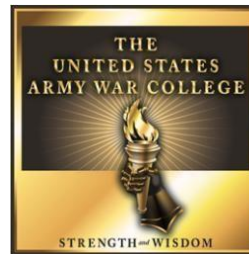


Managing Strategic Discontinuity: Historical Lessons to Guide Current Strategy

by

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United States Army War College
Class of 2015

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USAWC STRATEGY RESEARCH PROJECT

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The United States stands amid a strategic discontinuity – a period when unpredictable, unforeseen, and rapid changes occur that confound or disrupt previous expectations or estimates. A sudden shift in the external environment challenging status quo world order produces a discontinuity, as does a sudden transition in U.S. domestic interests or public will. Currently, rising powers and non-state actors challenge U.S. hegemony militarily and economically. Domestic fiscal uncertainty threatens critical funding sources for development and execution of the national instruments of power. Two discontinuities in U.S. history surface for their similarity to today's environment – the post-Vietnam era and the post-Cold War timeframe. Following the Vietnam War, dramatic change occurred, but the U.S. assessed the new strategic environment and ultimately achieved new, prioritized goals. Short of such assessment after the Cold War, the U.S. failed to identify significant changes in the strategic environment, leading to major missteps later. U.S. leadership can apply lessons from these events to determine the best approach for managing the current discontinuity.

Managing Strategic Discontinuity: Historical Lessons to Guide Current Strategy

The United States stands at a crossroads. The global environment is increasingly dynamic. Rising powers and non-state actors challenge U.S. hegemony militarily and economically. Domestic fiscal uncertainty threatens critical funding sources for development and execution of the national instruments of power. Facing an uncertain future, outcomes could depend dramatically on choices and actions the U.S. makes now. The nation is amid a strategic discontinuity – a period when unpredictable, unforeseen, and rapid changes occur that confound or disrupt previous expectations or estimates. A sudden shift in the external environment challenging status quo world order produces a discontinuity, as does a sudden transition in U.S. domestic interests or public will. The nation faced strategic discontinuities previously, and if it responds appropriately, will absorb the current discontinuity to remain the dominant global power.

Two discontinuities in U.S. history surface for their similarity to today's environment. Following the Vietnam War, dramatic change occurred, but the U.S. assessed the new strategic environment and ultimately achieved new, prioritized goals. Short of such assessment after the Cold War, the U.S. failed to identify significant changes in the strategic environment, leading to major missteps later. The U.S. currently stands in a strategic discontinuity strikingly similar to those of the post-Vietnam era and post-Cold War timeframe. U.S. leaders can apply lessons from these events to determine the best approach for managing the current discontinuity by understanding the strategic environment in these three timeframes, understanding the national response to that environment, and discerning lessons applicable today.

Such analysis begins by describing a framework that enables a structured approach to strategy formulation and providing a common reference point for definitions of strategy and grand strategy. The framework then drives exploration of the current national strategic posture with analysis of the environment and documented ends, ways and means. Strategic risk results with any imbalance in ends, ways, and means. Analyzing risks in the previous strategic contexts – post-Cold War and post-Vietnam – leads to recommendations for today’s strategy. Ultimately, managing the current strategic discontinuity requires identification and prioritization of national objectives and a strengthened approach to interagency solution development.

Strategy Formulation Process

A framework for strategy formulation forms the basis for strategic analysis and provides a common lexicon and structure for the plethora of factors influencing the environment. Many methods are available. The U.S. Army War College provides a framework for developing or analyzing strategy, which enables the strategist to articulate important external influences on the strategy and those driving its development. This framework, shown in Figure 1, enables discussion of such points including domestic and global forces and trends.

