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A Report of the
CSIS INTERNATIONAL SECURITY PROGRAM

FORMULATING NATIONAL SECURITY STRATEGY

Past Experience
and Future Choices

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Executive Summary

Strategies are shaped by the processes that produce them. If designed well, a strategy formulation process enables decisionmakers to evaluate the political, security, and budgetary environments, identify choices for an organization, weigh risks, opportunities, and tradeoffs, and determine the best way forward. A strategy formulation process determines which issues will be raised for decision, how issues are elevated to senior levels, what options are presented, who participates in the decisionmaking, and how the results are communicated both internally and externally. It is possible for good strategy to emerge from a bad process or for a good process to produce a bad strategy. In conducting its research, the CSIS study team found that good strategy formulation processes can facilitate the production of good strategy.

This study is the result of congressional concern that U.S. strategy formulation processes were not agile enough for a rapidly changing world or producing useful products. In 2015, Congress directed that an independent study of the strategy formulation process be conducted. Congress tasked the study with the following:

- Develop “several case studies of the role of the Department of Defense and its process for the formulation of previous national security strategies.”
- “Review and analyze the current national security strategy formulation process, as it relates to the Department of Defense.”
- Make “recommendations for the executive and legislative branches on the best practices and organizational lessons learned for enabling the Department of Defense to formulate long-term defense strategy.”¹
- Explain “the capabilities and limitations of the Department of Defense workforce responsible for conducting strategic planning, including recommendations for improving the workforce through training, education, and career management.”²

This report is biased toward the Department of Defense’s (DoD) internal processes, given the focus of congressional action over the past five years on defense strategy processes. In addition, the Quadrennial Defense Review (QDR) has historically been the first major national security document released by a new administration, meaning that DoD has played a comparatively outsized role in shaping U.S. national security strategy.

In conducting this study, CSIS applied three guiding principles: focus on the question at hand, consider strategy formulation broadly, and make the results useful to decisionmakers. The application of these

¹ The full legislative language, P.L. 114.92/NDAA FY2016 Section 1064, appears in Appendix A.

² FY2017 NDAA Sec. 945; an assessment and series of recommendations of the DoD strategy workforce are available in Appendix I.

guiding principles has resulted in a study informed by the existing literature and scholarship on the issues and structured around an assessment of the current process and a series of six case studies.

An interactive research process resulted in a series of 12 questions that serve as the analytic framework for this report. These questions can be used by DoD to align a strategy review to the geostrategic, political, and budgetary characteristic of that moment. Furthermore, this study uses these 12 questions to understand the dynamics of past strategy formulation processes and inform recommendations for the future.

Current Process

The current process for national security formulation consists of three major documents and dozens of supporting and complementary documents. The major documents, in a rough hierarchy, include the **National Security Strategy (NSS)**, the **QDR**, and the **National Military Strategy (NMS)**. Historically, the QDR has been the most detailed of these documents and has received most of the congressional attention.

The statutory hierarchy, outlining strategy flowing from the president through the secretary to the uniform military, is sound on paper. However, the real process is considerably more complicated. For example, the defense component of this strategy hierarchy has consistently been the first element released since the 1993 Bottom-Up Review. The DoD leading role in strategy formulation represents both an opportunity and a challenge for the department.

In recent years, the collection of national security strategy documents and their accompanying processes have faced severe criticisms. The criticisms note a wide range of failings:

- Lack of clear priorities;
- Lowest-common-denominator recommendations as a result of development by consensus;
- Lack of candor about decisions for fear of alienating an interest group or groups;
- Weak connections between objectives and resources;
- Slowness in responding to changes in the national security environment; and
- A high staff burden.

These concerns led Congress, in the FY2017 National Defense Authorization Act, to make substantial changes to the statutory basis for national security strategy documents and, by implication, the supporting strategy formulation processes. These changes can be summarized by three overarching themes: unification, simplification, and classification. Unification means developing strategy with a single voice rather than as the consensus product of a committee. Simplification means focusing on the big issues and away from the multitude of secondary issues. Classification is a way to allow more candid discussion about tradeoffs and priorities without risking public backlash from affected groups and interests. These themes are analogues to reform of the acquisition process, which Congress has changed substantially to promote innovation, rapid equipping, and better analysis.

Specifically, Congress made the following changes:

- The **NSS** changed from a primarily unclassified to primarily classified document.
- The **QDR** was renamed the **National Defense Strategy (NDS)**. It is explicitly structured as classified guidance from the secretary to the department. The number of required topics has been reduced from more than 26 to 6. Lastly, the department is urged quickly to complete the strategy review at the beginning of a new administration.
- The independent assessment of the QDR, the **National Defense Panel**, was renamed the **Commission on the National Defense Strategy for the United States**. It is now structured as an input to DoD's strategy formulation process, rather than as a subsequent commentary on it. All commissioners are named by Congress. The broad strategy tasking remains the same.
- The **National Military Strategy** was changed to a classified document with a greater emphasis on policy compared to a heavier programmatic emphasis in the previous version.

Case Studies

CSIS examined past efforts at national security strategy development. By examining previous cases in detail, the study team was better able to identify and assess the actual tradeoffs made in prior strategy formulation efforts. The cases thus provided key insights into the tradeoffs between various approaches in strategy formulation.

The study team examined six case studies to examine how decisionmakers designed national security strategy formulation processes in practice. There were four U.S. case studies, focusing on recent strategy formulation efforts to provide greatest relevance, and two foreign case studies to give a different perspective.

- **1983 National Security Decision Directive 32:** NSDD-32, a classified strategy document laying the foundation for President Ronald Reagan's assertive Cold War strategy, was a rare example of detailed guidance coming first from the president and the White House rather than from DoD and the agencies.
- **1993 Bottom-Up Review:** The BUR established the concept of a periodic strategic review, and introduced the two-MRC (major regional conflict) force-sizing construct. The BUR had a full narrative describing the strategy and then laid out the programs and budgets needed to carry out that strategy. Although debated throughout the 1990s, the longevity of its recommendations makes it arguably the most successful recent U.S. strategy. It was done quickly, in nine months, even though there were few political appointees in place.
- **2001 Quadrennial Defense Review:** The 2001 QDR is interesting because it tried three approaches before finding one that worked. First, it tried producing a guidance paper by a small group, then it established committees of outsiders. When these first two approaches failed, it used highly focused panels of insiders.
- **2012 Defense Strategic Guidance:** The DSG was a procedural outlier, being an ad hoc, off-cycle

strategy formulation process that included significant White House engagement and presidential endorsement. It produced relatively major changes to U.S. defense strategy. It was an emergent strategy, and was therefore different than the calendar-driven QDR's but consistent with recommendations in the strategy literature.

- **2008 French White Paper:** The French white paper process, conducted when directed by the president and not on a regular schedule, was overseen by a commission consisting of insiders, such as senior civilian officials and military officers, and outsiders, including legislators, academics, and defense industry executives. Thus, it offers an alternative governance structure to the insider-driven, regularized processes in the United States.
- **2016 Australian White Paper:** The Australian white paper process is noteworthy for its extensive engagement of both national security experts and the public. The public could provide comments through a dedicated web site, and the commissioners toured the country meeting with local panels of experts. The process also used outside consultants extensively to conduct analysis and verify results.

Recommendations

One perspective that arose early from the research was that strategy formulation processes must accomplish many different and sometimes contradictory goals. Further, processes must adapt to the needs and interests of the existing leadership. As a result, *there is no perfect process*. Instead, process design involves making choices among desired objectives. DoD, and all institutions, should make these choices consciously, focusing on those objectives that it values most highly. The study team produced two groups of recommendations: recommendations for the process as a whole, and 12 choices for specific elements of the process.

Process Overall

The CSIS study team makes four overall recommendations:

- **Consciously align the process to the decisionmaker.** DoD has wide latitude in designing a strategy formulation process because of recent statutory changes. It should use this latitude to adapt the process to the needs of the senior leadership. It should avoid the familiar bureaucratic pathways that supported the QDR. Instead, DoD should focus on issues the secretary sees as important and design a process that suits that leader, not one designed to suit the staff.
- **Recognize the inherently political nature of the process.** Every strategy document tells an inherently political story. Consequently, despite the technical expertise of the staffs that produced it and the professional qualifications of political officials who oversaw it, the document will drive a political discussion with Congress and, if public, with the broader national security community.
- **Limit the proliferation of strategy documents and ensure that published documents are consistent.** Allowing separate, uncoordinated strategy formulation processes produces confusion. The number of separate strategy documents should be reduced, and the secretary should limit the documents he signs to clearly subordinate supporting documents.

- **Seize the opportunity present in each strategy formulation process to drive the leadership’s priorities.** The strategy formulation process should not be viewed as a burden, a statutory requirement to be checked off, but rather as a vital pathway for achieving a secretary’s and, by extension, an administration’s vision for the DoD and U.S. national security broadly.

The 12 Choices

In addition to the overall recommendations, the study makes recommendations regarding the 12 choices that tend to arise in designing a DoD strategy formulation process. These choices are presented in roughly chronological order and, for each choice, the question, the recommendation, and a summary of the study’s findings.

Choice One: How rapidly should DoD conduct the process?

Recommendation: DoD should publish its strategy document in the fall to support its budget proposals and give coherence to its policy actions.

Study findings: The budget process moves forward inexorably and new administrations will quickly have two proposals before Congress, a modification of the current fiscal year and a full budget for the next fiscal year. Having a published strategy helps an administration justify its budget proposals. Further, events will be happening internationally to which the administration will need to respond. Having a strategy provides a context for action. In accordance with statute, QDRs were published with the following budget, 13 months after the president is inaugurated. However, DoD has the personnel and organizational culture to develop strategies more quickly. In 1993 and 2001, DoD released strategies in September of the administration’s first year. The inevitable lack of political appointees early on creates challenges to formulating strategy, but Secretaries Aspin and Rumsfeld found ways to conduct the process rapidly, using a few key appointees and assistants, the permanent staff, and the military leadership. Finally, work expands to fill the time allotted, so a short timeline reduces overall staff workload, a major criticism of the QDR process.

Choice two: How should DoD align its strategy formulation with national security strategy formulation?

Recommendation: DoD strategy should not wait for completion of the White House-driven National Security Strategy. DoD should drive an interagency conversation at the NSC, up to and including the president, to establish the administration’s key national security policies and priorities.

Study findings: In theory, the NSS should be an administration’s first strategy document as the capstone setting government-wide policy; in practice, DoD’s strategy document has always preceded it because DoD has the staff, expertise, and continuity to undertake such a process quickly. Further, it would be ideal to receive clear presidential guidance at the outset, but historically that has rarely happened in a first term because new presidents are consumed by other initiatives that the administration is launching. For both these reasons, DoD should move ahead promptly with its national security formulation process. A new administration should use DoD’s strategy formulation process to drive a government-wide discussion about national security policies and priorities.

Choice three: Who does the work—a small group or large group?

Recommendation: A small integration group, leveraging expertise and experience from across the broader organization, best enables the strategy formulation process to be focused on key issues while ensuring connection to the department’s technical and analytic expertise.

Study findings: Like many other DoD processes, several DoD strategy formulation processes have involved large groups of insiders, frequently taking the form of numerous panels examining specific questions or issues. This takes time, imposes a large staffing burden, and opens the process to issue advocates. Notable exceptions to this pattern were the 1993 Bottom-Up Review and the 2012 Defense Strategic Guidance. Both were successful top-down, small-group efforts that plugged into the broader organization for information and implementation.

Another consequence of having many panels and an extended timeline is the justification component for “QDR cells.” These soaked up staff time and study resources but were generally too removed from the senior decisionmaking to provide meaningful, and timely, input.

Finally, the study notes that decisionmaking and report writing cannot be separated. Report writing, which fleshes out concepts and adjudicates comments from staff coordination, is inherently a part of the strategy formulation process.

Choice Four: Who runs the process? What is the right civilian-military balance?

Recommendation: The secretary clearly runs the process in statute. It is vital that the secretary drives the process in practice as well. The process also needs to include the Chairman of the Joint Chiefs of Staff (CJCS) and Joint Staff at every level to narrow and limit gaps between the secretary and the chairman.

Study findings: The FY2016 National Defense Authorization Act places responsibility for strategy formulation with the secretary. The secretary must step up and take control if the process is to be effective. This is the secretary’s major opportunity to engage the department, build a consensus among the senior leadership, and set a new course of action.

The NDAA directs the secretary to consult with the CJCS, and directs the CJCS to provide advice. However, CJCS, as principal military adviser to the secretary and the president, has separate statutory responsibilities. Executing these can compete with the Office of the Secretary of Defense’s (OSD) strategy process. To avoid confusion and the appearance of disagreement, the administration must find ways to ensure that there is a single process, not two parallel processes, and a single voice. Establishing clear linkage at all bureaucratic levels throughout the strategy formulation process can reduce, but not eliminate, the possibility of diverging perspectives. Ultimately, effective coordination will be personality dependent. Building personal relationships can overcome organizational gaps.

