



Press Briefing

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DR. THOMAS FINGAR: Good. Thank you. Thank you for coming. This is a day we have been looking forward to actually for quite some time, and not simply because we like your company and your questions but because the purpose of 2025 is to stimulate thinking, stimulate questions, stimulate discussion, and we have done a small number of closed sessions with people looking for course corrections – and I'll come back to the process in a second, but this will kick off a series of meetings in which we anticipate you will ask us questions of the did-you-consider variety, and we'll probably say no, but we'll be able to both experience and demonstrate the way in which we hope this product is going to be used.

What I thought I would do in framing the discussion was to begin with a little bit about what we were trying to do, how we went about it and then some of the key drivers or dynamics and tendencies that we looked at in this report. Those of you who have had a chance to read the report will immediately recognize that neither Matt nor I are going to attempt to march through all of them; we will be doing selected ones. Then what were we trying to do?

The timing of these reports – and this is the fourth that we've done – aims to reach people at the beginning of a new administration. So every four years we've produced one; each one has looked out five years further into the future. It aims to stimulate strategic thinking before officials settle into new positions with their specific portfolios to be able to gain and perhaps somewhat better appreciate how the issues, the places, the personalities, the developments within their area of responsibilities fits into a larger whole, that the interconnected world in which developments anywhere can affect events, issues, people sort of everywhere is at once

intellectually comprehensible. You say, yeah, okay, that's right. Well, we're trying to provide a little illustrative context here to how they play and interact.

It is not a prediction. We don't claim a crystal ball; we're not forecasting the future. What we're trying to do is to highlight a number of the factors or variables, drivers, conditions – depending on how colloquial or social science-y you are in your vocabulary – that will shape the future, that will shape the problem set that leaders of ordinary people are going to have to cope with, that will shape the bounds of the possible. Nothing that we have identified in this report is determinative. Nothing in it is inevitable or immutable. These are all trends and developments, drivers that are subject to policy intervention, manipulation, can be deflected from a trajectory with correct policy but also could be accelerated either intentionally or unintentionally.

So I am trying to identify directions in which events appear to be moving and what is pushing them in that direction. It's a little bit on philosophy, relevant philosophy, how fast the changes are occurring. Some of the inflection points, the points at which you might be able to notice a change of direction, the fork in the road and which fork is taken. Where might you see this; it also might be a point to intervene. And in very broad terms what we're trying to sketch out are ways in which the trends themselves and the way they interact point in some positive directions or some negative directions. And the rather simple-minded logic behind this is if a leader likes the way a certain set of trajectories is going, what might be appropriate, necessary, useful now or in the near term to keep events on that trajectory? And how would you know if it is going off the rails or going in a different direction?

The other extreme are negative developments. If you don't like how things are headed, when, where, how might you intervene to reduce the likelihood of going in that direction? And there are clearly a lot of possibilities between the purely positive and the purely negative and the real world undoubtedly will be a mix of both and their interactions. So the real policy challenge is to affect in some optimal way those that are most susceptible, those that are least susceptible, those that are most problematic, those that are the most dangerous, in a way to negotiate between now and the future.

We're not recommending policy; we're not laying out options. We're just trying to expand first the thought process and then the decision space. One of the things that comes through clearly, we hope, in this report is the importance of leadership, that the flipside of events are not inevitable, immutable is that policy matters, leadership matters; leadership by individuals, leadership by organizations, leadership by nation-states, leaderships out to 25 – by 2025, by non-state actors. I'll come back to that.

We have four sort of illustrative scenarios. Again, they're not attempts to be predictive at all. It's just an attempt to weave together some of the lines of the argument, to illustrate how they interact. They're more for fun than they are as a pedagogic device or pedantic device. You too can play this game. Take energy, demography, shift of wealth, condition of the international order, relative influence, power of the United States, the speed at which others are rising, weave them together and then make your own future, and that's what we're trying to illustrate here.

And sort of briefly about how we did this. In the – my introductory note goes into more detail on this. We have learned from each of the preceding attempts to prepare this report. In a nutshell, we move from a bunch of intel analysts talking among our ourselves and thinking we can make a best-effort guess at the future. And the first of these efforts – we went through stages; this last time we moved beyond the “Let’s involve a large number of non-intel people, a lot of non-government people, a large number of American academics, researchers and think tanks, even journalists and other sort of informed members of the community to bring in what are your thoughts on the future.”

For 2020 we involved several hundred foreign participants. What did they think was going to happen? But then in previous efforts, we sort of took that all in, digested it and produced a draft and produced a report. This time we decided to be even more iterative. So we convened several sort of conferences, seminars, brainstorming sessions here in Washington and around the United States, in Europe, in Africa, in Asia. Did we have one in Latin America this time or did we not? We did? Okay – that gathered – what do you think the primary determinants, drivers, shapers are going to be? We made no effort to re-examine those we had considered in the previous iterations of global trends.