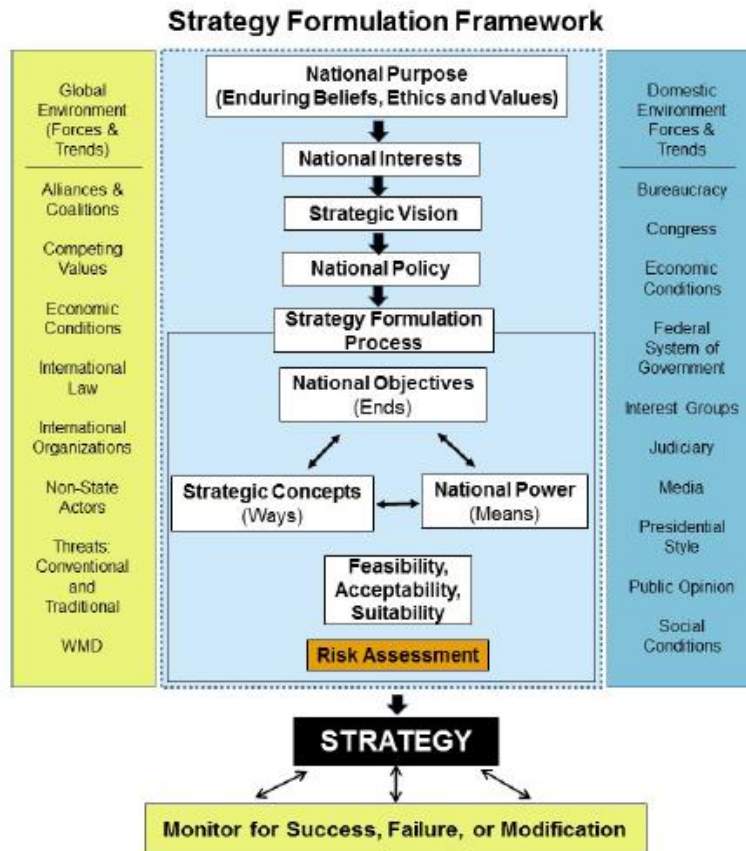


Figure 1. USAWC Strategy Formulation Framework¹

As with any representation of a dynamic system, a linear depiction of the strategy formulation framework is not completely accurate. For instance, national interests within the global environment drive the types and amounts of resources necessary, but domestic forces and trends could limit the available resources, requiring a more iterative process.² Still, this framework enables a structured approach to understanding the strategic environment and its major influencing factors.

Equally important is a common reference for the terms strategy and grand strategy. Generically, strategy is defined as the use of available resources (means), through specific methods (ways), to achieve objectives (ends), giving rise to the ends-ways-means paradigm. *Strategy* applies within the context of a single instrument of national power. It describes how a specific military capability, for instance, could

achieve a national objective. *Grand* strategy, on the other hand, is the application of resources *plus* the development of those resources and how the nation allocates resources across *all* instruments of national power.³ It provides the strategic dimension of national policy, such as containment, describing how all elements of national power interact towards national objectives. Common definitions for strategy and grand strategy, set within a framework for strategy analysis, enable exploration of the current strategic posture.

Current Strategic Environment

Current documentation describes the strategic environment as highly dynamic and comprising a wide variety of security threats. The National Security Strategy (NSS) articulates the United States' highest level of strategic guidance. The 2015 NSS refers to "complex times" with "no shortage of challenges," describing a wide array of threats the U.S. faces now and in the future from nations, non-state actors, and failed states.⁴ The President and the Secretary of Defense released Defense Strategic Guidance (DSG) in January 2012, still useful for reference since it introduced the strategic rebalance to the Pacific. It describes a profound and broad range of challenges facing the nation's future.⁵ Likewise, the Department of Defense, in its 2014 Quadrennial Defense Review (QDR), highlighted "a rapidly changing security threat" in a world becoming "more volatile, more unpredictable, and in some instances more threatening to the United States."⁶

Indeed, today's strategic environment is best described as volatile, uncertain, complex and ambiguous (VUCA).⁷ Volatility stems from the rapid pace at which changes occur, coupled with uncertainty in their true meaning and frequent inability to form factual bases for full understanding. This environment is also a complex system of

systems, making isolation of singularities impossible without considering important second or third order negative effects. Finally, uncertainty in events and actors drives ambiguity, precluding clarity on which response is best. Specific actions – Russian advances in Crimea, Chinese actions in the South China Sea, or extremist activity, for example – have erupted rapidly on the world stage, proven difficult to handle in isolation, and had wide-ranging, global implications.

This VUCA strategic environment is especially problematic given today's high-technology battlefield. Force disparity results when only select countries are able to field advanced weaponry. Fielding such weaponry also requires funding extensive maintenance, training, and support efforts to continue operating them. However, once an actor develops such capabilities, it is open to asymmetric, low-technology threats.⁸ Thus the term VUCA, coupled with a wide array of high- and low-technology threats, best explains the current strategic environment.