Choice Five: Should the strategy strive for comprehensive coverage or focus on key issues?

Recommendation: DoD should use its new latitude and focus on the issues it thinks are most important.

Study findings: Legislation for the QDR established at least 26 mandatory elements for the final report. The new NDAA language reduces this number to six. This reduction reflects a clear shift in congressional intent for the National Defense Strategy to have greater focus than did recent QDRs. Advocates for specific issues understandably desire recognition for their topic. However, expanding the number of topics mandated in a strategy document dissipates focus, reduces agility, undermines the setting of priorities, and creates a large staff burden. With relatively few required topics to address in the National Defense Strategy, the secretary will be better able to establish, and then focus on, his top priorities.

Choice Six: Should the strategy establish clear priorities or many aspirational goals?

Recommendation: **The strategy documents should enumerate clear national security priorities, including descriptions and justifications about what missions and capabilities are more important than others.**

Study findings: Strategy necessarily entails establishing priorities and making tradeoffs. However, articulating “winners and losers” is politically challenging. Recent U.S. strategy documents have been criticized for giving “lowest common denominator” guidance—essentially avoiding upsetting any stakeholders by avoiding real prioritization. Both the 1993 Bottom-Up Review and the 2012 Defense Strategic Guidance did establish clear priorities and are both viewed as successful as a result (even if each failed to fully account for subsequent changes in the international environment).

Creating a classified strategy document offers the opportunity for greater candor, but there are limits. The likelihood of leaks will drive DoD to do some hedging and put particularly sensitive details into briefings.

Choice Seven: How and how far should DoD look into the future?

Recommendation: **DoD needs to make forecasts for acquisition and force development. However, it should recognize uncertainty, develop strategy resilient across a range of possible futures, and focus on elements that would change decisions within the future years defense program.**

Study findings: Because of the competitive value and bureaucratic usefulness of anticipating opportunities and challenges, DoD makes great efforts to forecast the future. However, DoD, like most institutions, has a poor track record in long-range forecasting, often failing to anticipate events even a year ahead of time. Red teaming and brainstorming of different futures can expand the range of possibilities considered and thus hedge against error, but there are severe limits on forecasting accuracy, and the subject needs to be approached with humility. Further, envisioning the future can be intellectually interesting, but can sidetrack decisionmakers if not disciplined. Thus, all long-term forecasts need to focus on the decisions and changes that need to be made in the near to mid-term. For DoD, the most important timeframe for consideration is the five years associated with the Future Years Defense Program.

Choice Eight: What role should resources play in formulating strategy?

Recommendation: **Strategy formulation is always conducted in an environment of constrained resources. “Strategy driven, resource informed” is conceptually a good compromise for framing the role of resources in strategy development.**

Strategy documents need to connect goals, programs, and policies with resources to be credible and effectively drive change.

Study findings: The appropriate role for resources is a perennial question in developing strategy. “Strategy driven, resource informed” recognizes both the primacy of interests and objectives and the reality of limited resources.

When developing a defense strategy, the Defense Department will receive, at the outset, fiscal guidance from the White House. Inevitably, goals will outstrip the resources available. A key decision for any secretary will be whether to ask the president for additional resources or to frame the strategy within the resources available.

Without the discipline of specifying ends, ways, and means, the strategy document risks becoming a series of platitudes without recognizing the difficulty in achieving them. Therefore, strategy documents—both classified and public—will need to include not just goals and ways but force structure and major acquisition programs (ways) also. Discussion of resources (means) in strategy documents enhances the credibility of the strategy.

Choice Nine: What analysis should be done and how should risk be handled?

Recommendation: Strategy documents should present analysis and discuss risks to increase the credibility of the findings and policies recommended. Congress should not appear to punish DoD for providing these insights.

Study findings: Although QDRs were typically supported by extensive analysis, the public documents discussed analysis and risk in vague terms if at all. The 1993 Bottom-Up Review was an exception, establishing a high standard for publicly available analysis that contributed to its success in shifting resources and setting an enduring strategy. Thus, there is value in describing the analysis and risk assessment behind the recommendations in the strategy document. However, explicit discussion can be challenged in an unclassified environment. Even with classification, discussions of risk can open DoD to criticism about how it did the analysis and the depiction of risk it accepted. Explicit discussion also requires the department to reach an internal consensus on the priorities, analytic approaches, and assumptions behind the analysis and risk assessment, which may not always be possible.

Congress has a constitutional duty to provide oversight, and there will inevitably be tensions between Congress and the executive branch over particular strategic decisions. However, if DoD comes to believe it is being punished for providing details on analysis, risk assessments, or priorities, then these elements will be curtailed in future strategy documents.

Choice Ten: Should the secretary use outside advisers as part of the process? If so, how?

Recommendation: A final consultation with “outside” experts chosen by the secretary is a useful check on the system, and some consultation should be made in every strategy formulation process. As a trial initiative, the secretary should consider using a task force of the Defense Policy Board to review the final draft.

Some “red teaming” might be useful to expand the scope of options and possibilities.

Study findings: Strategy formulation processes risk falling victim to “group think” and parochial interests. Bringing outsiders into the process at appropriate points enables the secretary to identify weaknesses in logic and to anticipate or mitigate possible criticism prior to the release of the document. Informal consultation with outside experts has been a common feature in U.S. and foreign strategy formulation processes. Formal outside reviews have been used by France, the United Kingdom, and Australia in their white papers. DoD’s past practice of informal consultations has been low risk and generally helpful. A more extensive consultation, like establishing a task force of the Defense Policy Board to review the final document, would expand the range of commentary and expert involvement.

In the 2010 QDR, Secretary Gates employed an internal red team led by the commander of the U.S. Joint Forces Command (General Jim Mattis) and the director of the Office of Net Assessment (Andrew Marshall). Using red teams could be expanded to generate the competition of ideas in the formulation phase as well as the review phase to break out of existing institutional perspectives.

Choice Eleven: How widely should the strategy documents be distributed?

Recommendation: The classified strategy document should be distributed widely within the department to ensure that subordinate elements align their efforts with the strategy, in addition to being delivered to the appropriate committees of Congress. DoD should also develop an unclassified document for public release.

Study findings: Because the classified National Defense Strategy is directed to be guidance from the secretary to the department, it should be promulgated widely in the department and delivered to Congress. However, the classification of the strategy will inherently limit how widely it can be distributed, and will hinder public communication of the strategy. Development of an unclassified document—beyond a summary of the classified strategy—will therefore be needed to effectively communicate with a full range of audiences, including allies, partners, the public, and adversaries. Public documents can be more aspirational and less candid about priorities but must remain aligned with the classified document or both will lose credibility when leaks occur.

Choice Twelve: How often should DoD conduct a strategy formulation process—on a regular schedule (e.g., every four years) or as circumstances change?

Recommendation: Administrations should conduct a strategy formulation process at the beginning of the first term but should conduct further processes only when strategic conditions have changed to the degree that the existing strategy needs major revisions.

Study findings: The academic literature emphasizes that strategies should be formulated when needed rather than routinized, in order to adapt to changing circumstances. Strategy development at the beginning of a new administration is unavoidable as the new team will want to implement commitments from the electoral campaign and establish its priorities. However, requiring a new strategic guidance document at the beginning of the second term imposes opportunity costs and creates potentially unnecessary work. Instead, an administration, after publishing its initial strategy, should conduct its next strategy formulation process when domestic or international circumstances have changed enough that the existing strategy is no longer viable. That might occur earlier or later than the current statute mandates. The call for a strategy at the beginning of a second term can be met by a short statement as part of the budget process.

The process of strategy formulation matters. It determines which issues will be raised for decision, how issues are elevated to senior levels, what options are presented, who participates in the decisionmaking, and how the results are communicated both internally and externally. Designing a process that weighs the 12 choices proposed by this study would enable future defense leaders and planners to produce strategies appropriate for the political, security, and budgetary realities of their time.

Chapter 1: Introduction—The Issue and Its History

Why Bother with Process?

Why bother with strategy formulation when it is strategy, the output of the formulation process, that is really important? Because the process of strategy formulation matters. It determines which issues will be raised for decision, who participates in the decisionmaking, how issues are elevated to senior levels, what options are presented, and how the results are communicated to the department and the public.

Senior officials often undervalue the importance of process, believing that they can shape decisions through their own expertise and personal interventions. Often this is tied to frustration with formal decisionmaking processes that seem bureaucratic, unresponsive, and not worth the investment of a senior official's time. As Secretary Robert Gates complained,

Each of the [strategy] documents takes many months to write, in part to ensure that every relevant component of the government and the Defense Department can weigh in with its own views on drafts. There is a high premium on achieving consensus and countless hours are spent wrangling over the texts. The disputes are occasionally genuinely substantive, but more often they reflect effort by each bureaucratic entity to ensure that its priorities and programs are protected. Ironically, and not atypically, the practical effect of the content of these documents is limited at the most senior levels of government. Personally, I don't recall ever reading the President's National Security Strategy when preparing to become secretary of defense. Nor did I read any of the previous National Defense Strategy documents when I became secretary. I never felt disadvantaged by not having read these scriptures.³

Secretary Rumsfeld, though far different from Gates in management style, had a similar complaint, calling the DoD planning function "the world's last bastion of central planning . . . that stifles free thought and crushes new ideas."⁴

This study lays out choices so leaders can design a strategy formulation process that meets their needs. No senior official, even one supported by a large and talented personal staff, can provide the day-to-day direction or cross-functional coordination that complex problems require. Furthermore, decisionmakers are vulnerable to overestimating their ability to personally control events and process, an effect behavioral economists call "the illusion of skill," that is, an excessive belief in our personal ability to foresee the future and control it.⁵

Strategy formulation for national security has always been important because the stakes are so high and the issues so complex, but it is particularly important today. Instead of a world of relative peace, the

³ Robert Gates, *Duty: Memoirs of a Secretary at War* (New York: Alfred A. Knopf, 2014), 144.

⁴ Donald Rumsfeld, *Known and Unknown* (New York: Sentinel, 2011), 333.

⁵ Daniel Kahneman, *Thinking, Fast and Slow* (New York: Farrar, 2011), 212–21.

wars in Iraq and Afghanistan have not ended, terrorism continues despite aggressive efforts to suppress it, and nation state threats endure, and in some cases, have expanded.

The stakes for strategy formulation have increased. In the recent past, the United States had such an advantage over its adversaries that any strategic shortcomings were concealed by overwhelming force.⁶ However, the potential today for unforeseen, pernicious, and potentially existential crises is rising and demands a more agile strategic culture.

Richard Betts, distinguished professor of political science at Columbia, reminds us that process cannot dictate outcome: “Results depend on the wisdom of incumbents who act through the process.”⁷ Nevertheless, well-designed processes help, and poorly designed processes hinder, a leader’s effort to position the institution for success in a highly competitive environment.

Origins of This Report

In 2016 Congress, responding to concerns that the U.S. strategy formulation process was not agile enough for a rapidly changing world or producing useful products, directed that an independent study of the strategy formulation process be conducted (P.L. 114.92/NDAA FY 2016 Section 1064). Congress tasked the study with the following:

- Develop “several case studies of the role of the Department of Defense and its process for the formulation of previous national security strategies.”
- “Review and analyze the current national security strategy formulation process, as it relates to the Department of Defense.”
- Make “recommendations for the executive and legislative branches on the best practices and organizational lessons learned for enabling the Department of Defense to formulate long-term defense strategy,” and
- Explain “the capabilities and limitations of the Department of Defense workforce responsible for conducting strategic planning, including recommendations for improving the workforce through training, education, and career management.”

The relevant legislative language is at Appendix A.

The Office of the Undersecretary of Defense Policy/Strategy and Force Development contracted with CSIS to conduct the required work. This report constitutes CSIS’s response to the congressional tasking.

This report focuses on both the department’s internal strategy formulation processes as well as its linkages to the National Security Strategy. However, the report is biased toward DoD’s internal processes. The rationale for this bias is twofold. First, the focus of congressional action over the past five years has been on defense strategy processes, namely the QDR. Furthermore, the statutory language directing this study specifically focuses recommendations on the “practices and organizational lessons

⁶ Richard K. Betts, “Is Strategy an Illusion?,” *International Security* 25 (2000), doi: 10.1162/016228800560444.

⁷ Richard K. Betts, “Don’t Retire the National Security Act,” *The American Interest*, February 9, 2017, <https://www.the-american-interest.com/2017/02/09/dont-retire-the-national-security-act/>.

learned for enabling the Department of Defense to formulate long-term defense strategy.” Second, the structure of the existing U.S. national security strategy processes places considerable emphasis on DoD processes and documents. Historically, the QDR has been the first major national security document released by a new administration. This reality means that the secretary of defense and by extension the Department of Defense plays a major role in shaping the overall direction of U.S. national security strategy.

What Is Strategy and Strategy Formulation?

This report begins with a discussion of strategy and strategy formulation to define its terms and provide context for the study’s findings. The study team recognized that its charter was to analyze and develop recommendations to improve the government’s strategy *formulation* process. The charter was not to define what the strategy is and especially not to identify the right strategy for the United States. The discussion of strategy here, while necessary, is therefore brief.