We didn’t mechanically say, let’s take the drivers from 2020 and see how they would look if we pushed them out another 25 years. They are no better or worse than other factors. So we gather up the set of drivers for this one and then we begin to prepare drafts. Some of the drafts were shaped by contracts and research budgets that we commissioned. A lot of it – the heavy lifting was done by Matt and his team in the long-range analysis unit. We took the drafts and we posted them on websites that had – we gave permission to large numbers of people to work on them and critique them. We took them out to literally dozens of sessions with – many of them about this size, around the country, around the world, asking for reactions to the draft.

And in the non-U.S. sessions, one of the questions we asked was, what do you think the United States is going to do? Even though this is a completely unclassified project and product, we are the Intelligence Community. So we don’t look at the United States. But we were justifiably criticized for “Global Trends 2020” for ignoring the 500-pound gorilla, for not looking at the role of the U.S. as a major actor shaping events on the world stage. So we gathered up views of non-Americans asking what did they think we were going to do, what did they fear we would do, what did they want us to do and what would be the impact? Again, it’s a great oversimplification of the dialogue, but that was basically the way we structured it.

We went through several drafts; the last one wasn’t finalized until about 10 days before we sent it to the print plant. In the end we began to have concerns that the speed at which the international financial situation is deteriorating might call into our question some of our judgments about rates of growth in the BRICs relative to the strength and influence of different countries, including our own; projections that globalization continue, and will it continue the historically unprecedented level of prosperity that we’ve experienced for several decades now. But prosperity would increase, so too would inequality. Unequal access – the rich-get-richer and the poor-get-poorer problem, the successful and the unsuccessful.

We wrestled with this quite hard in the last month-and-a-half, and in the end – I think in part because we were determined to stick with our original publication schedule, in part because we became convinced that waiting a matter of weeks wasn't going to lend any more clarity to the international financial system and that we did some tempering language and paragraphs and boxes and kind of fixes. So there is a little bit of – a little bit more discomfort about the way in which we have factored in global financial situation into this, but, at the same time, it's sort of underscored or reinforced our judgments about the waning efficacy and appropriateness of the international institutions that were put in place after World War II, the meeting that took place last weekend to look at restructuring the international financial system: the World Bank, IMF and related organizations that in one sense or in that sense, the pace of change that we are looking at up to 2025 occurred more rapidly than we had anticipated in that arena.

With that description of why we did it and how we went about it, let me call out some of the – some illustrative drivers and ways in which decisions and leadership can make a difference. We'll start with demography. Demography is as close to certainty as there is in the world of social science. You know, demographers tell us that we have pretty high level of confidence that the way in which populations will grow or age or shrink or age in age cohorts will play out. Statistical justification for that is pretty sound.

So we've got the aging of the West and Japan, the aging of China; the growth in population that the World Bank projection that we accepted was we had 1.4 billion people born between now and 2025. Only 3 percent of that growth will occur in the West as we have traditionally defined it.

The youth bulge that goes through Africa, the Middle East, into Central Asia, Central America creates both opportunities and problems. Let me illustrate some of each. If one looks at the Middle East and demographic profile, it looks similar to that of South Korea and Taiwan, as they were on the verge of sort of the industrial takeoff, a relatively large young, energetic population having to support a relatively small elderly population. But the key factor here was education and investment. If – sticking with the Middle East, if the Middle East doesn't invest in education, education of the kind that will create jobs and create the workforce for jobs, it won't attract the investment to grow, that kind of interrelationship.

At the other end of the demographic profile, Europe, particularly southern Europe, Japan, where the aging and shrinking populations – there will be fewer workers to support more elderly: social safety net, social security kinds of challenges here will be very, very significant. Posing challenges such as the cutback on benefits – do you change policies on immigration to allow more people in to add to the workforce, to add to the gross domestic product, that can be taxed to support people?

There's a little bit of a zero sum. Do the young people go into productive endeavors or will they go into the military? If there are not enough young people, how do you have a military force – that they're not all zero-sum, but they are all interactive here. And if you allow high levels of immigration into a country like Japan that has not had a history of immigration, what does it do to the social structure, to the social cohesion? How is that to be managed? Again, I'm not predicting this is unmanageable, but it is a problem that is going to have to be grappled with.

Another example will be the impacts of climate change, that some of you were present for the open hearing and statement for the record on the geopolitical impact of climate change out to 2030 that the NIC did earlier this year. The same kinds of studies that fed into that that have a – the effects of climate change out to 2030 have already been – the climate changes have been determined; there's nothing that can be done between now and then that's going to change what happens between now and 2030 – okay, not our judgment; that's the climate-change scientist community's judgment.