Current Ends

After understanding the environment, the strategist must identify desired ends. The NSS identifies U.S. strategic goals, and the 2015 document professes continued commitment to our enduring national interests:

“...security of the United States, its citizens, and U.S. allies and partners; a strong, innovative, and growing U.S. economy in an open international economic system that promotes opportunity and prosperity; respect for universal values at home and around the world; and a rules-based international order advanced by U.S. leadership that promotes peace, security, and opportunity through stronger cooperation to meet global challenges.”⁹

Aside from these national interests, it also directs prioritization against these top strategic challenges:

1. Catastrophic attack on the U.S. homeland or critical infrastructure;

2. Threats or attacks against U.S. citizens abroad and our allies;
3. Global economic crisis or widespread economic slowdown;
4. Proliferation and/or use of weapons of mass destruction;
5. Severe global infectious disease outbreaks;
6. Climate change;
7. Major energy market disruptions; and
8. Significant security consequences associated with weak or failing states.¹⁰

Together, these provide a broad set of international and domestic strategic ends anchored in enduring U.S. national interests and values within the current strategic environment.

Current Ways

The 2015 NSS also describes the manner in which the nation should achieve those goals. It directs continued global leadership and comprehensive engagement for the nation to remain in a leadership position on the international stage. The U.S. is to execute this leadership through U.S. strength and example, with capable partners, using all instruments of national power, and with a long-term perspective. Additionally, the NSS explains that beyond the large ground wars in Iraq and Afghanistan, the U.S. will advance the rebalance to Asia and the Pacific.¹¹ By doing so, it implies a continued change in focus – and by extension, presence – from the Middle East to the Pacific. At the same time, it declares a premium on U.S. and allied presence and partner nation support to:

1. Combat the persistent threat of terrorism;
2. Build capacity to prevent conflict;
3. Prevent the spread and use of weapons of mass destruction;

4. Assure access to shared spaces;
5. Strengthen our enduring alliance with Europe;
6. Seek stability and peace in the Middle East and North Africa; and
7. Deepen economic and security cooperation in the Americas.¹²

With emphasis on using all instruments of national power under the backdrop of a strategic rebalance applied in a wide array of venues, it is useful to determine how the Department of State and Department of Defense describe their efforts to achieve these strategic ends.

The 2010 Quadrennial Diplomacy and Development Review (QDDR) – the first document of its kind – explains that the State Department will primarily accomplish national strategic goals through improved internal coordination. Unifying and focusing various State Department agencies' efforts for increased effectiveness enables the State Department and USAID to provide the strategic framework necessary to accomplish stated goals. These agencies also prevent and respond to crises, conflict, and instability by creating better ways to coordinate civil and military operations in the field. Finally, they will create additional offices to oversee and unite departmental capabilities and develop stronger capabilities in the Civil Response Corps.¹³ In short, the QDDR professes accomplishing strategic ends through better management and improved internal/external coordination.

From the Department of Defense perspective, the 2012 DSG states that a rebalance is necessary to accomplish strategic ends.¹⁴ First, Defense will refocus on the full spectrum of possible operations instead of just high-end operations. It is also necessary to rebalance overseas force posture to ensure achievement of strategic ends

in the Pacific, Middle East, Persian Gulf, and Asia. Capability, capacity, and readiness require rebalancing as well, based on near-term funding priorities. Finally, rebalancing the “tooth and tail” force mix, while eliminating headquarters and staff personnel enables the Department to focus available resources on developing and maintaining necessary combat power.¹⁵ The Defense Department will rebalance operations focus, force posture, and force development in response to identified strategic ends.

At the national level, the President directed an interagency approach leveraging all instruments of national power. The intent is to execute continued American leadership on the international stage and accomplish national interests. In kind, the State and Defense Departments each stated that some level of restructure or reprioritization of resources along with increased or improved coordination is necessary.

Government departments and agencies are ineffective when operating independently in today’s strategic environment. As such, the U.S. leverages the interagency process to develop coordinated response options. The current process is a series of meetings between relevant departments and agencies at increasingly higher levels. Each President uses this process and the National Security Council slightly differently, but in general, when issues arise, Interagency Policy Committees (IPCs) perform the lowest level of coordination. The Deputies Committee then reviews and monitors IPC activities, and as policy takes shape, the Principals Committee meets for policy consideration. Ultimately, the National Security Council approves the proposed policy.¹⁶ This interagency process intends to apply the best combination of all national power instruments to the issue at hand.