Strategy

Few topics have received greater study in the defense and international security realm than strategy. So, what is “strategy”?

Defense commentators regularly describe strategy as linking ends, ways, and means following Col. Arthur Lykke’s classic formulation: “Strategy equals *ends* (objectives towards which one strives) plus *ways* (courses of action) plus *means* (instruments by which some end can be achieved).”⁸ In the military context, ends are the ultimate objectives. At the DoD level, ends are political in nature and have been fairly stable in recent years, with some version of the following in all DoD strategy documents since the 1993 Bottom-Up Review:

1. Survival of the nation;
2. Prevention of catastrophic attack against U.S. territory (expanded after 9/11);
3. Security of the global economic system;
4. Security, confidence, and reliability of our allies;
5. Protection of American citizens abroad; and
6. Preservation and extension of universal values.

The ways and means are closely related in the military context. The ways can be thought of as the missions or concepts of operation. The means are the resources and physical things, the tools, used to achieve the identified ends. Put simply, strategy seeks to answer the question of how (ways) an organization or individual uses resources and instruments (means) to achieve goals (ends).

Because this study considers the national security strategy formulation process through the lens of DoD, the study team chose to use a modification of the strategy definition contained in the DoD Dictionary of

⁸ Arthur F. Lykke, Jr., “Defining Military Strategy,” *Military Review*, 69.5 (May 1989): 3.

Military and Associated Terms: ***The prudent idea or set of ideas for developing and employing the instruments of national power in a synchronized and integrated fashion to achieve theater, national, and/or multinational objectives.***⁹ The team expanded the DoD definition to include the development as well as the employment of national power. Although there is a vigorous debate in the strategy literature over defining strategy,¹⁰ the modified DoD formulation captures the key elements of ends, ways, and means that most commentators include in one form or another.

The key is that the articulation of desirable ends is not enough. Ways and means are also necessary to constitute a complete strategy.

Strategy Formulation

Formulating strategies is “central to the continued survival of any organization.”¹¹ Nevertheless, discussions about strategy, and what constitutes good strategy, often skip over *strategy formulation*. Good strategy does not occur in a vacuum; it must stem from a quality *process* that brings stakeholders together to establish priorities among competing goals and to allocate scarce resources.

Based on the statutory language that created this study, national security strategy formulation is defined as ***the set of processes for developing official government statements of strategy and of strategy implementation.*** This definition recognizes that the “macro” process is made up of many smaller elements and that the linkage between processes and products is a defining characteristic.¹²

What Do We Want a Strategy Formulation Process to Do?

A strategy formulation process has multiple and conflicting purposes. Some are internal and technical, some are internal and political, and some are external and political. For example:

- Identify future challenges and opportunities, and prioritize organizational goals. This involves trying to frame the future environment that an organization could operate in and deciding which of its many goals are most important.
- Foster dialogue among senior leaders. Discussion about key issues shapes policy, develops consensus, and builds commitment.
- Align ends, ways, and means to match resources to goals. Resources are always limited so a strategy formulation process must provide leaders the information and options necessary to

⁹ U.S. Department of Defense, *DoD Dictionary of Military and Associated Terms*, May 2017, http://www.dtic.mil/doctrine/new_pubs/jp1_02.pdf.

¹⁰ For example, Margaret M. Polski, “Strategy 2.0: The Next Generation,” *Joint Forces Quarterly*, 81 (2016), http://ndupress.ndu.edu/Portals/68/Documents/jfq/jfq-81/jfq-81_19-25_Polski.pdf; Colin S. Gray, *Modern Strategy* (Oxford: Oxford University Press, 1999), 17.

¹¹ Wade R. Rose and David Cray, “Public-sector Strategy Formulation,” *Canadian Public Administration*, 53.4 (2010): 453, doi: 10.1111/j.1754-7121.2010.00145.x.

¹² This study uses “strategy formulation process” rather than the more common DoD phrase “strategy review” because the latter implies incremental changes to an established strategy whereas this study is open to fundamental changes.

establish priorities, instill innovation, allocate scarce resources, and understand the risks and consequences involved.

- Communicate institutional direction to subordinate elements. Once decisions are made, these must be communicated to subordinate elements clearly enough that these subordinate elements know what to do. If the communication is not effective or the direction is not clear, then subordinate elements will do what suits them and not what the leadership intends.
- Build support internally for the set of actions driven by the strategy. Internal support facilitates the implementation of a strategy. When staffs and subordinate elements are involved in this strategy formulation process and have a stake in the resulting strategy, they are more likely to implement as intended.
- Explain and build support with multiple external audiences, including Congress, the national security community, U.S. allies, and the public. External audiences also influence whether and how a strategy can be implemented. Some have direct influence like Congress; others have indirect influence like the public, through its voting, the national security community through its leadership in opinion making, and allies through their provision of diplomatic and military support to U.S. initiatives.

Tradeoffs arise because, as a process is more effective in one element, it can require retreat from another. For example, providing direction from the senior leadership requires a centralized vision whereas building support internally requires engaging stakeholders in the development of that vision. Aligning ends, ways, and means requires prioritization whereas building support with stakeholders may require softening sharp edges in what the strategy is or is not emphasizing.

Choices in Designing a Strategy Formulation Process

As a result of these different purposes, *there is no single, perfect process*. Instead, every process involves choices among desirable purposes. Organizations need to make these choices consciously, focusing on those purposes that it values most highly. After reviewing the literature on strategy formulation and the case studies of actual practice, this study identified 12 choices DoD typically faces in designing its strategy formulation process. The study does not contend that these are the only questions that strategy formulation process may confront. However, the study's analysis reveals that these are the key choices at the heart of national security strategy formulation, particularly in DoD strategy formulation. Some choices might be made by Congress, others by DoD or the White House, but all need a decision either explicitly or implicitly.

1. How rapidly to conduct the process?
2. How to align DoD strategy formulation with national security strategy formulation and ensure it is agile?
3. Who does the work: a small versus a large group? How to get a competition of ideas?
4. Who runs the process? How to balance civilian and military perspectives?

5. What topics to cover: comprehensive coverage or focus on key issues?
6. How to handle the relative importance of topics: clear priorities or many aspirational goals?
7. How, and how far, to look into the future?
8. What role should resources play in formulating strategy?
9. What analysis should be done and how should risk be handled?
10. Should the secretary include outside advisers as a part of the process? If so, how?
11. How should strategy documents be constructed and disseminated?
12. How often to revise strategy: on a regular schedule (e.g., every four years) or as circumstances change?

What Constitutes Success for a Strategy Formulation Process?

It is tempting to say that a successful strategy formulation process is one that produces good strategy. However, there is little consensus about what constitutes good strategy, and often success or failure is not evident for many years or even decades. Was the force-sizing construct (for two major conflicts) that came out of the 1993 BUR a success? Experts still argue the issue. Rather than wait until 2030 to judge whether recent strategy formulation processes have been successful, this study has used three functional, though imperfect, measures:¹³

- Was the strategy document actually read? Although this is hard to measure, it is nevertheless important because the less a document is read by its intended audiences, the less impact it will have.
- Did the approach described in the strategy document continue beyond the administration that created it? This measures whether a strategy has enough bipartisanship and credibility to outlast its authors.
- Did the strategy document make sufficiently clear choices that it changed programmatic, posture, budget, or other major departmental decisions? This measures whether a strategy document made a difference, both in the decisions it expressed and in getting them implemented. The decisions may or may not have been the correct ones—that may not be known for many years—but identifying and implementing change is often the aim of an administration.

¹³ Our thanks to Raphael Cohen for expanding our original list by referring to his work on Air Force strategies, *Air Force Strategic Planning: Past, Present, and Future* (Santa Monica: RAND Corporation, 2017), https://www.rand.org/pubs/research_reports/RR1765.html.

Study Methodology

Consistent with congressional guidance, this study focuses on the highest-level strategy products and processes of DoD and National Security Council. It discusses complementary products across the U.S. government as they relate to these documents. The key documents in a rough hierarchy are as follows:

- *National Security Strategy (NSS)*
- *DoD's strategy document* (formerly the Quadrennial Defense Review, QDR; now the National Defense Strategy, NDS)
- *National Military Strategy (NMS)*

For the purposes of this study, DoD's strategy document is the most important because it is the most comprehensive statement of U.S. defense ends, ways, and means.

The CSIS study team applied three guiding principles throughout the study process: focus on the question at hand, consider strategy formulation broadly, and make the results useful to decisionmakers.

First, focus on the question at hand. This study is an assessment of the strategy formulation **process** not an assessment of what the U.S. strategy should be or the adequacy of past strategies. A study on strategy formulation that also attempts to assess the appropriateness of a given strategy is likely to fail on both accounts. Furthermore, there is considerable work on what constitutes good strategy, but far less work on how to create an effective and appropriate strategy in a complicated political and bureaucratic environment. Strategy formulation needs to be informed by the desired characteristics of the resultant strategy but is separate from the strategy. This study, therefore, focuses on the "how" of strategy formulation.

Second, consider strategy formulation broadly. The study looks at the entire process, from identifying the issues and deciding who does the work, to final review, dissemination, and implementation. It also considers connections to other parts of the government, especially the NSC and the White House.

Third, make the results useful to decisionmakers. Congressional intent was clear, that is, this independent study should help guide policy. Therefore, three core ideas shaped the recommendations in Chapter 5:

- They must help an administration, particularly a new administration, design a strategy formulation process.
- They must help DoD reform its own internal processes for strategy formulation, to include the development of a "strategy workforce."
- They must inform future congressional discussions about further revisions to the strategy formulation process beyond those enacted in the 2017 National Defense Authorization Act.

The application of these guiding principles has resulted in a study with six major components:

- ***Analysis of the most recent strategy formulation processes.*** This component combines a

description of the most recent set of processes used to develop the national security strategy, QDR, and NMS, with a discussion of criticisms made about the process. This provides a baseline for analysis and recommendations. In addition, it describes the changes made by Congress over the past several years.

- **Framework of guiding questions for future strategy processes.** The study proposes a series of 12 questions listed above as the analytic framework that DoD can use to better position future strategy views. This framework is the result of an iterative process that included insights from a literature review, case study research, and the statutory language commissioning this study.
- **Case studies.** A major analytic component of the report is six case studies that analyze previous strategy formulation processes using the 12 elements described earlier in this chapter. The case studies include four from the United States—the 1983 National Security Decision Directive (NSDD), the 1993 Bottom-Up Review, the 2001 Quadrennial Defense Review, and the 2012 Defense Strategic Guidance—and two from U.S. allies—the 2008 French Defense White Paper and the 2016 Australian Defense White Paper. The foreign cases are included in order to broaden the study’s coverage and incorporate findings and best practices from outside of the U.S. experience.

The working group consisted of a dozen experts in the field and met three times. This included both current and former congressional staff, current and former executive branch officials, experts from think tanks and academia, and those involved in strategy development in the commercial sector. Its input was extremely valuable in shaping the research program, reviewing the case studies, refining the report’s analytic conclusions, and vetting the final recommendations.

In addition to the working group, CSIS convened a Senior Review Group, consisting of the most senior experts in this area. This group met once to review the study’s findings. The deep experience present in this group contributed greatly to the quality of the final report and the relevance of its recommendations.

Report Overview

After this introductory chapter, the report is organized as follows:

Chapter 2 provides historical context for U.S. national security strategy formulation, describes three major statutory strategy formulation documents and the strategy formulation processes from the most recent cycles, and summarizes criticisms of those processes. This chapter also covers the extensive changes directed in the FY2017 National Defense Authorization Act (NDAA).

Chapter 3 proposes the framework for evaluating national security strategy processes, including the rationale of the 12 questions and a summary of the case studies, illuminating the key findings and implications in applying the 12 questions across the case studies. The full case studies are contained in Appendices B-G.

Chapter 4 provides analysis of 12 key choices in strategy formulation, informed by academic literature describing the strategy formulation process and with the real-world experience of case studies.

Chapter 5 presents the study's recommendations for structuring the strategy formulation process. These are designed for DoD to implement within the current statutory structure. There are also recommendations for congressional follow-on action.

In addition to the main text, this report includes several appendices that provide greater detail on a range of issues.

Appendix A presents the language in statute requiring this study.

Appendices B–G present the detailed case studies that contributed to this report: the 1982 National Security Decision Directive; the 1993 Bottom-Up Review; the 2001 QDR; the 2012 Defense Strategic Guidance; the 2013 French National Security Review; and the 2015 Australian Defense White Paper.

Appendix H reviews the academic literature on strategy formulation processes, including business- and national security-focused strategy formulation.

Appendix I reviews DoD's strategy workforce.

Appendix J briefly reviews strategy documents within DoD, including reviews, supplementary documents, and implementation documents and processes.

Chapter 2: National Security Strategy Processes: Past, Present, and Future

This chapter provides historical context for national security strategy processes, describes the current processes and three statutory national security strategy documents, and concludes by presenting criticisms of the current processes and explaining the most recent round of congressional changes to address perceived deficiencies.