So by 2025, there's not things that can be done. That doesn't mean we shouldn't do things, but the impact will be felt, that the consequences of climate change will be uneven and some of the burdens, water shortages, disruption of agricultural patterns will be most severe in regions of the world that have the largest increases in population. Many of these also are regions with the highest degree of instability, with lower levels of government capacity to deal with problems, less money to throw at the problems.

And it's not an effort to project that this is all hopeless and we're going to have a humanitarian disaster and we should have done things and finger-pointing, but it is to help shape thinking of the – if one wishes to mitigate or, in some cases, prevent the most deleterious consequences of climate change, where do you make the effort: where the governments are most capable of handling it, where the impact might be most severe, where you can have the biggest positive effect in doing? There are lots of different logics and criteria, some technical, some economic, but, ultimately, political, about what do you do, who does it, who do you do it with? What is the impact of that on the stability of governance mechanisms and the like?

Another of the conditioning factors that we've put into this report concerns the role of international institutions. I mentioned earlier the questionable efficacy of yesterday's institutions to deal with today's problems. Now we're talking about tomorrow's problems. We took as a proposition that what worked great in the second half of the 20th century and continues to bring prosperity and stability to hundreds of millions of people around the world will be less effective, less relevant to the problems that are out there in 2025.

If one takes those sort of – accepts the proposition that what was designed for a different time, a different place, a different set of problems, a different orientation and segmentation of political actors probably won't be as effective in different time, place, circumstances than the what-do-you-do-about-it question that comes to the floor. And in the what-do-you-do-about-it question, the factor that we put in here was the diminished gap between the United States and everybody else, that, again, to overstate it, after World War II, the United States and almost everybody else, U.S.-British leadership, the other victorious allies, that we shaped the world. There were a whole lot fewer countries, smaller range of identified issues, put in place a system that has served the world, served the United States extremely well.

Indeed, the rising states, the BRIC – Brazil, Russia, India and China – that benefit substantially from the existing order and other states that are not as large, some rising faster than most, smaller in impact, but much of the world has benefited from the status quo. So what we're projecting here is that the status quo will be less capable of providing a sustained provision of the kind of

benefits that it has. Those who are benefiting most from it have, arguably, the least incentive to change the structure in which they benefit. Our leadership capacity is diminished because of the rise of the rest, because of the success of these post-World War II institutions.

So there is a little bit of the how-do-you-get-there-from-here problem. What nation or what combination of nations, what prioritization of solutions and problems is going to reorder the world for the 21st century?

The final two points that I would make in this opening and I'll kick it over to Matt are that, as we tried to indicate with the photo of the globe on the cover, which isn't fuzzy because we had a bad printing press, it's that the world will be transformed; it will be different, substantially different from what we have today. But what it will be – it will still be a work in progress. Nation-states will remain important, but they won't be the only important actors: non-governmental organizations, multinational corporations, criminal guilds and syndicates, all kinds of network, licit and illicit that will operate around the globe will play, that the communications revolution, globalization in all its manifestations is contributing to the reinforcement, the strengthening of multiple identities for a very long historical period, sort of national identity.

Nationalism has been the dominant identity for most people, but we've seen and project we'll continue to see greater attention to ethnicity, religion, region, tribal affiliation, class, the ability to be connected to or aware of those – whatever the identity group happens to be, conflicting identities that can be mobilized for different purposes: positive and negative, of which one will be nationalism.

So the phenomena of population groups that are spread across borders, where resources are located in a particular portion of the country – do the profits from their exploitation get distributed to everyone or do they go to the nation as a whole? Do they go to the people who own them, in some sense? Those kinds of cleavages we see being a bigger part of the process.

As we look out at the prospect of increased competition for resources, energy, strategic minerals, water, food. The potential for conflict will be different than and, in some ways, greater than it has been for a long time. We're projecting a multipolar world, that the unipolar moment is over; it certainly will be over by 2025. And, historically, multipolar systems have been less stable than either bipolar or unipolar: the Roman Empire, Pax Britannica, the American unipolar moment, the Cold War – being more stable, illustrative of a more stable system than one in which there are lots and lots of players, some of which have more power in one area – economic, cultural, political or military – than others, but those relationships can be reordered depending on what the issue is.

With a waning capacity of international institutions, international governments to manage them and the challenges of putting together a new global order, we at least hold out the prospect for consideration of more regional groupings. Doing it on a global scale is too hard, doing the equivalent of regional free-trade areas, regional security arrangements. That might be easier and therefore might become a more frequent occurrence. How will the regional developments later be integrated into a larger global system or will they evolve so independently that it becomes more rather than less difficult to integrate them?

