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**NIC-LRAU
2025 SECURITY ENVIRONMENT:
FINAL REPORT**

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CONTENTS

EXECUTIVE SUMMARY	1
INTRODUCTION: THREE WORKSHOPS.....	3
SURPRISES	5
THE RISE AND FALL OF INTERNATIONAL ACTORS.....	7
THE RESURGENCE OF INTERSTATE AGGRESSION.....	9
IMPLICATIONS.....	11
CONCLUSIONS: INDICATORS AND POLICY QUESTIONS.....	13
US WITHDRAWS FROM THE MIDDLE EAST (NEW “GREAT GAME”)	13
MILITARIZATION OF ENERGY SECURITY & CHINESE RESPONSE	14
WEAKENED CHINA	15
WEAKENED INDIA.....	15
MILITARY WITHDRAWAL OF EUROPE.....	15
DIASPORAS RISE	16
OTHER GENERAL INDICATORS OF REVIVED INTERSTATE CONFLICT.....	16
POLICY QUESTIONS	16

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EXECUTIVE SUMMARY

In March, April, and May 2008 the Long Term Strategy Group convened three workshops on behalf of the National Intelligence Council's Long-Range Analysis Unit in support of the NIC's 2025 global trends effort. This report summarizes the findings of three workshops on the security environment in 2025 and develops themes raised at the workshops but not fully elaborated due to time constraints. It describes a baseline scenario in which currently observable trends continue to reduce the incidence and salience of interstate warfare, while the diffusion of technology and demographic trends increases the potential scope and intensity of intrastate conflict and warfare conducted by non-state actors. The impact of nuclear proliferation on the environment of 2025 is explicitly addressed. A key finding is that the potential increase in actors armed with nuclear weapons could increase instability in the zone from the eastern Mediterranean to and including Pakistan.

Building on the findings of the workshops, this report offers additional understandings of currently observable trends. In particular it focuses on ways in which those trends might have unexpected consequences or be reversed – in an attempt to illuminate surprises that could materialize that are not covered in the scenarios that emerged from the workshops. Finally, the implications for US policy-makers are explored, and critical questions and early-warning indicators are specified.

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INTRODUCTION: THREE WORKSHOPS

From March through May 2008, on behalf of the National Intelligence Council's Long-Range Assessment Unit, the Long Term Strategy Group sponsored a series of three workshops aimed at illuminating the character of the security environment that the United States may confront in 2025. Each workshop assembled a different group of ten to twenty subject-matter experts. The workshops were held in the greater Boston, MA, and Washington, D.C., metropolitan areas. They moved in sequence from:

- first, generating alternative scenarios or “worlds” that could exist as a result of the interaction of currently observable trends and potential discontinuities that could arise in the next seventeen years; to
- second, examining the dynamics of warfare and behavior around conflict under these scenarios; to
- third, focusing specifically on the impact of the proliferation of weapons of mass destruction and delivery capabilities on security in the zone bounded by Egypt, Turkey, and Israel in the west up to and including Pakistan in the east and Saudi Arabia in the south.

The initial workshop produced a baseline world and several “excursions” from it. The baseline world was thought to reflect relatively stable demographic, economic, technological, and military/geopolitical trends that are already observable today. The excursions grew out of speculation about less predictable factors that could shape the environment in 2025.

Today, it was posited, the incidence of interstate war among great powers seems to be declining, as such conflicts have been occurring with less frequency since the end of the Second World War. At the same time, currently observable demographic indicators suggest that in parts of the Islamic Middle East and Central Asia (e.g., Iraq and Afghanistan) that are already home to unemployed young men who may be recruited into violent, extremist groups, these population cohorts are likely to grow over the next decade and a half. It was also noted that the declining cost of human mobility and relative openness of institutions of higher learning have resulted in rising levels of education-related migration. These increasing human capital flows have already proved, and will continue to prove, conducive to the transfer of scientific and engineering knowledge that can be applied to weapons technology and other strategic ends. At the same time, it was posited that in the next seventeen years it is unlikely that a breakthrough in alternative energy technology will occur to obviate the importance of oil and gas for transportation. Therefore, the baseline security environment described at the first workshop centered around intrastate conflicts and conflicts involving non-state actors engaged in insurgent or terrorist activities, especially in the region from the Middle East to Central Asia.