Historical Context

The history of U.S. national security strategy formulation is mixed. It has produced several great successes, for example, containment, arguably one of the most important U.S. national security strategies. Containment combined diplomatic, military, economic, and information actions to isolate and, eventually, defeat the Soviet Union. Originally laid in 1950 in NSC-68, variations on the base strategy were largely sustained for 40 years through nine presidential administrations. It is worth emphasizing that, while the strategic ends of NSC-68 would remain constant, the strategic ways underwent substantial revisions from administration to administration. This variation and constant adjustment highlights Sir Lawrence Freeman's observation that strategy is a flexible process that must contend with the fog and friction of human interactions.¹⁴

On the other hand, President Johnson's Vietnam strategy, particularly during 1964 and 1965, is a classic example of U.S. strategic failure. The issues surrounding both the process and the outcomes have been extensively analyzed by historians and scholars of international relations. The process was overly mechanistic, bereft of solid analysis, and was unable to make necessary adjustments to the ways and means when initial efforts were unsuccessful.

In recent years, the U.S. strategic process has been criticized for being slow and unable to adequately respond to a changing global environment. The 2001 QDR is a case study for a strategy that was overcome by events and a process that was not adaptive to changes in the international environment. Lessons learned during the height of the wars in Iraq and Afghanistan may have created a more flexible process that is better able to shape and adapt an emergent strategy to changes in the political, security, and budgetary environments.

For example, the European Reassurance Initiative showed that the United States can adapt its strategy quickly when presented with a clear change in the environment that challenges its current approach. On March 18, 2014, Russia invaded Crimea. On June 3, President Obama announced a response that included rotational deployments of U.S. forces, enhancements to reinforcement infrastructure in Eastern Europe, and dispatching training teams. Later that month, DoD requested and was quickly

¹⁴ Lawrence Freedman, *Strategy: A History* (New York: Oxford University Press, 2013), 460. For more on corporate strategy, see the section "Strategy from Above."

granted a \$925 million budget amendment.¹⁵ Within two months, the United States shifted from a strategy toward Russia of “engagement and risk reduction” to one of countering Russia’s “malign influence and direct aggression.”¹⁶ In sum, the United States has a history of formulating both deliberate and emergent strategies, albeit with mixed success.

Current Strategy Processes

The current U.S. national security strategy formulation process is a sprawling affair involving not just the White House and DoD but also the Department of State, Department of Homeland Security, Department of Energy, the Intelligence Community, Department of the Treasury, Department of Commerce, Department of Health and Human Services, and Congress. The intent of the National Security Council (NSC) is to manage and direct this wide range of actors.

In addition, the strategy formulation process across the U.S. government follows the same basic, hierarchical process regardless of issue. In the national security realm, this means that strategy should flow from the White House document, in this case the National Security Strategy, and the NSC to the various department-level capstone documents and strategic planning cells, including the defense strategy and the homeland defense strategy, among others. Appendix J describes other related national security strategy processes and documents, including those related to defense and nondefense issues, ad hoc documents that respond to changes in the strategic environment, and supplementary and subordinate documents that implement and provide further, often classified, detail about the strategy. There are a number of U.S. strategies unrelated to national security or defense.

In theory, the NSC is the formal coordination mechanism for aligning these strategies across the departments. In practice, these documents will often not reach the level of NSC deliberations until the very end of the process when findings and recommendations have already been solidified within the respective department or agency. These deliberations are often held at the Deputies Committee (DC) level and rarely at the Principals Committee (PC) level.¹⁷ Presidential involvement in departmental strategies is unusual and generally limited when it does occur.

There is often a healthy degree of informal coordination among the departments of some cross-cutting issues. These informal pathways work best when they leverage existing, successful relationships. For example, DoD has a healthy insight into intelligence-related reviews and strategies given the number of intelligence agencies within the department and the close working relationship between the Office of the Director of National Intelligence (ODNI) and the Undersecretary of Defense for Intelligence (USD(I)).

¹⁵ Office of the Undersecretary of Defense (Comptroller)/Chief Financial Officer, *United States Department of Defense Fiscal Year 2015 Budget Amendment, Overview, Overseas Contingency Operations*, June 2014, http://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2015/amendment/FY2015_Budget_Request_Overview_Book_Amended.pdf.

¹⁶ Terri Moon Cronk, “European Reassurance Initiative Shifts to Deterrence,” *DoD News*, July 14, 2016, <https://www.defense.gov/News/Article/Article/839028/european-reassurance-initiative-shifts-to-deterrence>.

¹⁷ The Principals Committee traditionally includes the heads of the executive departments, key agencies, and the CJCS. It is chaired by the national security adviser. The Deputies Committee traditionally includes the leadership one level below the cabinet secretaries, heads of agency, and CJCS, and is chaired by the deputy national security adviser. There is flexibility with regards to DC participation. For example, the undersecretary of defense for policy often represents DoD at DCs.

Challenges with coordination between State and DoD underscore how friction between executive departments can produce suboptimal outcomes that are detrimental to strategic goals.

Dynamics of Three Statutory Strategy Processes

Congress lays out some key requirements for the U.S. government's national security strategy formulation process in various statutes. These largely reflect a hierarchical approach, with executive branch-wide efforts (e.g., the National Security Strategy) feeding into department-specific ones (e.g., the Quadrennial Defense Review). Congress has traditionally mandated the delivery of these strategies as a report, almost always needing to address a set of specific issues. However, Congress has typically not constrained executive branch freedom to build strategy formulation processes that the latter believes are best suited to the challenges at hand. This freedom stands in stark contrast to direction given to DoD in the acquisition process where many elements of the process are statutorily required.

Described below is the rough hierarchy of U.S. government national security strategy documents produced during the past few years:

National Security Strategy (NSS)

This is a White House document, issued by the president and coordinated by the staff of the National Security Council, which current law (50 USC 3043) requires to set out U.S. national interests, commitments, capabilities, and uses of national power. The NSS is thus uniquely intended to focus on whole-of-government approaches, with a statutory requirement to articulate “short-term and long-term uses of political, economic, military” and other tools to promote U.S. interests. Given this charter, of all the strategy documents, the NSS is most directly designed to reflect the views of the president. Law stipulates that the NSS should be transmitted to Congress in classified form, but that it may include an unclassified summary.

While statute requires the president to submit a National Security Strategy annually, and the administrations of Presidents George H.W. Bush and Bill Clinton generally kept to this annual schedule, the NSS has been released less frequently in recent years. The past two administrations have issued NSS documents roughly quadrennially: The Obama and George W. Bush administrations each released two NSSs (2002, 2006, 2010, 2015). The imprimatur of both President George W. Bush and President Barack Obama is evident in their respective National Security Strategies, however. President George W. Bush's national security strategies were written by one or two individuals, with substantial input from the president. He had a strong belief that the strategy should include his personal input, to include being written in his voice. The drafters of both President Obama's 2010 and 2015 NSS took a similar approach.

2015 NSS

The 2015 NSS was the result of a lengthy process that began in 2012. As with many strategy reviews, NSS process designers were forced to balance the value of top-down guidance from leadership—in this case the president—against the inclusiveness that comes from a more bottom-up, collaborative process that engages a wide range of stakeholders—in this case the interagency.

During the 2015 NSS process, President Obama was involved at the very beginning as the staff wrestled with core questions about the strategy, its tone, and objectives. The initial intent was to craft a short document of no more than 25 pages, breaking with precedent of the previous NSSs, which had been

criticized for being “Christmas trees” of unprioritized agency goals and for lacking a clear overriding narrative. The goal for the 2015 NSS was to provide a clear vision of U.S. national security objectives complete with firm recommendations.

From a personnel standpoint, the NSC—unlike DoD, which has a cadre of long-term staff, some of whom carry over from one strategy review to the next—relies more heavily on detailees and thus has greater turnover. The 2015 NSS development process, however, benefited from some continuity in the second term. Notably, Deputy National Security Advisor for Strategic Communications Ben Rhodes had played a major role in crafting the 2010 NSS and remained a major voice inside the White House on national security matters. Underneath the deputy national security advisor, the NSS had a core group of authors within the National Security Council, primarily within the strategic planning office. This small writing cell drew upon a larger process running inside of the NSC itself. To coordinate across the executive branch, there was also an interagency small group with representatives from State, OSD, the Joint Staff, Commerce, Energy, Treasury, and Homeland Security.

In all, the 2015 NSS received praise for faithfully representing the president’s views, but has also endured critiques. According to some observers, both the intra-NSC process and the interagency process created competing interests. The lack of clear prioritization in the final 2015 NSS—according to some critics—suggests that these competing interests came to dominate the process, and, as a result, the NSS was unable to achieve its original goals.

In addition, while the 2015 NSS was intended to lead the 2014 budget process, the QDR, and QDDR, it was published too late to have an obvious impact. The inherent complexities of crafting the NSS, along with staff turnover, and other factors including a rapidly changing security environment meant that this timeline slipped.

Quadrennial Defense Review (QDR)

For 20 years, beginning with the 1997 NDAA, Congress required DoD to conduct a Quadrennial Defense Review every four years “with a view toward determining and expressing the defense strategy of the United States and establishing a defense program for the next 20 years.” Made permanent in 10 USC 118 by the FY2000 National Defense Authorization Act, results of the review were to be summarized in a public QDR report, which would include “a comprehensive discussion of the national defense strategy of the United States, the strategic planning guidance, and the force structure best suited to implement that strategy at a low-to-moderate level of risk.” As a companion to the full QDR report, legislation also required the CJCS to conduct a separate assessment of the QDR, to include an assessment of risk, to be included with the report. The entire report was due to be submitted with the president’s budget submission of the year following the review.

The QDR directly informs the Defense Planning Guidance (DPG) and Guidance for the Employment of the Force (GEF), which translate the strategy’s priorities into classified force development guidance and force employment and planning guidance, respectively. The secretary of defense is statutorily required to produce the DPG every year and the GEF every two years.

The DPG articulates priorities for investment, key capabilities to emphasize, and tasks DoD components to develop and test scenarios and conduct studies to deepen the analytic basis for making future

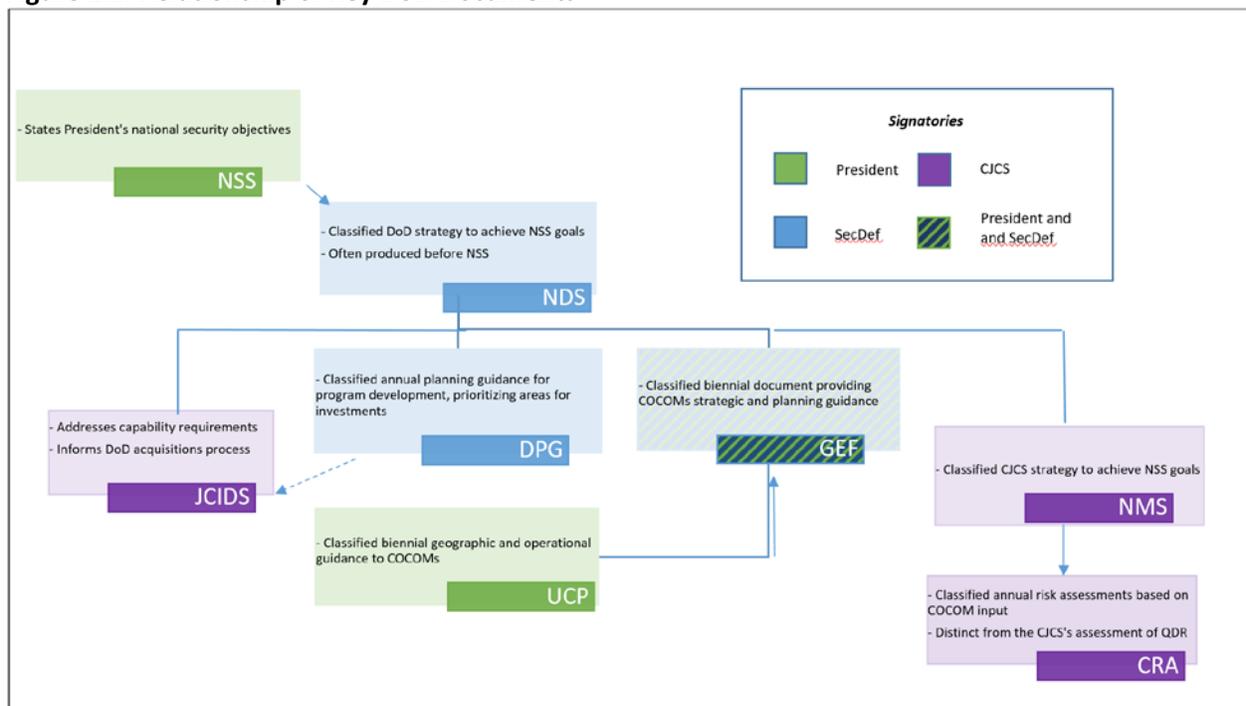
defense investment choices.¹⁸ The DPG provides front-end guidance to DoD components to inform the development of their programs.