I'm going to stop and ask Matt to elaborate on BRIC and then we'll invite your participation in thinking about the future.

DR. MATHEW BURROWS: Well, I don't want to hold up the questioning too much, but the one thing that you may want to take some notice of is the chapter where we deal with conflict because we do make a judgment there that the potential for conflict is growing from what we thought four years ago when we were doing the "Global Trends 2020."

Tom has alluded to some of that in terms of resources and the competition over resources and we, in fact, have – one of the scenarios looks at competition between India and China. So there is a new type of conflict that wasn't exactly in our eyesight when we did 2020. The other thing is that in the Middle East, we see that, certainly in the short run, as remaining very turbulent, possibly increasing turbulence. We do hold out, as Tom was mentioning, actually for some new patterns to develop, which is perhaps quite significant in the text that we named three up-and-coming powers and they are all in the Muslim world; they are not in the Arab corps: Indonesia, Turkey, Iran.

So we see them as economically in a position for takeoff. Of course, there are lots of ifs and buts there, but the potential exists. We certainly see a potential in North Africa, the demographic bonus and changes. However, it's also a region – it sort of was alluded to before – that is – where the potential is really increasing for conflict: Iran, the possibility of a nuclear Iran, arms race. I think you could gather the kind of – our thinking there; as I mentioned on resource competition. The third on terrorism, we make the judgment that the appeal of terrorism is waning, however the lethality of terrorist groups is likely to grow just because of their ability to get access to more and more dangerous technology.

So that makes a very complicated picture, but I think reinforces what Tom was mentioning about leadership, about seeing this not in black-and-white terms but actually more gray. And maybe that's the color we should put on the work because it – we wanted to be rather a little up-beat here – (laughter) – with our blue cover, but, in essence, they are both opportunities, certainly lots of severe challenges but it's not necessarily all bleak. That's all I would say. I would welcome your questions.

DR. FINGAR: Let me just add one thing. From the recitation of challenges that each of us have done that you will read in the paper, it might lead to a conclusion that this is sort of doom and gloom, woe is me, hand-wringing – not at all. That was certainly not the intention. Sort of if one looks the problem squarely in the eye, recognizes them, recognizes their causes, thinks about how they interact, it is not beyond, again, the mind of human beings or political systems, in some cases, working of market mechanisms to address and alleviate, if not solve, these problems over this time span.

We could have a better world, quite frankly.

QUESTION: I'm wondering if you've briefed the Obama transition team on this document yet or is this the kind of thing that's put into an intelligence briefing that Obama himself would have

gotten in the last 12 months as a candidate and now as President-elect? And, also, what can you tell us about some of the stats you've done from your last report from policy-makers? Is this something that they found – obviously, you've done it again, but may not be useful.

DR. FINGAR: Yeah, I'm not going to go into specific terms about briefing of individuals but there was – we did not brief earlier versions of this to officials. It has been – it is being briefed to members of current and prospective administration. And since it's available on the website, it's a public document; it doesn't require sort of the – somebody bringing it in a sealed pouch, that people can read it on the subway, take it home with them.

The impact of the previous reports – they really have been well-received. Once people get past the “This is a prediction” or “This is what the U.S. government wants the world to look like and think about,” many members of Congress have commented on how stimulating they found the 2020; 2020 was much better than 2015, which was better than 2010. We hope this one is even better, that advising folks who joined since the publication of 2020 to make sure that they really got brief on it. The strategic planners in the executive branch have found it very, very helpful and said so and Matt participates in a number of groups.

Twenty-twenty (2020) was translated into several languages, sort of used in college courses, debated in foreign ministries, leafed it around the worlds, sometimes in government circles. And one of the common reaction is, wow, we couldn't do this. Thank you, Americans, for being willing to do something like this. Whether they agree with it or disagree with it, that it is sort of a beyond what many see as possible within the strictures of their system.

And indeed, I think a part of the support for the long-range analysis unit that Matt heads or requests for papers and briefings out of the National Intelligence Council that are of the longer-term strategic climate on democracy, on energy, on the international financial system, and so forth, that is triggered by the global trends study. Matt, do you want to get the – I'll let you pick. Go ahead.

QUESTION: If you had had more time and you weren't up against your publication deadline, do you think that you would have had substantially different findings – (inaudible) – if you had more, as I said, a couple months more than you have now, giving greater consideration to the world financial crisis?

DR. FINGAR: You might get two different answers from us. Mine would be probably not. But my bias, having spent a lot of years teaching graduate students who always wanted to read one more book, needed one more week to get things done, I think you make your calls and you live with them and you follow up on them.

Nothing in what has unfolded over the last several weeks causes me to think that this is going to be clearly resolved in a period of four, five, six weeks more. I think it will be murkier or as murky.