This baseline scenario, it was noted, might not materialize if factors other than currently observable demographic, economic, technological, and military/geopolitical trends play a significant role in shaping the security environment of 2025. For instance, it is possible that a

major international power could behave in ways that introduce or provoke discontinuities from current trends. One such excursion from the baseline would be a decision by the United States to revise its geopolitical position to be less physically present in the Middle East – transitioning to a posture of “off-shore balancing.” This would be likely to generate responses from other powers both within the region and outside it. Specifically, a perception of the American move as a retreat would engender competition for influence in the resulting vacuum, and a resurgence of conventional conflict would be plausible under these conditions. A second alternative scenario arose from the insight that in the next two decades, Chinese foreign policy might not follow the same commercially oriented, largely peaceful script that has characterized China’s rise over the past two decades. If a slowdown in economic growth coincident with a spike in world oil prices led Beijing to perceive a need to secure energy supplies militarily, for instance, this could also result in the resumption of conventional conflict. While neither of these alternative worlds was discussed in great depth, the second workshop – on the character of conflict in 2025 – yielded insights into the implications of these different environments for the way that war will be waged in 2025.

A major insight from the second workshop was that the systems that the United States would require for a world in which conventional conflict resurfaces would not serve the country well if the future security environment turns out to center on counterinsurgency and counterterror missions. In particular, the relatively low-cost police-like or constabulary capabilities necessary for the latter activities are very different from the expensive stealth, anti-missile, missile-defense, and anti-submarine platforms relevant to a conventional conflict with a peer or near-peer opponent.

The potential procurement dilemma associated with this insight was developed further in the third workshop, which analyzed the implications of WMD and missile proliferation in the Middle East-Central and South Asia region between now and 2025. That discussion highlighted that new nuclear capabilities in the hands of additional actors coexisting in close geographic proximity and with limited surveillance and reconnaissance of one another’s arsenals will be likely to increase the potential for strategic misperceptions. This could in turn provoke the escalation of disputes or crises into outright conflict. Additionally, the potential for nuclear exchanges to occur as a result of accidental or inadvertent launches or detonations is likely to rise.

It is interesting to note that the scenario-planning methodology that was applied in the initial workshop and shaped the agendas of the subsequent workshops encouraged participants to think of the trends that were discussed as independently driven, not propelled or shaped by any given actor or constellation of actors in the international system. This way of proceeding is allied with an idea that all major powers in the international system roughly share self-identified common interests in the maintenance and expansion of current international legal, economic, and political regimes, so that no one power is actively seeking to revise the status quo. Considering how the picture changes if these assumptions are problematized may yield fresh insights. It may also be worthwhile to identify indicators that would signal whether the world is headed toward one or another of the particular geopolitical environments discussed at the workshops – or even toward a different environment that was not discussed. Finally, to the extent that the baseline world received the lion’s share of attention, it would be useful to elaborate on some of the excursions that received less scrutiny at the workshops.

SURPRISES

The scenarios developed in the workshops tried to capture our best understanding of the implications of current trends, and the alternative ways that they could play themselves out. Having accomplished that, it is necessary now to step back and ask in a systematic way how the workshops and scenarios may have missed possible developments or been mistaken about the consequences of current trends. This “devil’s advocacy” should not be done to generate all conceivable surprises, since that would be of no use to policy makers. We should, however, try to take into account how US analysts and national decision-makers have been surprised in the past – to guard against known sources of error, and develop indicators that will help us be more sensitive to developments that do not fit in with our mental maps of the world.