The GEF directs combatant commanders to create theater or functional strategies and campaign plans to achieve the strategic end states in the defense strategy. It provides global posture, force management, and security cooperation priorities, as well as overarching nuclear policy. The GEF is also informed by the Unified Command Plan, a classified document prepared every two years by the CJCS, as required by statute, that assigns geographic areas, missions, and planning and operational responsibilities to combatant commands (COCOMs).¹⁹

The QDR also informs the Joint Capabilities Integration and Development System (JCIDS), a Joint Staff-driven process that identifies, defines, and manages requirements for urgent, emergent, and deliberate future programs.²⁰ It focuses on addressing capability shortfalls identified by combatant commanders and assessing them in a joint context to harmonize capabilities across DoD components and avoid duplication and overlap. All DoD acquisition programs flow from capability requirements identified through the JCIDS process.

Appendix J provides further details about the DPG, GEF, UCP, and JCIDS, and the planning, programming, and acquisition processes that they guide and inform.

Figure 2.1: Relationship of Key DoD Documents



¹⁸ Secretary of Defense, U.S. Code 10 USC (2016), § 113.

¹⁹ Secretary of Defense, U.S. Code 10 USC (2016), § 113 and; Combatant Commands: Establishment, U.S. Code 10 USC (1986), § 161.

²⁰ Chairman of the Joint Chiefs of Staff, *Joint Capabilities Integration and Development System (JCIDS)*, CJCS 3170.011, January 23, 2015, https://dap.dau.mil/policy/Documents/2015/CJCSI_3170_011.pdf.

QDRs have often been accompanied by strategic reviews of nuclear forces and missile defense (the Nuclear Posture Review and Ballistic Missile Defense Review) to provide strategic guidance for plans, programs, and budgets for specific DoD components.

When the political, security, and/or budgetary environment has changed, defense leaders have created emergent strategies in the intervening years between QDRs to reflect resulting threat assessment and priority shifts. Notable recent emergent strategy review processes include the 2011 Comprehensive Review, 2012 Defense Strategic Guidance (DSG), and 2013 Strategic Choices and Management Review (SCMR). These occurred outside of the regular strategy formulation cycle and were spurred by large reductions to DoD's projected budgets as a result of the 2011 Budget Control Act.²¹

In addition, at times, competing visions of strategy and vision in DoD components have led to the proliferation of strategy documents that can cause confusion in priority setting, programming, and budgeting in the overall DoD enterprise. But in fact, there is only one defense strategy required by statute.

Beginning in FY2015, Congress made substantial changes to the quadrennial review. In the FY2015 NDAA, the requirements were revamped and reviewed, and retitled the Defense Strategy Review. In the FY2017 NDAA, Congress replaced the QDR/DSR statute wholesale and created a new mandate for a National Defense Strategy. These changes will be discussed at length later in this chapter.

2014 QDR

Facing a statutory requirement to conduct a Quadrennial Defense Review in 2013–14, but having completed both the 2012 DSG and the 2013 Strategic Choices and Management Review (SCMR) within the prior 18 months, DoD in the summer of 2013 grappled with how to prepare for yet another strategy review.

With some Pentagon leadership likely suffering from “strategy fatigue,” and the defense resource picture growing ever more dire, the 2014 QDR process began in June 2013, five months after the presidential inauguration and almost immediately on the heels of the SCMR, which had sought to find efficiencies and refine the department's programming guidance. Getting senior leadership engaged consumed most of June and July and the QDR terms of reference was issued in August. When the process began in earnest in September 2013, DoD leadership had only approximately five months to organize, conduct any supporting analysis, make decisions, then draft and coordinate the final product.

Faced with this compressed schedule, senior leadership within the Office of the Secretary of Defense for Policy (OSD(P)), which was driving the review in coordination with the Joint Staff, was determined to run a lean process. From an analytic standpoint, the short duration of the review, along with the availability of existing analysis that had fed recent strategy efforts, allowed for much carryover from the 2012 DSG. Some inside the department argued for this continuity based on their view that neither the key threats facing the United States nor the scenarios that the department would need to test the capability and

²¹ Chuck Hagel, “Statement on Strategic Choices and Management Review” (speech, Pentagon Press Briefing Room, July 31, 2013), <http://archive.defense.gov/Speeches/Speech.aspx?SpeechID=1798>; U.S. Department of Defense, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, January 2012, http://archive.defense.gov/news/Defense_Strategic_Guidance.pdf.

capacity of the force against had not changed significantly since the last strategy review. On the other hand, some participants, including many of the Services, were concerned that the scenarios under-represented important challenges. The Army, for instance, was concerned that QDR analysis failed to sufficiently test the department's decision in the 2012 DSG to take risk in planning to conduct large-scale, prolonged stability operations.

The final 2014 QDR report articulated a new, three-pillar strategy, to:

- Protect the homeland: deterring/defeating attacks in the United States and supporting civil authorities;
- Build security globally, preserving regional stability, working alongside allies and partners; and
- Project power and win decisively (defeating aggression and disrupting terrorist networks).

From a force-sizing and shaping perspective, the 2014 QDR maintained language from the 2012 DSG that said that “even when U.S. forces are committed to a large-scale operation in one region, they will be capable of denying the objectives of—or imposing unacceptable costs on—an opportunistic aggressor in a second region.”

In all, the strategy document arguably achieved its goals in terms of both process and substance. The review was considerably smaller than the 2010 process, for instance, and took only five months of staff time. Some critics argue, however, that the 2014 QDR process suffered from a lack of senior leadership buy-in. According to this critique, the 2014 QDR lacked the authority of the 2012 DSG, which had a clear presidential imprimatur that gave it real clout inside DoD for driving programmatic and budgetary decisions. Still, most senior leadership of the department also publicly supported the key QDR's main themes, although friction with the Army was perceptible in public comments and testimony by General Odierno, then chief of staff of the army.²²

Notably, on substance, the QDR communicated the message that sequestration would break the force. However, certain language choices, such as the force-sizing construct, also created confusion outside of the Pentagon. The question of whether the United States now had a “one-war force” was raised by a reporter during the QDR's rollout. Then-Deputy Undersecretary of Defense Christine Wormuth explained that the construct remained “two substantial, full-scale joint operations” and that the change in language was merely supposed to convey a broader range of potential missions in comparison to prior strategies.²³

Finally, some assumptions about the threat environment were soon overturned as the Russians invaded Crimea just a few days before the strategy's rollout, leading the department to ensure that it properly

²² Sydney J. Freedberg, “Tiered Readiness Returns in Army 2015 Budget; Not All Brigades Ready to Fight,” *Breaking Defense*, March 4, 2014, <http://breakingdefense.com/2014/03/tiered-readiness-returns-in-army-2015-budget-not-all-brigades-ready-to-fight/>.

²³ Rear Adm. John Kirby, Undersecretary of Defense Robert F. Hale, Deputy Under Secretary of Defense for Policy Christine E. Wormuth, and Director of Force Structure, Resources and Assessment Lt. Gen. Mark Ramsay, “Department of Defense Briefing on the Fiscal Year 2015 Department of Defense Budget and the 2014 Quadrennial Defense Review in the Pentagon Briefing Room” (press conference, Washington, DC, March 4, 2014), <http://archive.defense.gov/Transcripts/Transcript.aspx?TranscriptID=5384>.

characterized the threat in the report text, and underscoring the inherent perilousness of making any assumptions about the security environment.

Several quadrennial reviews have been accompanied by an independent outside assessment panel. For the 2014 QDR, this effort was the National Defense Panel (NDP) that was required by 10 USC 118(f). The NDP had attributes of a “red team” DoD’s strategy. However, it did not feed back into the process prior to publication of the QDR. Rather, the NDP served as an outside critique of the 2014 QDR arguing for a more expansive force structure than the QDR to address the diversification of threats facing the United States.

National Military Strategy (NMS)

As of the FY2004 NDAA, the NMS is required by Title 10 USC 153 and is a classified document, with an unclassified summary, produced by the chairman of the Joint Chiefs of Staff (CJCS) with input from the service chiefs and the combatant commanders.²⁴ In addition to describing the strategic environment, the NMS is intended to articulate how the U.S. armed forces plan to support the achievement of U.S. objectives and, accordingly, provide strategic direction on how the joint force should align military ends, ways, means, and risks. There is, thus, a clear relationship between the CJCS-produced NMS and the hierarchy of other strategy documents (e.g., the NSS and the QDR/NDS). The CJCS is required by statute to “determine each even-numbered year whether to prepare a new National Military Strategy” or “to update a strategy previously prepared.”

The NMS is also directly linked to the department’s capstone risk assessment, the Chairman’s Risk Assessment (CRA). The CRA seeks to capture the risks to successfully achieving the goals enumerated in the NMS. This document is difficult to fully assess due to its classified nature. The CRA is a threat analysis and commentary on the existing DoD strategy. The production of the CRA and supporting documents are elements of an integrated risk assessment process at the strategic, operational, and tactical levels as well as of force management. This assessment, described in CJCSM 3105.01, describes risk in terms of high, significant, moderate, and low levels; informs decisions about operational and contingency plans; and guides changes to global posture. Historically, the NMS has reflected the priorities enumerated in the preceding defense strategy review. In keeping with the statutory guidance and the CJCS’s role, the NMS provides the chairman’s vision for the joint force. In this manner, it amplifies and focuses the secretary’s guidance contained in the defense strategy and associated documents such as the GEF and DPG. This conceptual framework largely explains the tenor and content of the 2015 National Military Strategy. It reflected the proceeding 2014 QDR and offered the chairman’s thoughts and guidance on the priorities contained in the overarching defense strategy.

From a process perspective, the NMS is run entirely within the Joint Staff, generally led by the director for strategic plans and policy (J5) with contributions from the Chairman’s Action Group (CAG). There has been little visibility by OSD counterparts into the NMS process especially at the working level. This is not problematic should the resulting document align with the priorities outlined in the existing defense strategy. Issues arise when the NMS charts a different direction than higher guidance. These issues are then compounded when the resulting document is used to justify various decisions.

²⁴ Chairman: Functions, U.S. Code 10 (1986), § 153; U.S. Congress, *National Defense Authorization Act for Fiscal Year 2004*, November 24, 2003, 108th Cong.

In recent history, there are two examples of NMSs that adopted fundamentally different priorities, objectives, and language than the defense and national security strategies. The 2008 NMS did not reflect President Bush's focus on democracy promotion, the war on terrorism, or long-term stability operations in Iraq and Afghanistan. The document instead argued that the force could not adequately respond to multiple contingencies including near-peer threats.²⁵ The 2008 NMS ran afoul of larger political currents. Secretary Gates successfully convinced then-Chairman Michael Mullen to postpone releasing the NMS until after the 2008 election to avoid charges that the military was backing the candidacy of Senator McCain by highlighting "the perils the nation faces and the military power required to deal with them."²⁶

The 2016 NMS was released in October 2016 just prior to the 2016 presidential election, although Chairman Dunford had been previewing the themes of this document since spring 2016.²⁷ While the final document was classified, a new characteristic for an NMS, the chairman has explained elements of the strategy in public engagements including the "four plus one" threat concept.²⁸ The core issue with the 2016 NMS, like the 2008 NMS, was that prioritization of challenges differs from that outlined in the 2014 QDR. In addition, the document has elements that could be considered as providing direction, rather than amplifying guidance from the defense strategy, to the COCOMs.

Several former civilian officials indicated a high level of respect for the insight, vision, and advice that the chairman provides across the range of DoD's strategy formulation processes including the NMS. However, they noted concerns that the NMS runs the risk of creating parallel or divergent guidance from that of the secretary, particularly when not subject to an adequate clearance process with the secretary's staff, the Office of the Secretary of Defense, and especially if the NMS characterizes the prioritization of threats differently than the extant defense strategy. On the other hand, Joint Staff officials have indicated the need to highlight and prioritize emergent security trends, which arose after the release of the 2014 QDR, via the NMS. The issues of parallel or divergent guidance may ultimately be less about the core points of any NMS but rather its implementation and use by the Joint Staff. If the NMS is pointed to as a more current and accurate prioritization of threats, given changes in the security environment, then there is a need to update the defense strategy, not supersede it with the NMS. Role clarity and purpose of the defense strategy and the NMS deserve continued attention and should be directed by the secretary with the advice of the CJCS.

Strategy Formulation Challenges and Responses

Given the challenges faced and shortcomings revealed during recent strategy formulation experiences, there is a growing chorus of outside experts and commentators who argue that the strategy formulation process is broken. Barry Watts and Andrew Krepinevich, for example, complain that, "The ability of the

²⁵ Gates, *Duty: Memoirs of a Secretary at War*, 144, 265.

²⁶ *Ibid.*, 265.

²⁷ Joseph Dunford, "Meeting Today's Global Security Challenges" (speech, Center for Strategic and International Studies, Washington, DC, March 26, 2016), <http://www.jcs.mil/Media/Speeches/Article/707418/gen-dunfords-remarks-and-qa-at-the-center-for-strategic-and-international-studi/>. Per CSIS interviews with former officials, CJCS Dunford saw himself as a steadfast force of continuity during the presidential transition and wanted to offer his best military advice to the next administration.