DR. BURROWS: Well, we make a general statement in there about acceleration of trends. And I think in many ways that, you know, what may come out of the financial crisis is something that

we envision for happening much later towards 2025. So that when we write the next version of it, when we compare at that time what we were thinking about with what was in 2025, we will say that we were maybe a little timid in thinking that these things would take much longer to happen.

QUESTION: Of all of the issues that you raise in this report, what do you believe should be the most immediate priority for a new administration in your mind?

DR. FINGAR: Matt?

DR. BURROWS: I would put the energy/climate change. I think they're the obvious opportunities for the U.S. certainly – we're a technology leader. And they're also the ones that, as we made plain in the document, have in many ways the biggest geopolitic import. When you can get that terribly wrong with large-scale implications for the U.S. position in the future – (inaudible).

QUESTION: In flipping through this, I think global trend two, you've got sort of a provocative letter from – the diary issued from the President. And it almost seems as though you guys were making a recommendation. I think we thought it best that the NGOs – Bill Gates – and others handle the problem with globalization. We should have been more involved.

I'm interested in why you sort of posited the U.S. would be hands-off in the future if in fact that is what you should be drawing from that. And also, can you tell us why you think Turkey and Indonesia will be rising powers? I think I understand Iran, also others.

DR. FINGAR: Do you want take those?

DR. BURROWS: Sure. On the scenario, the October surprise – and this is, for those who haven't read it, talking about a hurricane that happens in New York and catches the then administration by surprise.

QUESTION: Is that going on anything in reality? Sorry.

DR. BURROWS: Well, it could happen. I mean, there are actually some modeling of such a thing. I mean, in terms of the damage and so on, we took that as a cue in what could happen in that event. But if you read the scenario, basically, it's thinking about growth. And there are lots of reasons. And of course, right now, in this financial crisis, there are going to be lots of reasons to think about how to get growth going and keeping it going.

But what we're trying to point out there is that in doing that, you also have to think about what could happen if you don't take into consideration the physical changes coming with climate change and that if growth – and this is just not the U.S. leader; it's also mentioned in there about the Chinese leadership, as they do, about much more growth and maintaining it. But increasingly, it's going to be the kinds of growth and what the impact in terms of energy, climate change, other consideration.

QUESTION: Is that the answer to Turkey?

DR. BURROWS: Turkey and –

QUESTION: Indonesia.

DR. BURROWS: Indonesia – well, Indonesia, the fourth-largest country, a new democracy, a potential there. And we underline they remain potential. You know, their economic rates in the past have been good. The potential there is to increase it. And of course, they live in a key – the most, let's see – economic dynamically potent area in the world. So the potential there is to become a much bigger player.

And certainly on Turkey as well. But they have gotten – in recent years, their economic management has improved. They're a growing country, but also one in which in a demographic sense that they can enjoy this demographic bonus. They are playing again a key role, geopolitically, at the crossroads not only between the Middle East and Europe in the West but also in a sense north-south to Russia, Iran, with the rest of the world.

(Cross talk.)

DR. FINGAR: Just down on the Turkey, it has the capacity or the potential to be an energy crossroad – pipelines from Central Asia, and from Iran going into Europe.

QUESTION: In your terrorism section, I see that you talk about al Qaeda's diminished appeal. And I think there's a line in there about it could decay faster than some people think. What do we do with that judgment?

DR. FINGAR: Well, the diminished appeal is both sort of polling kinds of data and anecdotal kinds of data that the killing of innocents, killing of Muslims, that seems to be turning off more people than it is turning on in recent years. As importantly, there is – to the extent that there is an agenda other than violence for al Qaeda – it has very little appeal in Islamic communities. Reestablishing the caliphate, lack of tolerance, disinterest in democracy, perpetuation of subservient position of women – that there is not a positive appeal that goes beyond get the crusaders out; let's attack the infidels and those within the Arabian Peninsula who are judged to be propped up by foreigners in violation of their interpretation of what is proper.

So it is the ironic two-sides-of-a-coin situation here of the appeal to a larger population that might provide funding, be tolerant, look the other way if somebody from the community goes off or attempts to be harbored in a region. And the larger more youthful, perhaps more alienated, ill educated, poor job prospects population that the very small percentage that is attracted to terrorist violence will be a very small percentage of a larger group. You know, so their recruitment pool could be larger; but the sea in which these terrorist fish would have to operate probably would be more constrained.

QUESTION: You said that for the first time, you asked some of the foreign participants about how they saw the United States going. And I'm wondering what trends emerged from that, and

to what extent do you think their perceptions of the U.S. were colored by the Bush administration and their attitude to the Bush administration, and how now with a new administration that might change?

