



“National Security in the 21st Century”

Woodrow Wilson School of Public and International Affairs
Princeton University
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CONFERENCE REPORT

This two-day conference brought together over seventy scholars, analysts, and practitioners to present and discuss the findings of the seven working groups established by the Princeton Project in National Security. This report summarizes the central themes and insights of each of the eight sessions held over the course of the conference. Remarks in the discussion sessions were not for attribution.

Morning Session: Presentation of the Working Group Reports

Anne-Marie Slaughter, Dean of the Woodrow Wilson School and Princeton Project Director, opened the proceedings by welcoming all participants and outlining plans for the next twelve months.

In the first session, each of the seven working groups presented their findings. The seven groups were: Grand Strategic Choices, State Security & Transnational Threats, Economics & National Security, Reconstruction & Development, Anti-Americanism, Relative Threat Assessment, and Global Institutions & Foreign Policy Infrastructure.¹

Lunchtime Session: General Discussion

The lunchtime session saw a general discussion about U.S. grand strategy. Emphasis was given to issues that were not the specific subject of later sessions.

Overview: A summary

A useful starting point in coming to terms with the debates that have raged in recent years is to recognize that the end of the Cold War increased the spectrum of choice in American foreign policy. The absence of an organizing principle— such as the Soviet threat—means that there are many different ways of answering questions that were previously taken for granted including

¹ The working group reports are now available in full online at <http://www.wilson.princeton.edu/ppns/conferences.html>

'what threats matter most?', 'how important and useful are binding alliances?', and 'which parts of the world matter?'

In such an environment our underlying assumptions about security matter profoundly. Different world views might lead us in very different directions. A flawed world view might not just mean a poor strategy for dealing with a particular threat; it could mean missing the threat entirely.

Moreover, in a unipolar world, there is no countervailing force that can immediately impose discipline upon our choices by punishing mistakes. As a result, errors take longer to be uncovered. Each additional decision to execute a flawed strategy only serves to compound the original problem, until the bubble bursts in a spectacular fashion. In time, some of the constraints and incentives of a unipolar world may become obvious. Our task is, in large part, to see if we can anticipate these lessons before the price of learning becomes expensive.

One way of approaching this task may be to step back from using a single identifiable threat as an organizing principle and ask how we can best prepare ourselves for the type of world that is likely to develop in the coming decades. Can we identify and frame a small set of organizing ideas that convey the drivers of change in the world, the threats, challenges, and opportunities we face, America's global role, and the tools we need to accomplish our objectives?

Everybody is rethinking their own assumptions because there is no readily available worldview that can be easily applied to the world today. There are real issues and questions at stake, not just the challenge of crafting old ideas in ways that resonate with the public.

Specific insights and questions

Some of the points made included the following:

- What role should democracy promotion play as a part of U.S. strategy? How central is it to addressing key threats and challenges? What have we learned from our experience in Iraq and Afghanistan? How applicable are our ideas about spreading democracy to larger countries such as Russia and China?
- There is an underlying tension between traditional notions of national security that define threats as emanating from political actors and a transnational lens that includes non-political threats such as infectious disease. Is it the number of people at risk or the cause of death that is important? What are the tradeoffs of broadening our definition of national security?
- Some participants noted that the considerable agreement in the foreign policy community on the need for an internationalist grand strategy is not reflected in policy. Perhaps the reason lies in the domestic sources of foreign policy. During the Cold War this did not matter too much because bipolarity did not provide much space for ideas to run free. However, that

is no longer the case and some world views are at a distinct advantage because they can tap into domestic political preferences.