²⁸ Jim Garamore, "Dunford Details Implications of Today's Threats on Tomorrow's Strategy," *DoD News*, August 23, 2016, <https://www.defense.gov/News/Article/Article/923685/dunford-details-implications-of-todays-threats-on-tomorrows-strategy/>.

U.S. national security establishment to craft, implement, and adapt effective long-term strategies against intelligent adversaries at acceptable costs has been declining for some decades.”²⁹ Frank Hoffman notes half a dozen authors who criticize the current process and results and complains that “too often the edges of risk, assumptions, and alternatives are sanded off at lower levels”.³⁰

The criticisms note a wide range of failings including:

- Lack of clear priorities,
- “Lowest common denominator” recommendations resulting from development by consensus,
- Lack of candor driven by fear of alienating some interest group,
- Weak connections between strategy and resources,
- Slowness in responding to changes in the national security environment, and
- A high staff burden.

In a series of hearings before the Senate Armed Services Committee (SASC) in 2015, experts from across the political spectrum offered numerous critiques of the current system.

- Michèle Flournoy observed that the QDR falls prey to the “tyranny of consensus” and that the final product is merely a “glossy coffee table brochure written primarily for outside audiences, including the press, allies and partners, defense industry, and the Hill.”³¹
- Eliot Cohen contended that “most public documents, to include the National Security Strategy of the United States, are the vapid product of committees.”³²
- Jim Thomas argued that DoD’s bureaucratic process is designed to deal with singular military threats in a relatively temporally bound manner. It is far less capable of dealing with generational challenges that require the alignment of multiple elements of national power across geographic boundaries.³³

²⁹ Andrew F. Krepinevich and Barry D. Watts, *Regaining Strategic Competence* (Washington, DC, Center for Strategic and Budgetary Assessments, 2009), <http://csbaonline.org/research/publications/regaining-strategic-competence/publication>.

³⁰ Frank G. Hoffman, “Grand Strategy: The Fundamental Considerations,” *Orbis*, (Fall 2014): 478, <http://www.fpri.org/article/2014/10/grand-strategy-the-fundamental-considerations/>.

³¹ Michèle Flournoy, *Testimony before the Senate Armed Services Committee on the Urgent Need for Defense Reform* (December 8, 2015), https://s3.amazonaws.com/files.cnas.org/sites/default/files/publications-pdffdocuments/Flournoy_SASC-Written-Statement- Dec-2015.pdf.

³² Eliot Cohen, *Testimony before the Senate Armed Services Committee on Defense Strategy*, 114th Cong., 1st sess., October 22, 2015, https://www.armed-services.senate.gov/imo/media/doc/Cohen_10-22-15.pdf.

³³ Jim Thomas, *Testimony before the House Armed Services Committee*, Oversight and Investigations Subcommittee, 113th Cong., 1st sess., February 26, 2013, <https://www.gpo.gov/meetings/AS/AS06/>

Many observers now view the QDR as a good idea gone awry. As CSIS's study team lead Mark Cancian wrote in 2012:

“Constrained by congressional direction and the inherent difficulty of the task, QDRs have devolved into vague descriptions of grand strategy and unprioritized lists of worthy goals, all disconnected from any discussion of resources. Over time, the reviews have taken longer, cost more, and produced less. Critics of the process have not succeeded in changing it.”³⁴

Recent Congressional Action

Concerns over national security strategy formulation have seen Congress making continual tweaks and adjustments primarily to DoD strategy documents. This culminated in the substantial changes made in the FY2017 National Defense Authorization Act. At the core of these changes are three overarching themes: unification, simplification, and classification. Unification means developing strategy with a single voice rather than being the consensus product of a committee. Simplification means focusing guidance on the big issues and away from details about specific topics. Classification allows more candid discussion about tradeoffs and priorities without risking public backlash from affected groups and interests.

National Security Strategy

The FY2017 NDAA modifies the statutory guidance in 50 USC 3043(c) governing the submission of the NSS to Congress. In prior years, the NSS was submitted “in both a classified form and an unclassified form.” This has been changed to submission “in classified form, but may include an unclassified summary.” The further classification of the NSS is consistent with other congressional reforms in the FY2017 NDAA and arises from a belief that classified strategy documents can be more candid in discussing threats, more precise in describing ways and means, and ultimately more useful for both policymakers and operators. As Congress noted, “While well-intentioned, these reports—the National Security Strategy, Quadrennial Defense Review, and the National Military Strategy—entail massive expenditures of time and energy in DoD to generate, but the final products do little to inform the Congress, not least because reports are all unclassified.”³⁵

20130226/100299/HHRG-113-AS06-Wstate-ThomasJ-20130226.pdf/dfs/pkg/CHRG-113hhr79948/html/CHRG-113hhr79948.htm.

³⁴ Mark Cancian, “Abolish the QDR,” *Armed Forces Journal*, December 2012, <http://armedforcesjournal.com/abolish-qdr/>.

³⁵ FY 2017 NDAA Summary U.S. Congress, Senate, *National Defense Authorization Act for Fiscal Year 2017*, January 4, 2017, 114th Cong., 2nd sess., S.2943, 369.

National Defense Strategy³⁶

DoD’s quadrennial strategy review has been subject to almost continual congressional adjustment since its inception in 1997. The changes in the FY2017 NDAA are the most sweeping as the QDR statute is repealed wholesale. However, quadrennial strategic reviews are not gone. The quadrennial review endures as the National Defense Strategy (NDS).³⁷

These changes follow congressional adjustments to the QDR statute in the FY2015 National Defense Authorization Act. This changed the name of the QDR to the Defense Strategy Review (DSR), included a provision allowing the review to explicitly consider resources in developing a strategy, and overturned a requirement dating to the FY2012 NDAA for the QDR to be fiscally unconstrained.³⁸ Other changes included considering three timeframes—near term (5 years), mid-term (10 to 15 years), and far term (20 years)—and reducing the number of specific topics that had to be addressed. Of these changes, only the reduced number of topics carried over into the new NDS.³⁹ That list is provided in Table 2.1.⁴⁰

Table 2.1: Topics for the National Defense Strategy

<p><u>Each National Defense Strategy shall include the following:</u></p> <p>(i) The priority missions of the Department of Defense, and the assumed force planning scenarios and constructs.</p> <p>(ii) The assumed strategic environment, including the most critical and enduring threats to the national security of the United States and its allies posed by state or nonstate actors, and the strategies that the Department will employ to counter such threats and provide for the national defense.</p> <p>(iii) A strategic framework prescribed by the Secretary that guides how the Department will prioritize among the threats described in clause (ii) and the missions specified pursuant to clause (i), how the Department will allocate and mitigate the resulting risks, and how the Department will make resource investments.</p> <p>(iv) The roles and missions of the armed forces to carry out the missions described in clause (i), and the assumed roles and capabilities provided by other United States Government agencies and by allies and international partners.</p> <p>(v) The force size and shape, force posture, defense capabilities, force readiness, infrastructure, organization, personnel, technological innovation, and other elements of the defense program necessary to support such strategy.</p> <p>(vi) The major investments in defense capabilities, force structure, force readiness, force posture, and technological innovation that the Department will make over the following five-year period.</p>

³⁶ This document is the successor to the never-performed Defense Strategy Review and the familiar Quadrennial Defense Review.

³⁷ Secretary of Defense, U.S. Code 10 USC (2016), § 113.

³⁸ Section 1031 of the FY2007 NDAA inserted a requirement in the QDR statute that the strategy “make recommendations that are not constrained to comply with the budget submitted to Congress by the President.” This requirement was made explicit in Section 942 of the FY2012 NDAA with the following change (noted in italics): “. . . that are not constrained to comply with *and are fully independent of* the budget submitted.”

³⁹ For this study, the DSR and its requirements are largely ignored as the DoD never performed a strategic review under that statute.

⁴⁰ Secretary of Defense, U.S. Code 10 (2016), § 113.

Several important characteristics of the strategy review have changed. First, the NDS is structured as guidance from the secretary to the department. It is not envisioned as a public statement of strategy and programs. Second, the document will be classified: “Each national defense strategy under this subsection shall be presented to congressional defense committees in classified form with an unclassified summary.” This is a change from the previous language, which charged DoD with “communicating such national defense strategy to Congress, relevant United States Government agencies, allies and international partners, and the private sector.”

The formal relationship between the CJCS and secretary in the QDR has also changed via the 2017 NDAA. The CJCS was previously statutorily required to develop a separate review of the QDR, which was customarily published as an appendix to the final QDR document. The new statutory language for the NDS removes the chairman’s independent assessment. Instead, it only mandates that the “secretary shall seek the military advice and assistance” of the CJCS when preparing this document. This change removes some potential points of public tension between OSD and the Joint Staff. Under the prior legislation, the risk existed that a CJCS review could, in effect, represent a parallel strategy, and could thus publicly highlight any rifts between the civilian and military elements of the department.

As noted above, the legislation allows for an unclassified document. This unclassified version will likely serve as the public explanation and justification of the U.S. defense strategy. This public articulation is important not only when a new administration is seeking to describe U.S. strategic direction to a domestic audience but also as a signal of U.S. intent to allies, partners, and adversaries.

Congress encourages the new administration to publish the NDS as soon as possible. This is a change from the previous language in existence since 2002, which allowed QDR submission with the next budget, or about 13 months after the new administration took office. In explaining the accelerated timeline, the SASC argued,

The length of time needed to develop the QDR made the report irrelevant to actual national security decision-making because the national security environment evolved more quickly than the review process. The more frequent review and development of a classified guiding strategy document would more rapidly develop the necessary level of detail.

An accelerated timeline would be a challenge but not without precedent. The Bottom-Up Review of 1993 and the QDR of 2001—both occurring after changes of administration—were completed by October of the president’s first year in office. Furthermore, the 1997 QDR was completed over a seven-month period. However, a rapid process may not be the panacea that some envision it to be. The accelerated timeline of the 1997 QDR led to criticisms of both the product and the process.⁴¹ Ultimately, outcomes of the first three QDRs led to Congress granting DoD more time to complete the QDR in the FY2003 NDAA.⁴²

⁴¹ James S. Thomason et al., *The Quadrennial Defense Review Process: Lessons Learned from the 1997 Review and Options for the Future* (Alexandria, VA: Institute for Defense Analyses, 1998), <http://www.comw.org/qdr/thomason.pdf>.

⁴² PL 107-314, 12/2/02, Sec 992.

Program and Contingency Guidance

The language on programming guidance continues requirements for the secretary to provide written policy guidance to the department regarding priority missions, force size, posture, and capabilities. However, the new language is more specific, including direction to consider innovation, infrastructure, and personnel in the secretary’s statutorily required, annual defense planning guidance. Regarding operational planning, Congress maintained the requirement for the secretary to provide the chairman written policy guidance at least every two years. Notably, it added a requirement to brief Congress on the content of both the guidance for program development and for contingency plan development. This was a less stringent requirement than one contained in the original House bill, which called for the documents themselves to be given to Congress.

National Defense Panel/Commission on the National Defense Strategy for the United States

The FY2017 NDAA establishes the Commission on the National Defense Strategy for the United States to replace the National Defense Panel. While the name has changed, the purpose and tasks remain similar. “The Commission shall conduct a comprehensive assessment of the strategic environment, the threats to the United States, the size and shape of the force, the readiness of the force, the posture and capabilities of the force, the allocation of resources, and strategic and military risks in order to provide recommendations on the national defense strategy for the United States.”⁴³ As Table 2.2 shows, there are other similarities but also substantial differences.

Table 2.2: Comparison of National Defense Panel and NDS Commission

	NDP	“Commission on the National Defense Strategy for the U.S.”
Membership	8 commissioners appointed by Congress; 2 commissioners—chairman/vice—appointed by SecDef	12 commissioners, all appointed by Congress; stresses independence from administration
Due	Final: March, following QDR delivery Goal: Commentary on QDR	Interim: June, though likely to slip (to Congress) Final: December (to president and Congress) Goal: Input to strategic review
Tasks	Similar requirements: estimates of security environment, missions, and threats, with recommendations about readiness and structure of forces and assessment of risk and resources.	
Cycle	Permanent requirement	One time only in 2017

⁴³ FY 2017 NDAA U.S. Congress, Senate, *National Defense Authorization Act for Fiscal Year 2017*, January 4, 2017, 114th Cong., 2nd sess., S.2943, 369.

Three differences are particularly important:

- Commission membership is larger than the NDP, with 12 members versus 10. All members are now appointed by the leadership of the armed services committees and none by the secretary of defense, who had previously appointed the NDP's chairman and vice chairman. The likely result of this change is a greater degree of independence from DoD than with the NDP.
- The new commission is explicitly designed to provide inputs to DoD strategy formulation process, rather than offer commentary on and critique of the DoD effort after the fact. Accordingly, an interim product is due in June 2017 with the final report due by December 2017.
- The commission is established for 2017 only and is not a permanent requirement as the NDP had been. The one-time establishment likely means that Congress wants to see how this plays out before making a permanent statutory requirement.

