have not strained its forces to the breaking point or even engaged most of its high-technology strike forces. It does not face crippling resource problems, and it continues to innovate. There is no evidence that its current military efforts place a serious strain on its economy or that it cannot sustain a similar level of military effort indefinitely.

Yet, the United States not only needs to adapt to the long war, it needs to broadly reshape many other aspects of its strategy and defense plans, decide what national and federal resources to allocate to defense, deal with the problems in force transformation, and restructure its approach to alliances and coalitions.

Recent conflicts have shown that there are ten major types of challenges that require attention over the next few years or during the coming decade:

- **Challenge One** is the extent to which strategic and planning problems in Iraq and in meeting other U.S. strategic commitments have created the present strains on our forces. It is time to remember that major failures in planning and policy can put serious strains on virtually any force the United States can afford.

- **Challenge Two** is determining the level of burden that defense should place on the national economy and federal spending. The United States must decide on the future priority defense should have in American society and determine what level of national effort is affordable and justified.

- **Challenge Three** is meeting the needs of the U.S. active and reserve military. The United States not only faces serious recruiting and retention problems, it has violated the unwritten “social contract” that has made an all-volunteer military possible.

- **Challenge Four** is the challenge of measuring the extent to which the United States has too few forces or the wrong forces. “More” can be the answer to virtually every problem, but resources are always limited in the real world, and trade-offs and prioritization are necessary.

- **Challenge Five** is determining what kind of force transformation is affordable and needed and the extent to which it can or cannot deal with the other aspects of overstretch. Transformation is far easier to postulate than execute, and transformational strategy and doctrine are meaningless and wasteful unless they take the form of a successful Future Year Defense Program (FYDP) and National Budget. At the same time, the United States must make the transition from a “legacy force” shaped for conventional warfare to one that can also support counterinsurgency, counterterrorism, stability and peacemaking operations, and homeland defense.

- **Challenge Six** is dealing with the legacy of Cold War transformation programs and past efforts at force transformation that are fundamentally unaffordable. It is dealing with the reality that “cost containment” is now a leading priority for virtually every aspect of
procurement and dealing with technology in force transformation. Yet, it is equally important to find the right balance among modernization, continued technological change, and tactical and strategic innovation.

• **Challenge Seven is the challenge of creating an effective interagency capability to perform national security missions.** The current U.S. approach is to layer committee on committee and leave “jointness” largely to the military. New intelligence structures have been created that partly act in parallel with the interagency bodies operating under the nominal direction of the National Security Council. The Office of the Vice President has become another parallel policy structure, as have some functions of the Office of Homeland Defense. The United States needs both a new form of civil-military partnership and a new interagency process capable of planning and managing military, stability, and peacemaking operations on an integrated basis. This process must also (1) tie the use of military force to strategic and grand strategic assessment of risk; (2) integrate the military with political, diplomatic, and economic operations; and (3) emphasize successful conflict termination, stability operations, and nation building.

• **Challenge Eight is creating effective local forces and capabilities for government.** This means creating new approaches to interoperability and alliances on the national level, such as creating effective Iraqi forces and effective Iraqi capabilities for governance that are necessary to allow the United States to reduce its presence and expenditures in Iraq. It is also the broader need to determine the extent to which we can and cannot create effective allied capabilities for asymmetric warfare, counterinsurgency, and counterterrorism.

• **Challenge Nine is the challenge of dealing with the problem of alliances, international cooperation, and interoperability at the regional and global levels.** The United States cannot create an effective force structure on its own. It can solve the problem of overstretch only by creating a more effective structure of regional security partnerships and alliances.

• **Challenge Ten is the challenge of responsibility.** It is one of finding ways that actually hold senior civilian and military policy makers responsible for achieving success, for realism and transparency in their actions, and for solving key long-standing problems in areas like procurement and cost containment.

No single analysis can fully cover every aspect of these challenges. There are too many uncertainties involved and too many complex variables. At the same time, there is a serious danger in not providing an overview of how each challenge affects U.S. security and attempting some integrated approach to suggesting solutions. Whatever the United States does, it must make hard trade-offs throughout its entire national security community. To do so with success, it must find some integrative course of action that ties together the efforts of the U.S. government into a far more effective interagency process and links U.S. efforts to those of its friends and allies.

This analysis attempts this task in ways that focus on options for improving the existing structure of the U.S national security apparatus and particularly on the efforts of the Department of Defense. It does not attempt to examine the full range of options for radical defense reform, nor does it attempt to deal with broader grand strategic issues like globalism, whether the United States is becoming an imperial
power, the role of soft power and civil society, the future of arms control, or ways to make the “international community” more effective.

These are all important issues, and the United States will have to deal with them on an ongoing basis. There is a limit, however, to what any given analysis can cover, and this study focuses on the challenges the United States must deal with over the next few years, and certainly no later than the early years of the next Administration. The most pressing task, however, is to adapt to the immediate challenges Iraq, Afghanistan, and the long war pose to transforming both U.S. strategy and the U.S. force posture and to do so in ways the United States can actually implement and afford.
Challenge One: The Extent to Which Strategic and Planning Problems in Iraq and in Meeting Other U.S. Strategic Commitments Have Created the Present Strains on Our Forces

Ideology and the arrogance of power are no substitute for reality and a strategy based upon it. Even the best strategy cannot be imposed on a constantly changing reality, and nothing about the U.S. strategy in the Iraq War indicates the United States has pursued the best available options. If anything, Iraq is a grim warning for the United States. For all of America’s strengths, the claim that the United States is the “world’s only superpower” ignores the fact that it has many critical limitations. The United States may have immense power and influence, but it cannot shape the world. In fact, there are many areas in the world where the best U.S. strategy is to avoid or minimize involvement, and especially to avoid the use of force.

Whatever else the Iraq War may reveal about the nature and adequacy of U.S. strategy and forces, it has been a practical demonstration of the limitations to U.S. power. It has shown that the United States must find the best match it can among strategy, force plans, programs, and actual resources. It has also shown that rethinking U.S. strategy, force plans, and defense expenditures is a constant necessity. Military history provides a long series of warnings that planning for the last war can be a recipe for losing the next and that a contingency plan rarely predicts the forces needed for the future; Iraq is yet another example.

“OVERSTRETCH” IN IRAQ AS A PRODUCT OF STRATEGIC MISTAKES

Many of the following chapters focus on problems in resources, manpower, force plans, procurement and technology, and other more tangible forms of defense