- How important are values in shaping a national security policy? Are there differences in values between the United States and its democratic allies? Are there conflicting values within the U.S. that may lead people to support different foreign policies?
- There was also a sense that there is confusion throughout the country at large about the exact nature of the threats and challenges of our generation. People sense that important things are happening—after all, they witness the rise of Asian economies first hand through outsourcing, etc.—but are not sure what to make of it all. Communicating America’s mission is particularly important and may be increasingly difficult given the wide array of alternative media and sources of information.
- The military is enormously competent compared to other agencies. It is also better resourced. Much of this is because we insist on higher standards in dealing with matters of national security. For instance, it is assumed that senior officials will be steeped in foreign policy or defense experience. However, we may come up short as the threats we face spill over into competencies we do not traditionally think of as national security, including biotechnology and homeland security. A cultural shift, whereby expectations and standards are heightened, is likely to be as important in dealing with a national crisis as a shift in strategy.
- Much of the discussion and the reports are understandably focused on the U.S. However, understanding others- both our friends and adversaries- is an important, and often overlooked, element in strategy. If the U.S. seeks to rebuild alliances, will others accept the hand of partnership? If the U.S. adopts a strategy to deal with a threat or a challenge, how is our adversary likely to respond and adapt? Will their reaction be shaped by their culture? If so, do we understand it? If not, can we or will it remain elusive?

Some participants suggested that the gap between the administration and the sense of the conference is much narrower than is widely appreciated. Others had a very different view. One participant outlined four questions that could be used to distinguish general positions:

- 1) How willing are we to use force (as a last resort or more often)?
- 2) How important are values and ideology in shaping a strategy?
- 3) How important are institutions?
- 4) How high a price are we willing to pay to get results?

Post Lunch: Alliances

There was a lively discussion on the role of alliances in U.S. grand strategy. The key differences centered around two questions. First, what benefits does the United States derive from fixed alliances as opposed to coalitions of the willing? Second, are there willing and able partners?

From an early stage in its work, the project has sought to develop our understanding of the role that alliances and institutions play in American

national security policy. Much of this was evident in the discussion. The central point around which there was general agreement is that multilateralism is a critical part of the architecture of international order that projects, protects, and enhances American power. The reports expand upon this in some detail.

It is sufficient here to highlight five points made by a number of speakers.

First, other states support the U.S. partially because they can influence our policy through fixed alliances and institutions. By contrast, 'Coalitions of the willing' mean that America decides and then asks who will come along for the ride. Thus, in the medium to long term, this new approach is likely to reduce what America's partners can and are willing to offer.

Second, alliances and institutions constitute a system of checks and balances that the U.S. has deliberately built into its own order to facilitate feedback and the interests of our allies. Abolition and a bid for free rein is the international equivalent of abolishing parliament. Others will not simply continue as before; instead our legitimacy will be shattered and they will either opt out or develop ways to frustrate our designs.

Third, legacy institutions, such as NATO, are, with some exceptions, weakening. Increasingly, we are not relying on formal alliances but networked cooperation that brings together officials from different countries in the fields of law enforcement, intelligence, the military, finance, financial regulation, and so on. These networks lack popular support but they perform a critical role. This begs the question what are the limits, vulnerabilities, and opportunities of this mode of cooperation?

Fourth, multilateral institutions are lacking in Asia. There is no framework of cooperation that comes close to what exists in the Atlantic.

Fifth, Europe is not the central front of the challenges America faces, but it is still the most obvious source of support and assistance. Even if the transatlantic alliance has less potential than it once did, it remains a valuable cornerstone of U.S. security.

This point was the subject of some discussion. In general two schools of thought emerged: pessimists and optimists.

The pessimists believe that much of the public criticism of unilateralism assumes that cooperation can be reinvigorated with a change in tone. Maybe, they say, there are larger things going on that may impose a ceiling on what sort of cooperation is possible. Granted it may be better than where we are at the moment, but it could still mean that recapturing the golden age of multilateralism is impossible.

They argue that Europe will be less able and less willing to fulfill its historic role as America's key ally pointing to a declining and aging population, a low tolerance for immigration, deeply embedded resistance to necessary root and branch economic reform, slow economic growth, political stagnation, and a refusal to seriously engage in defense modernization. Their bottom line is that while the U.S. should seek good and fruitful relations with Europe it should not kid itself that it can ever again be the robust and loyal partner that it once was.