Three pathways to surprise stand out. First, history suggests that the developments that have flouted expectations have often involved major actors’ turning out to be much weaker or much stronger than had been expected. Countries that are strong now are expected to be strong in the future. Strong countries often appear strong up until the moment that they break. The collapse of the Soviet Union and Warsaw Pact is a recent example of an actor becoming surprisingly weak. Similarly, actors who have been weak are expected to remain weak, until they do something dramatic that forces us to confront the fact that they are no longer what they have been. The rise of radical Islam constitutes a case of a surprisingly strong new actor.

Second, some trends contain the seeds of their own undoing or reversal. Though we know this, it is hard to accept the fact that some trends simply cannot go on forever. For instance, the price of Tokyo or United States real estate or could not rise at double digit rates forever, and the bubble markets did collapse. Today, we should note that oil prices cannot keep rising indefinitely without generating countervailing responses. Further, continued trends create opportunities that human intelligence can exploit. International actors have on occasion perceived current trends and the expectations that they have engendered and exploited them. For instance, World War I generated a movement towards anti-war attitudes and policies that were strong in Great Britain and France. This created an opportunity that could be and was exploited by Mussolini and Hitler, who counted on the unwillingness of the major powers to use force in order to pursue policies that would have seemed unlikely to succeed on the basis of the material balance of power. The ability of actors to detect trends and then to act contrary to the expectations that the trends generate suggests that it is not always appropriate to think of trends as independent forces having a life of their own, immune to manipulation by human agents.

Third, historically, surprises have sometimes arisen from the failure to think through the implications of trends that are currently observable but the significance of which are not recognized because they are very gradual, or because a clinical analysis of them would compel a fundamental change of worldview that is difficult. The decline of Europe and Japan as major military actors in international politics because of demographic and economic trends affects existing American alliances, which are built around these countries, but publicly acknowledging and adjusting to these changes is politically difficult, for example.

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Thinking along these lines illuminates several alternative futures that may be under-studied but bear consideration because they have the potential to surprise US decision-makers. Accordingly, the rest of this report is divided into sections covering the security implications of:

- the rise and fall of international actors, and
- the resurgence of intrastate and interstate violence.

THE RISE AND FALL OF INTERNATIONAL ACTORS

Looking at the world today, and considering the radical changes that could take place, one is struck by the steady disappearance of empires. Rising levels of political awareness among mass publics, combined with major external military challenges, made it impossible to sustain the continental European empires (Germany, Ottoman, Austro-Hungarian) in Central Europe and then in East Europe and Central Asia (Soviet/Russian). It also led to the dissolution of the overseas empires of Great Britain, France, Portugal, Belgium, and the United States. The remaining states that incorporate more than one major linguistic group and that are being challenged are both small and large. Relatively small states in this category include Belgium, Spain, and the former Yugoslavia. The largest states that are multi-lingual and multi-religious are the United States, China, India, Indonesia, and Pakistan. In all of these cases one could argue that there are special circumstances that make each one immune to fissiparous tendencies. The United States is a country based on a political system, not ethnicity. India is a democracy that has managed internal conflict for decades. China has a long history of cultural unity. And yet Punjabi, Tamil, Tibetan, Uighur, Aceh, Papua, and Pashtu separatist movements exist with varying levels of coherence and strength. In each case, external economic or military pressures or internal crises that weaken the central government are far from implausible. This external pressure, together with internal grievances, could provide the opportunity for major re-drawings of the political map of Asia.

If that is the case, the states that are currently less impressive may become more impressive because they enjoy higher levels of internal cohesion. Japan, Russia, Germany, and France stand out as states that are currently in relative decline, but which could re-emerge as dominant players if larger multi-national states fall apart.