DR. BURROWS: They actually made a distinction between the Bush administration and the United States. And I think as Tom and I have both been saying, in many ways, they still want the U.S. there. They don't necessarily want a unipolar U.S. But this is – the U.S. is the glue that keeps the international system together. And they realize that. And even when we were in Beijing and we had, both the Chinese but also – (inaudible) – governments there represented, they realize the U.S. in Asia plays a regional role that for the time being they wanted to remain. They want, of course, a lot more consultation, back and forth.

So they're quite sophisticated. It isn't just – as we've made plain, there is a section in there about anti-Americanism, and actually how we see that maybe plateauing and lessening. The Middle East is the obvious exception. But in most other regions of the world – and we can even make a case in the Middle East it could grow with a nuclear Iran.

DR. FINGAR: What I would add to that – and I agreed certainly with Matt's read on it – there was an interesting in some sense comical pattern of we went and asked folks, initially in other government, to comment on the United States. And it was, really? You actually want to know what we think you're going to do? What impact? And we say, yeah, we really want to know that.

And I was actually quite – (inaudible) – they slept on it. The next day it was, actually, we're not too sure we want to be telling you that. And in the end, we didn't get a lot of specificity. But as Matt indicated, if not you than nobody. You are the glue. You're the source of stability. If there is going to be leadership, it has to come from you. But you've got to be more inclusive – less unilateral more multi-lateral. You've got to consult with us more. That kind of tenor came through, I think, every place that we really did this.

QUESTION: Considering what you wrote about the likelihood that nuclear weapons – there is an increasing likelihood that nuclear weapons would be used – and I guess the regional problem-solving approaches that you see being adopted, do you see a significant change in the – I guess among the power structure – those that will address conflict? Do you see significant change in those who will be able to and will want to, i.e. clearly the U.S. but who else and in what order? Will that order change? Will it be the U.S., Europe, and maybe Russia, or somebody? Or will it be U.S., Russia, someone else?

DR. FINGAR: That's exactly the kind of question sort of we want to elicit, because we don't have the answer in this book. Let me comment on the somewhat greater potential for the use of a nuclear weapon. It is not developed at length. Part of the logic chain in that is a combination of a larger end, more countries have nuclear weapons now than before. And depending on how things play out over the next 15 years, with the spread of nuclear power technologies, technologies will spread.

And the capacity to have access could spread. If Iran were to go nuclear, there could be a regional arms race. If one of the states that has the capability elects to proliferate – (inaudible) – we could have a problem. And it's not too hard to imagine regimes having access to a weapon without the kind of fail-safe controls that we have, the Russians have. So large potential, more problematic countries.

And also, among the international institutions that need to be attended to are the control regimes. The arms-control regimes that were put in place – Non-Proliferation Treaty, ABA, inspections and so forth – if not – (inaudible) – will wreck it. So there are ways to manage this. But the current direction of sort of waning efficacy of the control mechanisms in increasing numbers – (inaudible).

QUESTION: If I could go back to the idea of the competition for resources – (inaudible) – made mention to the Presidential diary a little. But as the competition for resources heats up, some of the countries – as globalization expands, some of the countries where you're seeking resources are countries like Nigeria or instable, unstable countries where the government can't handle this type of situation. How do you see that playing out in terms of these countries? Are they going to rise in power, like a country like Nigeria or Sudan? Are they going to rise in power because they have the resources in their country but necessarily the kind of government instability isn't going to be there? How do you see that shaking out in the world order?

DR. BURROWS: Well, I think there is – it can go in several different directions on each of those countries. I mean, those – (inaudible) – are different. I mean, the one thing that you have to realize is that over this span of time, the number of countries that actually we'll see who are now producers will see their production levels go down is quite large. So there is going to be a greater concentration of the producers in the Middle East. And then, you have countries like Nigeria, Russia, and others that will be providing a larger percentage of the world's oil, natural gas, et cetera.

So in terms of Nigeria in particular, this is our feeling about the risk level dependence on this is growing. You know, the Nigeria case is about inequality. It's a story about that. It's also a story about ethnic divisions and extremely bad governance. And we don't see that easily turning around. The one problem with energy producers is that Nigeria is a democracy but most are not. And it tends to be that those regimes stay in power and can stay in power because of the revenue streams.

The other, of course, thing that we talk about here is not a static picture, both on the production side – and I just explained that – but also in terms of prices. I mean, what we're seeing today with the volatility. And that makes – also increases the risk from a couple different ways. One thing is, it won't be a smooth transition away from the producers into alternative energies. It also means that these countries – Nigeria is a little bit better place, but Iran is one and Venezuela – are highly dependent upon constant streams of revenues to support themselves. You get these sharp drops, which we're seeing today, you're going to increase the political risks at home that they will be toppled or instability will increase, not necessarily for the good, not necessarily going to immediately go into democracy.