The accelerated schedule requires that Congress act quickly to establish the commission. However, that may be difficult at the beginning of a new administration when many initiatives are launched that demand congressional attention.

National Military Strategy

Lastly, the NMS was also updated to align with changes made to the other national security strategy documents. These changes reflect the three themes previously highlighted. The NMS is now to be submitted as a classified document to Congress. As with the NDS, this reflects the clear intent of Congress to better understand the outcomes of strategy and planning processes. Whereas a public document is a statement of principles, a classified document can be a real strategy.

The topics to be covered are more flexible and focused on strategy. The task still covers the same thematic areas but gives CJCS more leeway in deciding what to cover and how to conduct the process. For example, the new language removes the requirement that the chairman detail the potential for allied augmentation and the requirements of operational contractor support. The effect will be to focus CJCS and the Joint Staff more on joint coordination and strategy assessments and less on budgetary and programmatic issues.

With DoD now implementing significant changes in how it conducts strategy formulation, it faces several tradeoffs and choices about how to prioritize, align, and structure its future strategy processes. The following chapters provide a framework for future defense leaders and planners to determine how best to design a strategy process to meet the requirements of the department and the priorities of the nation.

Chapter 3: A Framework for Evaluating National Security Strategy Processes

As DoD implements the national security strategy reform provisions of the FY17 NDAA, this study proposes a series of 12 questions as the analytic framework that DoD can use to better position future strategy reviews to meet the demands of the unique geostrategic, political, and budgetary moment. It analyzes these 12 questions across a series of case studies to both understand the dynamics of past strategy formulation processes and inform recommendations for the future.

This chapter explains the rationale behind the 12 questions in greater detail and summarizes the choices made over the course of the most recent strategy processes in the context of these questions. In addition, it describes the case study selection and summarizes the choices made during these strategy processes, again in the context of the 12 questions.

The 12 questions cover the whole range of issues that DoD should consider over the course of a strategy review. This analytic frame is the result of an iterative process that incorporated insights from the literature review, case study research, and the statutory language commissioning this study. This analytic frame does not contend that these are the only questions that strategy formulation process may confront. However, the analysis of the current process and the case studies indicate that this framework reveals the key choices at the heart of the national security strategy formulation process writ large and the DoD strategy formulation process in particular.

There is no universally correct strategy process. Internal and external factors will shape how a review is structured. However, to be effective, any strategic review should seek to make these choices consciously rather than due to bureaucratic inertia or path dependency. The following is a brief description of each question.

1. ***How rapidly to conduct the process?*** There is a trade space between the rigor of a given process and the time allocated to its completion. At the same time, longer strategy processes may produce outputs that are irrelevant due to changes in the environment.
2. ***How to align DoD strategy formulation with national security strategy formulation?*** A statutory, hierarchical framework exists; yet past experiences highlight how reality often diverges from this framework. This choice reveals tradeoffs between varying levels of direct executive oversight.
3. ***Who does the work? Small vs. large group? Insiders vs. outsiders?*** Small groups and individuals can often produce more candid results and more closely reflect the thinking of (the) senior leader(s). Larger groups can incorporate more inputs, contend with more issues at a greater level of fidelity, and help drive consensus. The composition of the group also affects the output. Insiders may be more familiar with pitfalls and limitations but may fall prey to preexisting biases. Outsiders may bring a fresh perspective but are less familiar with existing internal dynamics.
4. ***Who runs the process? Civilian/military balance?*** Senior leaders may be directly involved each step

of the way, designate oversight to a trusted subordinate, or break out component parts and assign each a specific lead. In addition, the balance between civilian and military leadership is an important and related choice when considering strategy formulation in the DoD context.

5. ***What topics to cover: comprehensive coverage or focus on key issues?*** At the ends of the spectrum, strategy processes can either take a broad survey of the environment or identify a handful of opportunities and challenges. This choice has effects for both the composition and size of the group committed to the strategy formulation process. An expansive process can help an organization plan for an uncertain future rife with change. A focused process can help an organization deal with vital, pressing issues.
6. ***How to handle the relative importance of topics: clear priorities or many aspirational goals?*** Strategic ends can either be concrete tasks or more abstract constructs. Broadly speaking, concrete ends lead to clear, yet rigid strategies that may prove unable to fully contend with changes in the environment. More abstract, aspirational goals may enable a strategy to be more flexible and incorporate a larger number of actors. At the same time, abstract goals may make it harder to understand and quantify success. The more inclusive a strategy and strategy process, the more abstract the ends must become.
7. ***How far into the future to look?*** Predicting the future is arguably the most challenging analytic function. Large-scale trends may hold true, but the exact way these trends manifest can vex even the most talented forecasters. Strategy processes that rely on long-term forecasts may predict disruptive changes but carry a high degree in risk inherent to long-range predictions. Shorter forecasts bring greater certainty but may be of more limited value when attempting long-term planning. The question of forecasting is particularly challenging for national security entities given the long timelines for many development and procurement programs.
8. ***What role for resources in formulating strategy?*** Unconstrained strategy processes can help identify areas for additional investment and potential shortcomings in existing resource portfolios. Constrained processes may not fully address certain challenges but are more likely to be achieved. Some strategy processes consider nonfinancial resources such as time, organizational capital, and political factors when assessing the relevance and suitability of various ways and means.
9. ***What analysis should be done and how should risk be handled?*** The national security strategy formulation process is supported by a range of analysis including the aforementioned forecasting and resourcing assessments. Beyond these efforts, national security strategies consider how to best align ways and means against a range of potential future scenarios. This question seeks to understand these scenarios and the identified weaknesses of the chosen ways and means.
10. ***Should there be an outside review process before publication? Of what sort?*** This choice considers how the final strategy and resulting strategy product is reviewed prior to final publication and dissemination. Past examples have included limited socialization among various experts, formalized review groups for specific sections, and broader senior steering groups. There is a broad consensus on the importance of some form of outside review process. This choice is often driven by the sensitivity of the final product and the comfort level of senior leaders with outside groups or individuals.

11. **How much dissemination?** A tightly controlled and highly classified strategy may be able to describe the alignment of ends, ways, and means in complete detail. However, it will then be unable to articulate a unified direction for the organization to the widest necessary audience. A broadly disseminated, unclassified document will be able to be shared freely. It will communicate intent to allies, partners, and adversaries. This can be desirable; however, it will not be as detailed or prescriptive as more tightly controlled documents.
12. **How often to conduct a review: on a regular schedule (e.g., every four years) or as circumstances change?** A regular process means that resources and personnel can be aligned with a known schedule. In addition, supporting processes can be constructed to feed directly into the larger strategy formulation effort. The downside to this approach is that the environment or strategic ends may not have substantially changed since the prior review, potentially wasting resources if no new strategy is required. Ad hoc reviews, by their very nature, can be more responsive to changes in strategic ends or the overall environment. However, aligning supporting processes, especially if such elements are resource intensive, can be challenging.

The 2014 QDR, 2015 NSS, and 2015 NMS are described using this framework in Table 3.1. These findings are analyzed in detail in Chapter 4.

Table 3.1: Summary of Current Process Insights

	Small vs. Large Group	Insiders vs. Outsiders	Regular Cycle?	Resource Constraints?	Classified vs. Unclassified	# of Months	Clear Priorities vs. Aspirational?	Implemented Widely?	Durable?	Time Horizon	Strong Leadership from the Top?
2014 QDR	Large	Insiders	Yes	Yes	Unclassified	6	Both Clear Priorities and Aspirational	Mixed	No	Near, Mid, & Long	No
2015 NSS	Small	Insiders	Yes	No	Unclassified	24	Aspirational	No	No	15+ yrs	Mixed
2016 NMS	Small	Insiders	No	Yes	Classified	12	Clear Priorities	Mixed	N/A	Unclear	Yes

As part of its research effort, CSIS examined past efforts at national security strategy development. By examining previous cases in detail, the study team was better able to identify and assess the actual tradeoffs made in prior strategy formulation efforts. The cases thus provided key insights into the tradeoffs between various approaches in strategy formulation.

Although the statutory language requiring this study allowed case studies “throughout the history of the United States,” the study team judged that lessons from distant history would not be useful as

circumstances have radically changed over time. For example, the National Security Act of 1947 fundamentally restructured national security decisionmaking and made previous processes obsolete. Similarly, the Goldwater Nichols Act of 1986 created new realities, especially in empowering the chairman of the Joint Chiefs and joint organizations. These considerations eliminated some interesting potential cases, for example NSC-68 in 1950 or the Solarium Project in 1953. Furthermore, the team felt that these cases had already received considerable focus and analysis in the existing national security strategy literature. Instead, the study team chose to examine: the 2012 Defense Strategic Guidance (DSG), the 2001 Quadrennial Defense Review (QDR), the 1993 Bottom-Up Review (BUR), and the 1982 National Security Decision Directive (NSDD) 32.

The U.S. cases were chosen to reflect a range of inputs, approaches, and outcomes. The 1993 BUR was selected due to its landmark status as the progenitor of the quadrennial review process. In addition, the process and the resulting document are viewed favorably within the defense policy community. The 2001 QDR was, in some sense, chosen as a foil to the BUR. The process was less focused than the BUR and involved three discrete phases. Furthermore, it was perceived to be “dead on arrival” as it failed to accurately reflect the reality of the post-9/11 world. The 2012 DSG was chosen as it represents a rapid, ad hoc process responding to changes in the strategic environment. This case represents an example of strategy formulation outside of regular pathways. Lastly, NSDD-32 was chosen to gain insight into White House processes as well as the effects of classification on the resulting process and product.

For the foreign case studies, the study team selected France and Australia given these nations’ global commitments, broad military capabilities, and recently completed strategic reviews. The UK was a commonly suggested case. However, it is well known in U.S. defense policy circles due to close U.S.-UK relations. Other countries have had recent strategic reviews, but they do not face challenges comparable to the United States and lack a broad set of military capabilities and global commitments. Thus, their strategic review processes would be less informative and may produce insights and recommendations inappropriate for the United States. Table 3.2 broadly summarizes the findings of the six case studies. The following sections summarize each case study, and the full products are contained in Appendixes B-G.

Table 3.2: Summary of Case Study Insights

	Small vs. Large Group	Insiders vs. Outsiders	Regular Cycle?	Resource Constraints?	Classified vs. Unclassified	# of Months	Clear Priorities vs. Aspirational?	Implemented Widely?	Durable?	Time Horizon	Strong Leadership from the Top?
2012 DSG	Small	Insiders	No	Yes	Unclassified	3	Clear Priorities	Yes	Mixed	10 yrs	Yes
2001 QDR	Small	Both	Yes	No	Unclassified	9	Aspirational	Yes and No	Yes and No	Nonspecific	Yes
1993 BUR	Both	Insiders	No	Yes	Unclassified	9	Clear Priorities	Yes	Yes	5 yrs	Yes
1982 NSDD-32	Small	Insiders	Yes	No	Classified	3	Aspirational (but narrow)	Yes	Yes	Nonspecific	Yes
2016 Australian White Paper	Small	Both	No	Yes	Unclassified	30	Clear Priorities	Yes	Yes	20 yrs	Mixed
2008 French White Paper	Large	Both	No	Yes	Unclassified	10	Clear Priorities	Yes	No	15 yrs	Yes

The 2012 Defense Strategic Guidance

Among recent U.S. strategy review documents, the 2012 Defense Strategic Guidance (DSG) is a procedural outlier, the product of an ad hoc, off-cycle, and White House-driven strategy formulation process. The DSG was released in January 2012, between the statutorily required 2010 and 2014 Quadrennial Defense Reviews (QDR). The major impetus for the DSG lay in burgeoning budgetary pressures after the 2008–2009 financial crisis manifested in the 2011 Budget Control Act (BCA), though the expectation of drawdowns of U.S. combat missions in Iraq and Afghanistan and changes in the international security environment also played important roles. The document notably codified DoD’s rebalance to the Asia-Pacific, reframed DoD’s force-sizing construct, deprioritized large-scale stability operations, and protected investments in technological innovation.

After President Obama’s April 2011 call for a “fundamental review” of U.S. defense missions and capabilities and increasing pressure for budget cuts, Secretary Robert Gates initiated a “comprehensive review” of DoD programs to meet the president’s request. Work on the DSG did not begin in earnest until fall 2011 after Leon Panetta had taken over as secretary of defense. Structured to be an anti-QDR, the strategic review process was driven by the senior-level Strategic Choices Group, which included Deputy Secretary of Defense Ash Carter and Vice Chairman of the Joint Chiefs of Staff Admiral James “Sandy” Winnefeld, and an OSD-Joint Staff working-level team. Throughout the process, the White House provided guidance and weighed in on key issues at several points. The DSG was completed in late fall 2011 and rolled out publicly in January 2012.