The optimists argue that prophecies of Europe's decline are greatly overstated. As one participant pointed out, Europe has a) 100,000 troops overseas, b) supported every U.S. military activity since the end of the Cold War except for Iraq, c) complements the U.S. in important ways, d) exercises considerable soft power, e) expanded, and continues to expand, the zone of democracy eastwards, f) is a pioneer in international aid, and g) has a compelling social model that appeals to large parts of the world.

Not all of the optimists shared this rosy view but they all agree that even if we accepted that Europe was facing a long-term decline, which is by no means certain, it would not be precipitous. Moreover, Europe would continue to be the most attractive partner available, in terms of wealth, outlook, and geography. In fact, some optimists even used the pessimists' argument to their own advantage: the collapse of the EU constitution creates a vacuum that could be filled by a new NATO compact.

Some made the point that a shared outlook is more important than an institutional framework. During the Cold War this was easier to achieve because of the imminence of the threat. We need to work harder at it now.

Finally, it is worth noting that there was a dissenting view about the role of alliances, namely that coalitions of the willing provide a flexibility of response lacking in fixed alliances. Different challenges may require different groupings. Why, for example, is French or German agreement more necessary for U.S. actions in the Middle East or East Asia than the agreement of countries in those regions? There may be occasions when the benefits of agility and nimbleness outweigh the virtues of permanent burden-sharing.

Post Lunch: China

Our discussion on China started with the observation that U.S.-Sino relations are a mix of zero-sum and positive sum.

The zero sum side includes military modernization. The U.S. receives nothing from rapid Chinese military modernization; indeed, we have an interest in slowing it down (e.g. arms embargo) and responding with deployments to the region, increased defense cooperation with Taiwan and so on.

However, economic cooperation is not zero-sum. The U.S. has no interest in retarding Chinese economic growth, not just because it will hurt us but also

because we will lose our allies in such an ill-advised venture. There are also positive sum relations with respect to regional stability, counterterrorism, etc.

This much is widely understood. However, the basic wisdom that positive sum competition means engagement and being nice to China while zero sum competition means containment is largely wrong.

One could look back and say from the perspective of 1993 that the U.S. has done very well on Asia. Washington asked for China to be multilateral and has gotten a lot of what it wanted. The problem is that a lot of people assume we got there by engaging and being nice. A big part of it was China's reactions to tough U.S. positions. For example, the Nye initiative to build our defense relationship with Japan prompted China to reassure its neighbors, our deployment of two carriers to the Taiwan strait calmed tensions, a threat to use force against North Korea was a critical element in driving the six party talks, U.S. cooperation with India may have prompted an improvement in relations between China and India, and so on.

By contrast, on something like Taiwan, we need quite a bit of regional reassurance and engagement.

The key question is how to create an environment that facilitates China's rise but gives it an incentive to behave well rather than badly. It is important to shape the alternatives facing China. If China makes the wrong choice, the U.S. needs to be in a position to fall back on its alliances. This sentiment reflects the emphasis on hedging, which was a central element of the grand strategic choices working group report.

There was some disagreement on the seriousness of the Chinese military threat. Most of this discussion fell back on arguments that are well known. Three points deserve special mention.

First, tough policies may encourage China to comply in the short term, but they also tell it to get stronger so they may not have to bow in the future.

Second, the conference is highlighting the need to shape our own environment, but China has not remained passive and is playing the same game. As the grand strategic choices reports shows, they are deliberately building institutions that exclude the U.S.

Third, the symbols of American power in Asia, namely nuclear weapons and troop deployments, are either gone or wasting. It will be especially important to be able to demonstrate our continued commitment to providing security in the region.

The question was then raised as to whether or not China is in anyway comparable to the Soviet Union. General reactions were no. China is the only

country capable of upsetting things immensely for the US but that it is not as clear a threat as the Soviet Union was. A more accurate parallel may be the rise of Germany in the nineteenth century.

The key to managing relations with China is to recognize that containment and unconditional engagement are both entirely inappropriate and/ or impossible. There is a growth in China's power and we need to deal with it, keeping our allies and keeping our powder dry, avoiding unnecessary conflict. A strategy to accomplish these objectives—competitive multilateralism—is outlined in the grand strategic choices report and it received a broad welcome from the conference participants.