QUESTION: Unless I missed it, one thing that – on the treatment of Iraq, Afghanistan, and Pakistan, there was no mention whether U.S. forces are likely to be there – (inaudible) – or, really, the larger role of the U.S. military in the coming years. I mean, I understand that you're under some limitations – (inaudible, background noise) – but can you talk about why that absence is there?

DR. BURROWS: I think there is a – at least on Iraq a – I can't pick out the paragraph here, but I think we assume that the U.S. – that there would be a drawdown. And, certainly, when we're talking about 2025, we assumed that we would not have a very large troop deployment there, if any at all. But in many cases, I mean, what we're looking – we're not in the position of saying what U.S. policy should be or not. What we tried to talk about is the landscape in these – political and economic landscape – in these countries and likely trends and the, you know, continuing sources of instability.

QUESTION: Right, it's just that, currently, it's such a dominant feature –

DR. FINGAR: We didn't, again, project a 23-year conflict in Iraq; we're 17 years out from now. You made a fair point in that we didn't address, would the United States be engaged in military conflict somewhere around the world. And we didn't address it.

QUESTION: Is it possible or desired to reduce what you described as a diminished U.S. leadership over the term of this? And, related to that, one of the elements is that the United States may have to make a tradeoff between domestic and foreign policy interests. I'm wondering what particular interests you might have in mind there.

DR. FINGAR: Well, partly, it's resources available that – as one of my colleagues says, every time you have ideas about extensive activities, remember the number 700 billion and that's just for starters – (laughter) – the size of the national debt, the requirements for infrastructure and the debate over health care adequacy, education to maintain the technological edge. The competition for resources – time, attention, domestic and foreign – I think, is going to be pretty intense. And, in contrast to most of the latter half of the 20th century, where there wasn't an existential threat to our existence posed by the Soviet Union and international communism and the like, a clear alternative model and the ability to incinerate one another – we don't see that situation in 2025.

And, sort of, absent that kind of a threat, everybody – potential for greater investment at home rather than all of the manifestations, from aid to subsidized investment to paying for health care to military sales and deployments and so forth – nothing would happen, but the equation will have different weights assigned to the various elements of the expectations.

QUESTION: You mentioned that you had conferences and other meetings around the world for this. Could you tell us what kind of budget you had to do this project, including everything? And another sort of specific question: I saw that in this final version there wasn't a paragraph that I had seen in an earlier draft of the report, which is that you think that a government in an Eastern European country could be taken over by a criminal or corrupt group or network; I'm wondering if you had a specific country in mind?

DR. BURROWS: I believe it's still there. We don't have –

QUESTION: Oh, okay, I hadn't seen it in another version.

DR. BURROWS: We didn't have a specific country in mind. Obviously, there are several candidates. We didn't say this one and not that one.

QUESTION: And the budget?

DR. BURROWS: You know, I don't have a number on the top of my head. I mean, we – in most cases, or in many cases, we had others who want to host meetings for us and we used a program that we have within the Intelligence Community called the IC Associates, which are a lot of experts both domestic and foreign and, you know, businessmen, academics, think-tankers, also former ambassadors that we use to do not just this work, but other work for us and they were the backbone, I would say, of a lot of the papers and so on that we used to put together the draft. And I can't quantify from that, because that's a separate budget.

And there were quite a few think tanks – the Atlantic Council, the Stimson Center – they're named at the acknowledgments there – who also hosted things and also did a four-year period one. I would underline Tom's remarks that one of the big differences in this one is that we do have a unit, now, within the NIC and we do a lot of other studies, which are actually quite – most of which are classified, but look at this same sort of work and that we can use as a basis for this.

DR. FINGAR: Yeah, we're not trying to hide the number. But because it was sort of pursued in tandem with other projects, other things, with meetings that we were going to have anyway and add-on kind of things, the actual budgetary outlay for this – I could give you a number and it would understate what was there. But it was not hugely expensive to produce because it was woven through - a lot of it built off of, for example, the climate change assessment that we did; some of it built on some work that's in progress on energy; some of it built on work that the long-range analysis unit had done on demographic trends; some of it, bringing people to Washington for conferences or seminars elsewhere in the U.S. government. So that's the reason that it's hard to give you a figure there.

QUESTION: When did you start it?

DR. BURROWS: We launched it last November, actually, at a conference at Meridian House. But there are other studies, I mean, here that we've drawn on.

QUESTION: I wonder, if I could take you back to terrorism for a moment, I'm just struck by how, relatively speaking, little there is in the report about terrorism and how dominant terrorism has been in the public mind and in discussion of government activities, even in the organizational government, for the last eight years. Does that reflect a sort of larger assessment that terrorism, you know, perhaps doesn't loom as large in calculations about the future as it seemed, obviously, in 2002? You know, you talked about the long war – you mention it in one section – but again,

you make those comments about al Qaeda. I just wonder if you could enlarge on your part about terrorism.