In addition, actors that remain internally cohesive may, for a variety of reasons, lose the will to act abroad. The United States remained the strongest industrial power after World War I but turned away from international military engagement after a period of thirty years in which it had become increasingly more involved in international great-power politics. This withdrawal from military engagement in the world could happen again. Comparing the Europe of the first half of the 20th century with the Europe of today, perhaps the most striking change has been the decline in the willingness of continental, and, increasingly, British, Europeans to fight wars for their countries except in the case of direct self-defense. Accompanying this decline, and perhaps causing it, was the rise of loyalties to a set of values that were shared by people (predominantly elites), regardless of their nationality, including environmentalism, human rights, and limits on the conduct of war as it affected civilians (land mines and cluster bomb convention, international war crimes tribunals). A consequence appears to be the elimination of credible threats of the use of European military force in any imaginable setting. This set of values has not become dominant in the United States, but the freedom of action of the United States to use military force is reduced by the shift in Europe and, possibly, by a nascent tendency among American elites in the European direction. The result is a world in which the United States is both physically and morally constrained in its use of military force in cases short of direct self-defense.

Thinking about potentially new and strong aggregations of political power is more difficult. The rise of internet-based communities has been described, but the importance of face-to-face

interaction in building social cohesion suggests very powerful limits on the efficacy of virtual communities. More compelling is the rise of trans-national religious or ideological movements, including but not limited to Islam. Still, the factors that divide religious and ideological groups have historically limited their cohesion, except for brief moments of cooperation and coordination. But a different set of quasi-national actors, based on shared language and religion, with high levels of internal interaction has now emerged, and these groups may exploit technological and economic developments to achieve and sustain politically important contacts. They are the international diasporas. Large numbers of Chinese, Indian/Hindu, and Hispanic peoples are dispersed across the globe. Declining costs of travel and communication have made it possible for them regularly to revisit their motherlands, find spouses there, and maintain the links of social loyalty characteristic of politically effective units. The Chinese diaspora was one major engine of Chinese economic development in China. Hindu diasporas that send money back to India to support their local temples have supported competitive Hindu movements within India. The Chinese diaspora is occasionally discussed as a potential instrument of Chinese government “soft power” in host countries, but the independent role of the overseas Chinese channeling money, information, and people back to the homeland could potentially be a significant factor shaping political developments within China.

THE RESURGENCE OF INTERSTATE AGGRESSION

The decline in the frequency of war among great powers is one of the most striking trends in the last sixty years. One consequence of this trend may be the expectation that force will not be used in the future. The reduction in the credibility of threats of the use of force in cases other than those of self-defense is a striking development. It may mean that international transgressions will not be punished by military action unless the United States takes that action. Circumstances, physical and political, in particular cases will limit American freedom of military action. Overall, it is difficult to escape the conclusion that states that face militarily weak neighbors may begin to calculate that they will increasingly be able to engage in aggression without fear of international retaliatory action. To be sure, the possibility of non-military punishment will remain, but to the extent that the fear of military punishment was part of the deterrent calculus limiting interstate aggression, that deterrent has been weakened.

We see no reason to expect that the European decline in nationalism will reverse itself, and some indication that the emerging European norms and values will have increasing political influence in the United States in the period 2008-2025. This will further reduce the credibility of military action in cases other than direct self-defense, and increase the odds that military aggression will escape military punishment. Regional military aggression, other things equal, should therefore be expected to increase in the absence of robust regional military balances.

A more controversial extension of this logic is that regional nuclear weapons use that avoids mass killing of civilians will also increasingly be exempt from military punishment, particularly if the user of the nuclear weapon deliberately denies external powers the opportunity to retaliate without killing many civilians – for example, by stationing nuclear forces in or near major cities.

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IMPLICATIONS

It is self-evident that divisions within major states have the potential to spark intrastate violence. And it would be surprising if major shifts in the international balance of power associated with the emergence of internal divisions within states or major new actors did not lead to increases in interstate violence. In addition, the incidence of interstate warfare may follow a cyclical pattern in which a decline in the frequency of interstate conflict induces a rise in the incidence of interstate war. After a long period in which there has been little need for US conventional interstate military capabilities, therefore, the world may rebound into an environment where US conventional capabilities are necessary to reverse aggression and reassert deterrence.