Late Afternoon Thursday: Transnational Threats

This session began by asking the question 'how can we conceptualize transnational threats?' There were two basic positions, which for the purposes of convenience shall be labeled 'political violence' and 'serious interference'.

The political violence lens says that national security threats emanate from actors that use mass violence or the threat of mass violence in pursuit of political goals. This is distinct from non-military dangers such as natural disasters, pandemic diseases, global warming, and so on. Maintaining separation is not to say that one is unimportant, just that each requires a very different approach. The added value of attaching the national security label to a problem that falls outside of these traditional parameters is unclear and it may run the risk of confusing things. Moreover, transnational threats have been with us for quite some time—the Black Death destroyed half of Europe's population and the Avian Flu wreaked havoc in 1918—so there is little to the argument that modernity requires a radical overhaul of how we conceptualize security.

The second lens says that a national security is our ability to carry on our way of life without 'serious interference'. The source of the interference is largely irrelevant. It does not make sense to rank threats by motivation. What really matters is the harm inflicted on the nation, lives lost, etc. Of course, how we respond to threats will differ depending on their character. A political actor is actively trying to inflict damage and learns from our response. A non-political actor, such as a hurricane, has no intent and does not learn. While secrecy may be an asset in dealing with the first, it is likely to be self defeating when coping with the second. The reason why it is important to bring all of this under the national security rubric is to ensure that we have the political will and capability necessary to deal with the dangers we face.

There was a lively discussion on the merits and demerits of these positions, with consensus remaining elusive. However, there was a sense that regardless of where the final report comes down, if at all, it is important to communicate the changing nature of the context in which we operate. Just as

atomic energy transformed our thinking from the 1940s, so too might new technologies change our mindset now. It was also felt that we must not lose sight of the continuing relevance of age-old dangers such as the rise of new great powers.

Two other issues were hotly debated: terrorism and oil dependency, both of which were named threats in the State Security and Transnational Threats report.

Terrorism

Some of the contributions reflected the view that Al Qaeda is a grave long-term national security threat only in so far as it might acquire WMD. Conventional terrorism is a very serious concern but it does not pose the sort of existential threat of nuclear terrorism that would necessitate it becoming the organizing principle of U.S. strategy. Moreover, America's offensive operations have been quite successful in, and offer promise of, preventing repeated and repeatable large scale attacks inside the U.S.

One participant argued that the political threat of Islamist Jihadism absent WMD is overstated for two reasons. First, nationalism remains a powerful political force and will prevent the emergence of a monolithic radical Islamist bloc. Second, our analysis often overlooks the fact that states, rogue or otherwise, have powerful incentives not to cooperate with Al Qaeda, and even to destroy them, because of the threat of retaliation by the U.S. if they do not.

However, others argued that this analysis does not acknowledge the tremendous scale of the ongoing threat from Al Qaeda. There is reason to believe that tens of thousands of recruits were trained in Afghanistan. Thousands may still be at large and religious fanaticism provides a vast sea bed for further recruits.

This group also took issue with the grand strategic choices report which downplayed the role that Wahhabism and radical Islam, as taught in Madrassas, plays in the threat of Islamist Jihadism. However, one participant also noted that many of the policy prescriptions that follow from the relatively secular analysis are similar to those that emphasize the role of radical Islamic teachings so perhaps the differences relate only to the analysis rather than the conclusions. Nevertheless, it was requested that the relevance or irrelevance of religion be more directly addressed in the final report.

Oil dependency

This discussion began with the observation that defining the energy problem in terms of foreign oil misses the point because oil is a commodity. Thus, the difficulty is a dependence on fossil fuels, regardless of source.

America's dependence on fossil fuels is often linked to three separate vulnerabilities. The first relates to China and others buying up sources of supply. This is a non problem because, as noted, the oil market is extremely efficient; paying above-market prices simply places a disadvantage on the purchaser. The only exception is that this practice may reward inefficient companies and thus reduce the amount of oil that can be extracted and refined. The second is that two thirds of the oil supply is in dangerous parts of the world. The third is the long-term danger of climate change, carbon dioxide levels, and the like. The military is a useful tool to ensure access but irrelevant in tackling the long-term damage.