DR. FINGAR: Part of it, again, not to be facetious with the analogies here, but 17 years is a long time. Seventeen years after the end of World War II was 1962, when there was not a lot of discussion of fascists and Nazis and imperial Japan. Things change and holding constant the threat from groups that either have sort of special focus, that are not global – most are locally focused – that it didn't make – we figured we'd be more accurate in predicting a waning than a steady state. The IRA, if we went back five years and predict about 17 years, you'd be flat-out wrong about them. So it was that kind of wishing to avoid straight-line projection and thinking about which direction is this going, are we making progress – I believe we are making progress – we the United States, we the civilized world, we populations – that services of recruitment and – which makes the safe-haven dimension of the current terrorist threat more clear and more dangerous.

QUESTION: Can I ask a non-2025 question? What can you tell us about the national intelligence estimates on Iraq and Afghanistan? Can you tell us, have they been completed? Will we see key judgments? Anything you can offer? Updates?

DR. FINGAR: I'm not going to comment on either, specifically, but I will observe that in the last six weeks or so, we've had a phenomenon that, in my 38 years in the community, I've never witnessed, which is the extensive reporting on leaks of two products that don't exist – two estimates that didn't exist – which is really rather remarkable – (laughter). As the guidance issued by DNI McConnell, it's not the policy to release these estimates – that we believe these are more useful if they can be used by policymakers, decision makers, military commanders, law enforcement people, oversight committees, and not become an object of public debate. And that's in addition to the sources and methods protection; that's in addition to desire not to limit diplomatic options by telegraphing, stigmatizing in advance. So I hope there are no public releases of future products, whatever those products might be.

QUESTION: Was that a lesson from last year – from the Iran NIE? Was that a reevaluation?

DR. FINGAR: Not really. I mean, I think the discomfort with releasing judgments – (inaudible).

QUESTION: When you say they didn't exist, you just mean in draft form?

DR. FINGAR: In one case, it wasn't even in draft form.

QUESTION: Which case was that?

DR. FINGAR: One of them.

QUESTION: Pakistan?

DR. FINGAR: We could play all day, but we're still not going to get anywhere.

QUESTION: The report mentions the current Wall Street crisis as sort of starting of this process of rebalancing – (inaudible). Is that what you were referring to when you mentioned the G-20 meeting last weekend and that sort of institution?

DR. FINGAR: Yeah. If you look at kind of the public discussions by participants, by Sarkozy, in calling for it, being more specific, more urgent than kind of generalized long-in-the-tooth, gray-of-beard – (inaudible).

MR. WILLING: Is that it?

QUESTION: I just have one more, just about when you talk about that it's going to be a multipolar world, and that can be a less stable world, do you still see the United States as the – well, it won't be the sole superpower, but it will have to exhibit the most amount of leadership to kind of manage these conflicts?

DR. FINGAR: Let me disaggregate what you said. We see the U.S. as still the most powerful, the most influential nation in the world. The magnitude of the gap between us and others – smaller; the extent of our military dominance will be greater than our cultural and political dominance; the nature of power is more dispersed. Power is more than military, it's more than economic; there's soft power dimensions, there's cultural power that are there. So it's the images that have been used, not by us, but in the past, is sort of three-dimensional chessboard kind of image. And with that disaggregated and dispersed power bubble and lack of a clear hierarchy in value to the different problems – I mean, we're not talking about survival or avoiding a nuclear holocaust.

All of these sort of arguably could make it to the top – different issues could make it to the top of the agenda in different countries with different non-governmental players, that herding cats will be more difficult. What Matt was making about the view of I would say most of our foreign interlocutors that if there was going to be a cat-herder out there in 2025, that it would have to be the U.S. But they weren't suggesting and we certainly weren't suggesting that it would be easy for us to do that.

QUESTION: Can you imagine the first President who will get this report and see our power is going to diminish? It's typically a minefield for any President to –

DR. FINGAR: Yeah, but there's nothing – that's hardly a – our power has been observed, commented on to be diminishing for – our relative power, not absolute, but relative power. At one time, we had 50 percent of the global economy; we still have 20-some-odd percent of the global economy, yet we still only have 6 percent of the population. We're thinking of it as the rise of the rest, rather than as the decline of the United States. And this is a good thing.

DR. BURROWS: Any U.S. President has still very powerful cards in his hand. But understanding, you know, the other cards out there that are held by the other players and understanding where your possible weaknesses and strengths are, I mean, that's what actually will make you powerful – sort of the knowledge so much more than the concrete capability.

DR. FINGAR: Thank you folks. Enjoy it!

(END)