Current Means

Instruments of national power are the overarching means available to meet strategic ends, and generally fall within four primary categories: diplomatic, informational, military, and economic. Detailed analysis of the first three is beyond the scope of this effort, but they do require brief description for context. Diplomacy influences an actor's decision-making short of war and is exercised through relationships and/or negotiations. It often combines with other forms of national power through diplomatic maneuver or coercive diplomacy.¹⁷ Diplomatic means attempt to motivate the other party to the will of the U.S. in furtherance of strategic ends.

The information instrument includes strategic communications and intelligence. Strategic communications as an instrument of national power is best described as communicating to a target audience in order to persuade a change in attitude while ensuring that new attitude influences political outcomes in a positive direction.¹⁸ It effectively communicates a message and populates that message with information influencing a positive outcome for national strategic goals. Intelligence processes provide policy makers with available information and understanding about the target audience and environment.¹⁹ Therefore, the information element of national power includes intelligence as well.

The military instrument includes military forces themselves, along with the posture they project and operations they execute. Leadership can leverage units and weaponry to achieve stated objectives through operations ranging from engagement and peacekeeping to force application. Military personnel can participate in exercises and training events, or deliver humanitarian assistance. Today's Joint Force can project

power through the land, maritime, air, space, and cyberspace domains across the full range of military operations.

The economic instrument of national power requires more attention. This instrument has two dimensions: external and internal. Leadership applies such power externally through economic statecraft, the use of economic or financial tools, and relationships to achieve foreign policy objectives. Sanctions and trade relations are the tools most frequently used with this type of statecraft. While sanctions rarely produce success when used as the sole instrument, states remain likely to attempt this form of coercion based on generally low cost and impact to the influencing state.²⁰ The more powerful state affects trade relationships positively or negatively to influence the other party. Techniques such as imposing or removing boycotts, tariffs, import quotas, and Most Favored Nation status are often used. The more powerful state's ability to influence through these tools depends on the strength and viability of its own domestic economy relative to global economic conditions.

Economic power also provides the means to develop the other instruments of national power. Many authors discuss the United States' economic decline relative to the international stage. Direct comparisons of national economies prove difficult, but China's and India's economic growth challenge the U.S. economy, as do international attempts to replace the U.S. Dollar as the reserve currency.²¹ This environment challenges U.S. economic hegemony. Whether, or to what extent, that economic gravity shift translates to an overall power shift has yet to be determined. What is most important for this discussion, however, is the reduced U.S. economic capability to provide funding to fuel the other instruments.

Recent budget control activity is a clear indication that the instruments of national power will not receive the level of funding that they have in the past. The current disconnect is summarized as leaving

“two unpalatable prospects – a reduction in resources available for the overseas military component of American policy well below the high levels available after the September 11 attacks, or a reduced willingness and inability to pursue an activist policy stemming from the increasing costs of funding ever-higher government debt burdens.”²²

Today the U.S. is unable to meet the high demands of mandatory spending while maintaining current levels of discretionary spending. At the simplest level, deficit spending produces national debt, and debt grows with the continued gap between revenues and expenditures. At current rates of entitlements, this gap will only increase. Approximately 50 percent of federal spending not paying interest on national debt currently funds Social Security, Medicare, and Medicaid. In 15 years, eligibility for Social Security and Medicare will increase by 50 percent.²³ Thus, mandatory spending consumes the majority of federal funds and its requirements continue growing.

At the same time, deficit spending continues, increasing the problem for the future. From 2009 to 2011, deficits ranged from nine to ten percent of Gross Domestic Product (GDP). This contrasts with the four-decade period prior, from the 1970s through 2000s, when deficit spending averaged around three percent of GDP.²⁴ Servicing the national debt continues into the future, even if deficit spending ceases today.

Resources for the instruments of national power come from what remains of the national budget – discretionary spending. The military currently receives approximately 53 percent of discretionary spending, and less than four percent funds the remaining

instruments.²⁵ Figure 2 presents military spending by year as a percentage of GDP, as well as a percentage of discretionary allotment.