To be sure, the United States may decide that intrastate and interstate conflicts are not directly relevant to its national interests. If this is the case, one of the major characteristics of the Cold War and post-Cold War eras will come to an end – namely, the political influence by military means of the United States in the international environment. In the event of nuclear weapons use by third parties, the United States may well decide not to intervene. Even if no use of American military force is contemplated, however, the US military may not wish to withdraw from areas in which nuclear weapons have been and may yet be used. In that case, it will be necessary to prepare for continued operations in such environments. For example, measures to protect American personnel against radiation from fallout and to prevent the disruption of American information technology by electromagnetic pulse will be urgent considerations.

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CONCLUSIONS: INDICATORS AND POLICY QUESTIONS

The British government adopted a simple intellectual tool to help them guard against an unexpected shift in European politics in the interwar period. According to the “Ten-Year Rule,” adopted in 1919, planning would proceed on the assumption that war would not occur within the next ten years. Though this assumption was supposed to be revisited every year, without a set of warning indicators, it was more difficult for government officials to update their assumptions. Agreed-upon signposts that the world was changing would have helped Whitehall guard against this failure to see indicators that basic assumptions were no longer valid. Outlining the future developments that we expect to see on the basis of current trends, as well as the possible ways that our expectations may be violated, is more useful if we can then specify what the early indicators may be of deviations from the anticipated pathways, so that policy makers have adequate time to prepare for worlds that are not expected.

Since the baseline scenario is, by definition, what we expect to see, no indicators for the baseline scenario are provided. However, it is important review the elements within the excursions from the baseline scenario outlined above that may lead to increased levels of interstate and/or intrastate violence, and develop indicators that these excursions are beginning to emerge.

US WITHDRAWS FROM THE MIDDLE EAST (NEW “GREAT GAME”)

Indicators of a shift in US policy that leads to a significant reduction in American forces in the Middle East could include:

- a few years down the road, a massive resurgence in Sunni-Shiite violence in Iraq
- a new US relationship with Iran, provoked by:
 - Ahmadinejad’s deposition and replacement by less overtly hostile leadership
 - a US initiative outside the region that requires accomodating Iran by reducing US presence – e.g., a strategic partnership with India focused on Asia that requires American acquiescence to strong Indo-Iranian ties
 - apparently unjustified aggressive Israeli unilateral action in the region that leads the United States to reduce its military commitment to Israel
- a military contingency in Asia that requires transfer of Middle East-based US troops – e.g., a conflict over Taiwan or a Sino-Japanese confrontation over disputed oil reserves

Indicators of a regional perception of a US withdrawal from the Middle East, even if withdrawal is not the publicly stated US objective, would include:

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- shifts in the public discourse of Middle East leaders on the capacity of the United States to intervene and sustain interventions -- e.g., discussion of US casualty sensitivity
- increased harassment of US official representation in the region, including diplomats and military personnel
- increased harassment of remaining US friends and allies in the region, e.g. Israel

MILITARIZATION OF ENERGY SECURITY & CHINESE RESPONSE

While much of Asia has enjoyed a remarkable span of peace since the end of the Vietnam War, a conflagration in the Middle East leading to a dramatic spike in the price of oil could provoke a variety of Asian actors, as well as other major energy consumers, to behave in a more nationalist and militarist fashion. Under these conditions, China's "peaceful rise" strategy might look as though it were failing or obsolescent, necessitating a resort to military means of securing oil supplies and transiting them to the mainland. Beijing might therefore adopt a more aggressive foreign policy if the behavior of Japan, India, and/or other states, including the United States, seemed to warrant such a shift. In the context of an energy price spike or a prolonged period of rising energy costs, the following indicators could signal to China the emergence of a particularly dangerous environment:

- Japanese "normalization" or significant progress in the military sphere
- acceleration in Indian military modernization and/or Indian attempts to erode Chinese gains in influence in Southeast Asia
- Russian interference with Chinese relations in Central Asia, stoking Chinese energy insecurity
- a dramatic shift in Russian foreign policy, involving rapprochement with the United States
- a Chernobyl-like event within China

And the following indicators would suggest preparation by Beijing to adopt a more aggressive foreign policy in the event of negative developments in the energy realm:

- Chinese acquisition of naval power projection capabilities to protect Chinese sea lines of communication, along with a deterrent based on cost-inflicting disruption and denial capabilities
- a shift toward more overt efforts by China to use its influence in South, Southeast, and Central Asia to persuade regional states to reduce ties with the India, the United States, and Russia

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In addition, the world may present the United States with surprises that were not captured in the excursions developed in the workshops but were highlighted in this report. What might be the indicators of those surprises?