Many participants expressed the view that reducing our dependence on fossil fuels is largely a domestic issue in its implementation although success would probably have positive implications for national security policy.

After dinner speech by Zbigniew Brzezinski

Noting trends in public opinion domestically and internationally, Dr. Brzezinski expressed a concern that we are increasingly becoming a fear-driven nation. He spoke about extraordinarily high levels of anti-Americanism and a global populace that is more politically awakened than ever before and dissatisfied with the status quo. He urged the audience to move beyond fear and re-establish the relevance of America around the world. A lively question-and-answer session followed, during which the novelty and consequence of anti-Americanism, the way forward in Iraq, and the direction of foreign policy were all raised and debated.

Friday Morning Presentation by Michael Klein

Michael Klein of Citigroup provided an economic context to our deliberations with a presentation titled *The Implications of Capital Flows*. During the course of his remarks and the discussion that followed a number of points were made (not all of them by Mr. Klein):

- The U.S. economy has proven to be remarkably robust given everything that has been thrown at it (corporate scandal, rising oil prices, deficits, etc.). Many of our expectations about what follows negative developments appear to be redundant. One could be forgiven for asking, what could inflict serious economic harm?
- There has been a centralization of the economy around a small number of companies.
- There is reason to believe that there is a liquidity bubble in housing, credit, hedge funds, and Chinese banks.
- There is a shift from investors to disinvestors in the U.S. economy. Private investors are keeping their powder dry.
- There are two camps in the oil debate. The first forecasts that the price of oil will stabilize while the other asks what will happen if it rises by 600%. Until recently, only a small number of analysts and informed observers took the second seriously. Now, few are as confident in their optimism.
- The increase in the price of oil massively increases the profits accruing to oil producers, particularly in the Middle East and Russia. Much of this

wealth is staying in the Middle East and is not being invested in the U.S. One consequence is that Russia has gone from a \$200b to a \$800b economy in recent years and is now debt free.

- China's growth has been extraordinary, as has its stability. However, concerns remain about its banks, which are still little less than spending vehicles for the state. Money is cheap and few conditions are attached. China's total bank loans have nearly doubled in the last five years. As a result of the credit tightening policy from the Government, this increase has slowed from the peak of 20% in 2003, but it was still able to achieve a 15% growth in 2004. By 2010, China is expected to account for 30% of aggregate Asian banking assets.
- As a result, overinvestment is rife and serious questions hover over the efficiency of these investments. This should temper concern about a move in the U.S. away from investors towards disinvestors.
- Europe is not one economy but many. Germany is repeatedly underestimated and France becomes healthier even as it becomes more closed. Nevertheless, they will have to face up to reform or become resigned to a sub-optimal performance.
- Europe faces severe demographic limitations on its potential for future growth, but perhaps they will change their immigration policy in order to overcome these constraints.
- There is reason to be optimistic and pessimistic about the U.S. economy; we simply do not know which variables will prove decisive— the structural weaknesses or its demonstrated robustness.
- India may offer better prospects for growth than China, more stability, and so on, but it is still a hard place to live in and invest in.

Friday Morning Session on Failing and Failed States

This session dealt with reconstruction and development. Much of the discussion concerned Iraq, with supporters and opponents of the invasion both well represented.

Once one strips away the pro and anti-war arguments, the main disagreement came down to whether to develop America's nation-building capabilities, which all agreed are lacking at the present time. One group argued that the whole idea of transforming societies while fighting organized resistance should be abandoned entirely. The other argued in favor of improving our ability to do just that while also developing a sense of discipline about when to intervene.

Over the course of this debate four insights stood out.

The first is that prospect of a neoconservative revolution to remake the world in America's image is a straw man. Even if it once existed in the mind of a small number in the White House, it is not on the agenda now.

Second, occupation and forcible reconstruction may not be our policy of choice, but the U.S. will still get dragged into conflicts of a similar type.

Consider how the U.S. might feel obliged to react to regime collapse in Pakistan, a nuclear state.