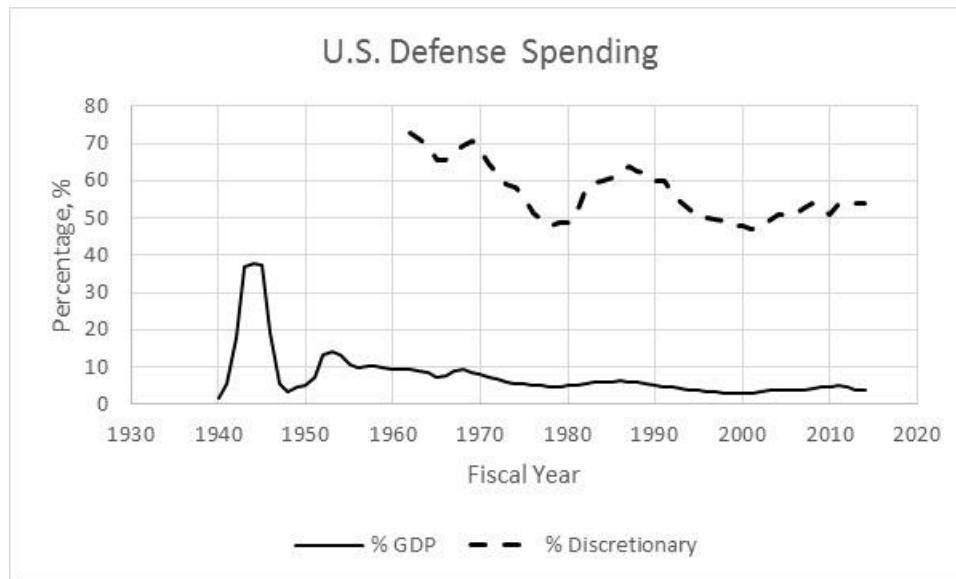


Figure 2. U.S. Defense Spending²⁶

Wartime increases display prominently, as do post-war decreases. The U.S. historically provided large revenues to fight wars by temporarily increasing taxes and borrowing from domestic and foreign investors. A peace dividend afterward paid off the increased debt to maintain national creditworthiness and the ability to borrow in the future.²⁷ This practice is not evident in recent history, or the post-war peace dividend has yet to materialize. Regardless of which is accurate, growing entitlement spending and debts, coupled with peace dividend expectations, will result in less funding available for instruments of national power in the future.

Current Risk Posture

The three legs of a stool help describe how risk results between ends, ways, and means. If any leg is shorter than the others, strategic risk exists. The current U.S. strategic posture is a stool where the stated ends greatly exceed the ways and means

to achieve them, creating three major strategic risks. First, the U.S. lacks a grand strategy guiding development and prioritization of ways and means. Current strategic guidance provides no application or allocation of resources across the instruments of national power, as is necessary for grand strategy. Instead, the NSS demands strong strategic engagement with no constraints on goals or policies, and implies more is possible than will actually be the case. There is also no prioritization identified to allow achievement of vital goals at the expense of lesser goals.²⁸ The current scenario lacks an “analytic fulcrum” to measure differing strategies or policies.²⁹ Absent a prioritization schema or constraints on some subset of strategic objectives, national strategic processes attempt to accomplish all stated goals with insufficient ways and means, producing risk in accomplishing all goals.

The second risk is specific to available means. Analyzing U.S. economic strength shows that funds available to fuel the instruments of national power are in decline. Fiscal pressures require the U.S. to raise additional revenue, modify entitlements, or reduce the federal government’s international role in order to match means to ends.³⁰ Current political conditions have prevented such adjustments from becoming reality. Therefore, it is not realistic to assume the instruments of national power will maintain their current strength. The instruments of national power are interrelated, such that as any one instrument loses strength, the others are negatively affected as well, further decreasing overall efficacy.

Current ways available produces the third major risk. Today’s strategic environment requires whole-of-government responses, as determined by the interagency process. However, the current interagency process lacks authority over

Departments and Agencies to develop more than a distillation of disparate policies. The White House is the sole office in government with authority to balance the conflicting demands of finance and strategy. Today, it passes this responsibility to the interagency process without sufficient authority. As a result, key players merely defend their Department's or Agency's interests, and policy recommendations often devolve to the least common denominator.³¹

Using the risk stool analogy, the ends leg today is longer than the ways and means legs, due to a strategic discontinuity. Such a discontinuity results when a significant change somewhere in the strategic environment occurs over a short period, producing uncertainty in the resulting environmental dynamics. In this case, the primary change lies in reduced national economic strength, coupled with lofty international engagement goals, which combine to produce an imbalance of ways and means. In a complex and uncertain strategic environment, with insufficient interagency processes and cross-instrument resourcing, the U.S. has unknown ability to successfully apply instruments of national power to future events. Two periods in the nation's history presented similar challenges: the post-Vietnam era and post-Cold War timeframe. Analyzing the nation's responses and the validity of its responses during those periods of strategic discontinuity reveals lessons for today.