WEAKENED CHINA

China today, despite its impressive record of economic growth over the past two decades, faces significant internal challenges, including restive minority populations and a Chinese Communist Party reputation for corruption. Indicators of a dramatic internal setback in China could include:

- failure of Chinese domestic information control mechanisms, compromising the Party's means of shaping its image
- the supply of unprecedented (in recent memory) levels of foreign support – including military aid – to dissidents in Tibet and/or Xinjiang
- prolonged economic contraction – caused by, for instance, high oil prices and domestic inflation
- a single major, or multiple concurring, catastrophe(s) – e.g., involving domestic infrastructure or the environment – leading to casualties in the hundreds of thousands and exceeding the cover-up and/or stabilization capacity of the CCP and PLA

WEAKENED INDIA

For India, a dramatic internal setback could occur in the context of rising public opposition to free-market reforms and an economic opening to the world that hurts uncompetitive Indian farmers and businesses, potentially compounded by destabilizing forces in the region. Indicators would include:

- rising Naxalite violence in eastern India, supported by PRC in response to perceived opportunity to weaken historical rival
- a state failure in Pakistan that created a Punjabi remnant state seeking union with Punjabis in India

MILITARY WITHDRAWAL OF EUROPE

A Europe that recedes from playing a military role in the world, other than in direct self-defense, would be indicated by

- a decline in number and capabilities of European military forces appropriate for long range power projection, to include long range air transport and logistic structures,

global communications infrastructure, and combined arms forces capable of sustained combat outside Europe

- a decline in military training and exercises simulating sustained combat outside Europe
- additional commitments to international agreements that limit the offensive capabilities of armed forces

DIASPORAS RISE

Indicators of the growing importance of diasporas would include, as mentioned in the discussion above, the emergence of organizations in diaspora communities that develop institutional links (e.g. communications networks and clandestine meetings) to political groups in a home country and which direct flows of funds and expert personnel to targeted activities.

OTHER GENERAL INDICATORS OF REVIVED INTERSTATE CONFLICT

Already visible is the uneven spread of cosmopolitanism, as some states – and specifically, elites within those states – take the lead in embracing and advocating for international legal and political institutions. Indicators that some actors are poised to try to exploit this development by military means could include:

- the stoking of nationalism by some states, while others increasingly subscribe to new international norms
- military maneuvers for demonstrative purposes in support of economic or diplomatic claims similar to recent Russian actions against Ukraine that are unchallenged and successful
- state rhetoric setting out massive historical grievances against other states
- tests of new military capabilities that are publicized, unchallenged, and successful
- expansions of deployed military forces that go unchallenged
- military territorial grabs, at sea or on land, that are unchallenged and successful

POLICY QUESTIONS

If intrastate war is going to be resurgent as diasporas command and remit increasing resources, one would first expect the formation of organizations within diaspora groups to work with and channel resources to separatist organizations within the home country. If interstate war is going to be resurgent as actors exploit the sources of the trend away from it, one would first expect to see limited violations of the status quo by military means. For instance, Iran or Russia might engage in increasingly belligerent actions to threaten or harass the air and naval forces of the Gulf

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States or the army and air forces of the Ukraine, respectively, as part of efforts to extract concessions.

If these indicators are observed, it would be appropriate for high-level US decision-makers to revisit the question of whether the coming era will be characterized more by conflict than by cooperation. Under the prevailing geopolitical circumstances, these decision-makers would then consider what balance to strike in investing in capabilities relevant for intrastate and interstate conflict.