The consequences of involvement are likely to be similar regardless of whether America is wholly about the enterprise or dragged in kicking and screaming.

The bottom line is that reform is required to improve our counterinsurgency and nation-building capabilities. Otherwise important tasks may simply prove beyond our reach. The U.S. armed forces are learning important lessons in fighting the insurgency. Many of the same lessons were learned in Vietnam but then unlearned as the military sought to banish the thought of that experience from its memory and destroy the capability that could allow it to be repeated. As long as America may become involved out of necessity rather than choice, it is important that we try to remember and not rush to forget.

Of course, efforts to reform the military must be accompanied by a new sense of discipline that prevents the use of these tools just because they are there; otherwise hubris and overextension will surely follow. Not all failed states are security threats. Intervention should only be an option when there is a very sound strategic logic behind it.

Third, we must lower our expectations about what is possible. Even improved capabilities will not allow the U.S. to do everything it desires. Social engineering is hard at home and near impossible abroad. Emphasis needs to be given to what must be done to address the particular problem at hand. Long-term change can only occur with strong support in the host society.

Fourth, there is a tension between stabilizing failing and failed states and democratization. It is assumed that prevention is better than the cure, but often this may mean preventing regime collapse rather than pushing a dictatorship over the edge. Should we err on the side of stability or democracy? The answer is 'it depends'. It depends upon the negative consequences of regime collapse—losing control over WMD, massive refugee flows, regional destabilization, and so on—and the prospects of a successful transition—is there a strong civic society and domestic support base for democracy, etc.

Fifth, successful democratization and reconstruction of societies may mean concealing America's role and advancing change in ways that do not generate local resistance. This question brought us back to some of the suggestions in the report about the role of multilateral institutions, such as a community of democracies, and ideas about how America can play the role of facilitator and allow regional powers take the lead.

Friday Morning Session on Asia

Since Thursday's session concentrated on China, we began by discussing India.

The Bush administration has been developing closer ties to India and has implied that an alliance could be the bedrock of American strategy in the region. There are certain compatibilities of interests and values. Both are democracies, both have an interest in containing radical Islamists, and both have concerns about a rising China. However, India also harbors doubts about the U.S. and is unlikely to throw its lot in with Washington to the extent that Japan and Britain have. Instead, as some participants noted, it will try to play both sides.

On the prospects of India's future growth, some argued that there is some cause for concern. China and India are both rising powers although they have taken different paths. India has specialized in the service industry while China has become the workshop of the world. On the surface, speculation about an implosion of China's economy is rife while no such sentiment has been expressed about India. However, delve deeper and it is clear that some of the enthusiasm for closer economic relations with India has petered out because it has not demonstrated sustained movement in the direction of reform. Growth is continuing, but there are limits that will kick in.

Discussion turned to the strategic implications of power shifts in Asia. There was a clear desire among the participants to integrate India and China into the Western order. Granted, their participation would undoubtedly change the character of that order in fundamental ways, but the most compelling rationale is the simplest: in the long run, integration offers the best hope of peacefully managing the rise of new powers. However, this strategy gave rise to several questions. What do, or will, China and India want and will it be compatible with our interests and values? What form are effective institutions likely to take? Should they include all states in the region or just the large states? Presuming that major bargains could be hard to strike, might networked cooperation offer a way forward? South Asia security institutions are even less developed than East Asia; are there any prospects for new institutions in that region?

All this talk of new great powers seemed at odds with earlier discussions of unipolarity, a tension noted by a number of people. Yet, unipolarity does not mean American omnipotence in all foreseeable challenges. There are still real limitations to what is and is not possible in a unipolar world, as Iraq demonstrates. After all, China does not have to challenge the U.S. globally, only locally across the Taiwan straits. The point is that U.S. global military preeminence, while real, does not provide much of a comfort blanket for many of the crises we may face.

Concluding remarks: The Path Forward

The conference provided valuable feedback on the work that all of the participants had engaged in over the past twelve months. The co-chairs will now reflect on this material and write an interim report to be ready by the end of January 2006.