Previous U.S. Response to Strategic Discontinuities

Post-Vietnam Era

Economic troubles, domestic political difficulties, and an uncertain global strategic future marked the strategic environment in the post-Vietnam era. In his 1975 national address, President Gerald Ford declared, "The State of the Union is not good."³² He went on to describe a myriad of economic concerns:

“Millions of Americans are out of work. Recession and inflation are eroding the money of millions more. Prices are too high, and sales are too slow. This year’s federal deficit will be about \$30 billion; next year’s probably \$45 billion. The national debt will rise to over \$500 billion.”³³

In this time of inflation and recession, which limited resources for carrying out foreign policy, the U.S. still led the world but no longer dominated or controlled its events.³⁴

Japanese and European economic growth challenged U.S. hegemony while demand for U.S. goods was in decline in the global marketplace. Domestically, the Vietnam War deeply divided Americans. Internationally, relations with the Soviet Union were in flux as the Soviets reached strategic parity with the U.S., and Third World nations were becoming more nationalistic.³⁵ The strategic environment in the post-Vietnam era was similar to that of today: dominated by domestic considerations, while facing unknown and complex national security challenges.

In response to this strategic discontinuity, national leadership directed drastically altered economic and foreign defense policies. On the economic front, the New Economic Policy of 1971 moved the U.S. dollar off the gold standard and negated the post-World War II Bretton Woods agreement while imposing domestic wage and price controls in order to improve the fiscal environment.³⁶ Leadership also recalibrated international security commitments to reduce budgetary pressures associated with American troops providing security abroad.³⁷ President Nixon strongly favored a policy of détente towards the Soviet Union, as economic conditions forced limits on defense spending. He also saw benefit from potentially increased trade with the Soviets, which would aid the U.S. economy.³⁸ National polling in 1975 further reflected a strong move towards isolationism, with only 39 percent of Americans favoring military intervention to

defend Western Europe. This polling confirmed leadership's perception of domestic pressure to reduce international commitments.

This change in foreign policy translated to significant changes in military structure. The President reset defense goals to match available resources and build a more stable international power structure instead of rebuilding power to restore U.S. hegemony.³⁹ He directed maintaining *sufficient* military strength, rather than *superior* military strength,⁴⁰ ushering in the all-volunteer force and other budget reductions.⁴¹ In short, the U.S. reacted to the new strategic landscape in the post-Vietnam era by redefining national interests to settle for less active involvement with more clear priorities, ultimately resulting in a military drawdown.⁴²

The national response in this period produced short-term challenges but was ultimately successful. First, the policies favored stability over purpose and critics quickly saw them as abandoning traditional American interests. This drastic change in foreign policy required continuity of leadership and continued support from the highest levels of government for long-term survival.⁴³ Absent this continuity, political disagreements produced inconsistent policy application. Second, and related to lack of continued support, the policies enabled global actors to advance their interests counter to U.S. interests and values. Soviet aggression went unchecked and included providing aid to North Vietnam despite the cease-fire agreement, as well as supporting recently independent Angola, which the U.S. proved unable to counter. Many also felt the new policies ignored human rights and other principles Americans had historically championed.⁴⁴

Finally, the military experienced significant short-term setbacks in this period due to the drawdown. Budgetary reductions produced cuts in operations, maintenance, training, and other accounts, reducing readiness to the point that only four of ten Active Duty Army divisions were “ready” to deploy in 1980. In that same year, the Army Chief of Staff famously called the force “hollow.” Counterinsurgency lessons learned from the Vietnam War atrophied, and the Army halted counterinsurgency training (an action that would prove detrimental 30 years later). In the end, U.S. foreign policy miscues included failure to foresee or prevent the fall of the Iranian shah and the Soviet invasion of Afghanistan, as well as looking inept during the Iranian hostage crisis.⁴⁵

However unfortunate these specific outcomes, the U.S. response to the post-Vietnam era strategic discontinuity was ultimately a long-term success. National leadership identified a change in the strategic environment, primarily manifested by the domestic situation. Leadership recognized the change, identified available options, and acted to put new, viable policies in place. A reduced military budget aided economic recovery due to less direct international involvement, and public perception of national and military leadership eventually increased. Hindsight identifies international events counter to U.S. interests, but it is unknown if the U.S. would have had the national power or political will to engage in those events with alternate policies in place. At the least, the U.S. remained a major global power through this period and effectively managed the strategic discontinuity.

Post-Cold War

Another strategic discontinuity emerged after the fall of the Soviet Union and the end of the Cold War. The threat of nuclear engagement with the Soviet Union significantly decreased, creating the perception of a safer strategic environment, but the

global landscape was also more complicated. Uncertainty replaced the analytic fulcrum of countering the Soviet Union. Public expectations called for a peace dividend, reflected by 40 percent of Americans responding to a Gallup poll that defense spending was too high. As such, President George H.W. Bush won office in 1989 promising “No new taxes” while reducing the deficit, portending austerity in programs such as defense. Additionally, general public interest in defense matters decreased, and interest and expertise on defense within Congress diminished.⁴⁶

This change in strategic environment once again drove a modification of foreign policy. Absent the need to counter Soviet aggression, the U.S. transitioned to a policy whereby the U.S. would shape the global environment, respond to crises when they presented themselves, and prepare for future threats. This policy maintained a strong international engagement approach, to include an active role for the military, but was open for interpretation on a case-by-case basis.⁴⁷ Flexibility, coupled with desires to reduce spending, allowed for a one-third reduction in the Cold War military.⁴⁸ From 1988 to 2000, financial cuts reduced Army divisions from 37 to 25, Navy carriers from 15 to 12, other Navy combatants and submarines from 508 to 317, and Air Force attack and fighter squadrons from 232 to 147. At the same time, Active duty force structure shrank by 35 percent, from 2.1 million to 1.4 million, while Reserve and National Guard forces fell 25 percent, from 1.2 million to 864,000.⁴⁹ Finally, the military suspended equipment procurements shortly after the Cold War ended to meet financial requirements.⁵⁰

Despite post-Cold War desires for a peace dividend, the strong international engagement approach required significant involvement in overseas operations. In the

eight-year span of 1991 to 1998, the military supported 26 operational events as opposed to only 10 in the 31 years prior to that period. Similarly, the Marine Corps participated in 62 contingency operations from 1989 to 1998, as compared to 15 between 1982 and 1989. This level of involvement led the Army Chief of Staff at the time to reflect that a pause never happens, especially in today's complex and dangerous world, and that it is impossible to predict when or where the next fight is.⁵¹

Thus, after the Cold War, the U.S. transitioned from Soviet containment to global engagement, while drastically reducing the size of the military to capitalize on a desired peace dividend. These actions were largely successful in addressing the new strategic environment. A smaller military was still able to meet the desire for global engagement and shaping activities, as evidenced by the large number of operations executed in this timeframe. The largest-scale traditional security operation of the time, the 1991 Gulf War, was an unqualified success in foreign policy. However, the final goal of the policy was to prepare for future threats. Iraqi aggression into Kuwait was a future threat that was properly prepared for and initially defeated, as were other much smaller scale traditional engagements.

Unfortunately, national leadership did not fully understand the strategic environment, as highlighted by the terrorist attacks of 9/11 for which the U.S. was not prepared. Inability to identify the significance of this type of threat was not due to military reductions of the post-Cold War period. Underestimation of this threat has much more to do with inertial attitudes towards status quo in national security affairs while enjoying "unmatched mastery of conventional warfare" than with the one-third reduction of the military.⁵² Concerted analysis of the environment, along with

identification of options and viable policy considerations, fell short in the post-Cold War era.

Long-term success in the post-Vietnam timeframe resulted from appropriate identification of the strategic discontinuity and policy modification. Failure to identify an environmental discontinuity following the Cold War produced eventual strategic failure. Without identifying the issue, the nation was unable to develop policy options and mitigate risks. Considering these lessons, one must determine if current leadership identifies the strategic discontinuity appropriately in today's environment and if viable policy considerations are in place.

Gaps and Recommendations

Unfortunately, the three risks previously identified demonstrate incomplete analysis of the strategic environment and lack of appropriate policy considerations. While strategic documentation clearly articulates a shift in the strategic environment abroad, it provides insufficient guidance for prioritization of the instruments of national power. This shortcoming is especially dangerous in light of austere domestic economic conditions. In the post-Vietnam era, similar external and domestic strategic considerations existed and policy appropriately recalibrated strategic ends. After the Cold War, policy shifted to global engagement amid an initially stagnant strategic environment, supported by strong domestic economic growth. Today the nation should define a grand strategy providing national-level guidance to balance economic strength and development with use of its other instruments of national power.

However, this strategic direction should not come from the National Security Strategy. The NSS includes external as well as domestic audiences and is often as much a political or strategic communications message as it is a national strategic

directive. The best source for a national grand strategy is the interagency process, but as it currently stands. In the reference periods, the President or the President's immediate staffs did not develop successful policy options alone. Post-Vietnam era policy modifications survived only a short time since they did not garner wide Congressional support. Post-Cold War policies survived longer since wide governmental support existed. An enhanced interagency process can replicate these successes and develop strategic policy considerations, while delivering oversight during execution. President Eisenhower's National Security Council Planning Board serves as a benchmark in this regard. He established this board to debate alternate strategies, assess their costs, and advise national decision-makers on the most prudent course for "the long-haul."⁵³ A process today with similar long-term views should contain membership from each Agency and Department – and be held accountable to the President or National Security Council to develop viable national-level policy recommendations instead of protecting bureaucratic interests. This is the best method for determining economically viable strategic policy solutions across the entire government and encouraging long-term support for these policies.

Specific implementation must also consider the pitfall of "too many cooks in the kitchen." First, a governing office should ensure only the relevant Agencies and Departments are included. President Eisenhower's board successfully managed this balance and showed, with due consideration, that all appropriate entities can be involved while still producing actionable policies.⁵⁴ Ensuring accountability to the President or designated representative also mitigates ill effects of a potentially larger

body developing policy. Implementation details can effectively control potential distractors in this regard.

Instead of focusing on the need for grand strategy, some argue the solution is to stop defense budget cuts in order to protect the U.S. military's continued dominance. In fact, a review of the 2014 QDR went even farther to claim that certain elements of Defense should be larger today than in the past, due to the uncertain and volatile environment. Citing continued direction to support two major wars simultaneously, the review panel argued for "a more expansive force sizing construct," not driven by current fiscal limits.⁵⁵ Proponents of maintaining or enhancing Defense budgets argue that the Defense budget is so small relative to GDP that any level of cuts only make token impacts to national deficits or debt. Instead, they recommend targeting much larger elements of the national budget such as healthcare and other entitlement programs for cuts.⁵⁶ The argument surrounds the belief that security needs should drive the defense budget and not vice versa.⁵⁷ While this is true, it does not account for the strategic environment's discontinuity.

Global threats and appropriate national responses have changed so significantly that the U.S. cannot continue with the inertial hard power solutions of the past. While the nation must provide sufficient Defense resources to protect national interests, no element of the budget should be exempt in the current fiscal discussions. This is especially true considering Defense consumes more than half of current discretionary spending. A restructure and downsize of the Defense Department in favor of other instruments may be exactly what is required to maintain national power. Military strength underpins the strength of all other forms of national power, but economic

strength provides military strength, requiring national leadership to analyze both interactively.

Conclusion

Strategic discontinuities are difficult – sometimes impossible – to predict. Most important is the ability to understand when one has occurred so leadership can take appropriate action and minimize strategic impacts of the discontinuity. In the post-Vietnam era, domestic economic strength and public will for continued overseas military engagement waned. Leadership identified this shift and appropriately managed it by reducing military spending, coupled with a comparable decrease in national security objectives overseas. After the Cold War, the U.S. enacted a similar military reduction without consideration of the new strategic environment it would operate in to achieve national security objectives. Absent identification of this environmental discontinuity, the U.S. approached a new environment with status quo ends, eventually leading to failure.

The current discontinuity shares similarities with the two previous periods. As in the post-Vietnam era, the nation faces domestic fiscal austerity. At the same time, the U.S. faces a new strategic environment as it did in the post-Cold War period. Unfortunately, the U.S. is currently on a path similar to that of the latter period and is likely to realize similar strategic failures based on inertial approaches to international engagement and policy development. To avoid these failures, the nation should take an approach similar to that of the post-Vietnam era – respond to the strategic discontinuity with viable policy changes. Instead of continuing with the same national security objectives, using the same interagency process, the U.S. needs to produce a true grand strategy, implemented through an enhanced and empowered interagency process.

National leadership recognizes the current strategic discontinuity. What is lacking is an appropriate national response.

Endnotes

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