Although most defense analysts decried the fiscal constraints that prompted the DSG, few criticisms were leveled at the formulation process. The lean, expeditious process avoided the multiplicity of panels and massive staff effort that had characterized the QDRs. The DSG grappled with the key challenges facing the department, consulted major stakeholders to reach consensus, and was especially impactful due to the president’s involvement. The resulting strategy specified priorities and made actionable recommendations for shifts in DoD policy. Although the document was later overtaken by sequestration budget cuts in 2013 and geopolitical events, including the rise of the Islamic State and Russian revanchism in Ukraine, many observers regarded it as a success adapting to budget changes in a quick and strategically sound manner.

Table 3.3: Summary of 2012 DSG Case Study

Small vs. Large Group	Insiders vs. Outsiders	Regular Cycle?	Resource Constraints?	Classified vs. Unclassified	# of Months	Clear Priorities vs. Aspirational?	Implemented Widely?	Durable?	Time Horizon
Small	Insiders	No	Yes	Unclassified	3*	Clear Priorities	Yes	Mixed	10 yrs

The 2001 QDR

Presidential-candidate George W. Bush made a campaign promise to empower his secretary of defense to run the defense review once in office. He kept that promise, giving Donald Rumsfeld a large degree of control over the process.

Rumsfeld began the review process immediately. He conducted unofficial, initial reviews at first, consulting individuals outside of the government (who were former insiders) while waiting for his senior advisers to be confirmed—this freedom to choose outsiders showed his control over the process. He commissioned a series of studies to inform the final QDR, including a study by the Office of Net Assessment. However, the findings from these studies were inadequate to drive the needed program and policy decisions. Rumsfeld largely excluded active-duty military, setting off a tension that would last through the entirety of the process.

In the spring, several panels of outside experts were organized, each focusing on particular missions or functional areas. The panels were not given guidance about end goals, and had no staff, and so conducted their reviews haphazardly. Some recommendations were descriptive rather than prescriptive, and not actionable. Other recommendations were long lists of possible adds but with few offsets to pay for them. Because the panels were independent, the recommendations were, at times, contradictory.

To develop a coherent set of recommendations, several panels of insiders, including military, were organized. Discussions were occasionally acrimonious, especially with the Army, as the secretary looked for bill payers to pay for new initiatives. The QDR’s delivery date was September 30, after the events of 9/11—the event was integrated into the report in the last weeks of September.

The QDR advocated a capabilities-based approach, which it framed as a significant shift from its predecessors. Previous documents used a threat-based approach, identifying specific threats from specific actors; this QDR outlined what capabilities would be necessary to face diverse threats of the future. Consistent with President Bush’s campaign promises, Secretary Rumsfeld wanted to “transform” the military, skipping a generation of modernization, and moving to a military that employed high-technology weapons and innovative operational doctrines.

While this approach allowed more flexibility, it likely contributed to the QDR’s development of aspirational goals, which lacked specificity or prioritization. This made implementation difficult. Both the capabilities-based approach and the thrust toward “transformation” were overcome by events in Iraq and Afghanistan.

Table 3.4: Summary of 2001 QDR Case Study

Small vs. Large Group	Insiders vs. Outsiders	Regular Cycle?	Resource Constraints?	Classified vs. Unclassified	# of Months	Clear Priorities vs. Aspirational?	Implemented Widely?	Durable?	Time Horizon
Small	Both	Yes	No	Unclassified	9	Aspirational	Yes and No	Yes and No	Nonspecific

The 1993 Bottom-Up Review

The 1993 Bottom-Up Review (BUR) marked a significant milestone in U.S. national security, pioneering the concept of a periodic strategic review and setting the foundation for the United States’ post–Cold War outlook. After President Bill Clinton took office, the newly appointed Secretary of Defense Aspin harnessed the political momentum around calls for cuts to the defense budget in the immediate aftermath of the fall of the Soviet Union. The foundation for the BUR was laid well in advance of the official start of the process, with Aspin’s previous work on the House Armed Services Committee heavily guiding the BUR strategy formulation process.

The review was executed by a combination of a smaller steering committee and a larger staff effort. The steering committee included Aspin’s close associates who also happened to have worked on the issue at the HASC, led by Deputy Secretary of Defense John Deutch as the steering committee chairman. The larger staff effort, which included civilian and military representatives across DoD, were directed by Acting Deputy Undersecretary of Defense for Policy Frank Wisner. The BUR harnessed the efforts of hundreds of DoD staffers.

The BUR was an unclassified report delineating clear priorities and pathways for cutting U.S. forces by roughly a third and the budget by \$55 billion. The strategy laid out in the BUR followed a threats-based methodology, resulting in the conclusion that the United States needed the ability to fight two nearly simultaneous major regional conflicts (MRCs). The resultant scenario-based assessment used North Korea and Iraq to test U.S. capabilities and determine how the U.S. forces should be structured. The report described the analysis and logic flow in detail.

The two-MRC strategic outlook outlasted the original leaders that conducted the review and continues to resonate strongly within the national security apparatus. The BUR’s force structure changes had largely been implemented by the early 2000s.

Following what most considered a successful strategy formulation process, Congress mandated that a BUR-like defense review be conducted every four years. This statutory requirement came to be known as the Quadrennial Defense Review (QDR), rebranded recently as the National Defense Strategy (NDS), demonstrating the BUR’s enduring strategy formulation legacy.

Table 3.5: Summary of 1993 BUR Case Study

Small vs. Large Group	Insiders vs. Outsiders	Regular Cycle?	Resource Constraints?	Classified vs. Unclassified	# of Months	Clear Priorities vs. Aspirational?	Implemented Widely?	Durable?	Time Horizon
Both	Insiders	No	Yes	Unclassified	9	Clear Priorities	Yes	Yes	5 yrs

The 1982 National Security Decision Directive 32

The National Security Decision Directive Number 32 (NSDD-32), titled “U.S. National Security Strategy” and issued by President Ronald Reagan in 1982, served as the foundation for the Reagan-era Cold War foreign policy. NSDD-32 was a classified strategy document (since declassified), developed by a small interagency review group through an iterative process of top-down guidance from President Reagan and bottom-up analysis and response from the review group. The group, consisting of representatives from the White House, National Security Council, DoD, Department of State, the intelligence community, and the Joint Staff (JCS) was chaired by NSC staffer Tom Reed.

The NSDD-32 formulation process spanned just three months, and resulted in an eight-page document laying down an aspirational set of goals, tightly focused on the Soviet Union. The priorities articulated by NSDD-32 included: deterring military attack by the Soviet Union, reversing Soviet expansion and neutralizing its power and global influence, and strengthening U.S. military and economic power relative to the Soviet Union. The objectives outlined in NSDD-32 set up a series of following directives, from number 33 through 237, each of which focused on specific regional, functional, and political issues.

NSDD-32 was superseded four years later by an updated version of the Reagan Cold War strategy, codified in 1986 under NSDD-238, titled “Basic National Security Strategy.” NSDD-238 continued to espouse the major tenets of NSDD-32, however, constituting a testament to the durability of the ideas and objectives within the original strategy document. Indeed, NSDD-32 formed the substantive basis for President Reagan’s Cold War policy, and the strategic objectives and guidelines from the strategy document largely endured until the collapse of the Soviet Union.

Table 3.6: Summary of NSDD-32 Case Study

Small vs. Large Group	Insiders vs. Outsiders	Regular Cycle?	Resource Constraints?	Classified vs. Unclassified	# of Months	Clear Priorities vs. Aspirational?	Implemented Widely?	Durable?	Time Horizon
Small	Insiders	Yes	No	Classified	3	Aspirational (but narrow)	Yes	Yes	Unclear

The 2016 Australian White Paper

The seventh in a series of white papers going back to 1976, the 2016 Defense White Paper continued a trend of articulating a greater role for Australia in the Indo-Pacific and a greater focus on global threats and challenges. Indeed, a key driver in the development of the white paper was the need to face an increasingly complex threat environment with limited resources. Chief among them were the rise of China and the resulting tension between China and the United States, Islamic extremism and ISIS, the rivalry between India and Pakistan, cyber threats, and general expansion and modernization in maritime Southeast Asia.

The development of the 2016 Defense White Paper process took a total of 30 months, a year longer than the original plan of 18 months. The delay owed a lot to changing domestic politics in Australia—the process began under Prime Minister Tony Abbott, but Abbott’s popularity declined, eventually allowing Turnbull to defeat and replace Abbott as party leader. Abbott oversaw the first 24 months of the DWP’s formulation while Turnbull oversaw the final six months of the process.⁴⁴

The defense minister was the central figure in the development of the 2016 DWP, but a small group of experts outside the Department of Defense oversaw the process. These also solicited the opinions of the public in its findings, leading to a government report about civilian defense opinions preceding the release of the DWP. The process and involvement of outsiders also influenced the specificity of resource allocation.

To address defense financial planning, the white paper introduced a 10-year funding model with the goal of increasing Australia’s defense funding to 2 percent of GDP by the 2020–2021 budget cycle. (Military spending hovered around 1.9 percent of GDP from 2000–2010, and then dipped to 1.69 percent in 2013.⁴⁵) To develop the 10-year funding model, private-sector cost experts validated cost projections in an accompanying report, the *Integrated Investment Program*.⁴⁶ The report represented the first “detailed capability investment plan for the future force” conducted by the private sector to provide external validation.⁴⁷ An additional report, the *Defense Industry Policy Statement*, articulated to the private defense industry what specific acquisitions and technologies would be required in the strategy. Together, these two companion documents provided guidance on *how* to move from planning to implementation.

⁴⁴ For more on this, see Andrew Carr, “The Politics of the 2016 Defence White Paper,” *Security Challenges*, 12.1 (2016), <https://www.regionalsecurity.org.au/resources/Documents/SC%2012-1%20Carr.pdf>.

⁴⁵ Andrew Carr and Daniel Baldino, “The end of 2%: Australia gets serious about its defence budget,” *The Conversation*, February 26, 2016, <http://theconversation.com/the-end-of-2-australia-gets-serious-about-its-defence-budget-53554>.

⁴⁶ According to the DWP: “This 10-year funding model is based on a fully costed future force structure, with external validation of these costs by experts in cost assurance from private sector companies which are globally recognised for their cost analysis and assessment services. This is the most comprehensive cost assurance that has been undertaken for a Defence White Paper.” Marise Payne, *2016 Defence White Paper* (Commonwealth of Australia: Department of Defence, 2016), 180.

⁴⁷ *Ibid.*, 20.

Because the 2016 DWP is so new, it is too early to gauge the durability of the document. However, it provides useful lessons to the United States on how to engage the public, as well as how to more tightly connect goals, resources, and capabilities.

Table 3.7: Summary of 2016 Australian DWP Case Study

Small vs. Large Group	Insiders vs. Outsiders	Regular Cycle?	Resource Constraints?	Classified vs. Unclassified	# of Months	Clear Priorities vs. Aspirational?	Implemented Widely?	Durable?	Time Horizon
Small	Both	No	Yes	Unclassified	30	Clear Priorities	Yes*	Yes*	20 yrs

The 2008 French White Paper

The 2008 French White Paper commission process offers a functional alternative to the predominantly insider-driven, regularized processes in the United States. Although France had previously produced defense white papers in 1972 and 1994, the 2008 commission’s mandate was expanded to address national security broadly, in addition to defense policy, as a result of the September 11 terrorist attacks in the United States.

Initiated by the newly elected French President Nicholas Sarkozy in 2007, the 35-member commission was tasked with developing a 15-year strategy and encouraged to approach challenges creatively with no preexisting policy being “taboo.” Members were drawn from a diversity of professional backgrounds including from the government, the military, academia, think tanks, the legal profession, and industry. Jean Claude Mallet, a senior French civil servant with previous strategy formulation experience, led the commission.

Divided into functional working groups, the commission conducted a series of interviews, public forums, and study trips in its initial phases to support its analysis. Commission members also held several briefings for Sarkozy to receive his input upon the process. Once key elements of the strategy had been drafted, the commission evaluated defense force structure over variety of scenarios. After 10 months, the commission published the 336-page white paper in June 2008. It included a range of major programmatic decisions on military force structure and national security decisionmaking process reforms, the majority of which were duly implemented.

The French strategy process is frequently praised for its transparency, strategic clarity, and innovative outcomes. It is hard to discern what role the public’s involvement in the process played in some of the key decisions made in the white paper, but the transparency, in addition to its diverse membership, bolstered the credibility of its findings. The authors of the 2008 White Paper were encouraged to challenge preconceptions and make bold recommendations in reconciling preexisting French defense strategy and force structure with a dramatically altered security environment. The intellectual freedom to address a critical national security question from a blank slate facilitated the commission producing quality results. However, the scope of the process has been criticized by observers who felt its vast breadth undermined its utility and others who felt it delved too deep into programmatic details. Although the strategy was quickly overcome by the 2008–2009 global financial crisis, the Arab Spring and other geopolitical developments, the core of the strategy and the process that led to its formulation are still widely recognized as successful.

Table 3.8: Summary of 2008 French White Paper Case Study

Small vs. Large Group	Insiders vs. Outsiders	Regular Cycle?	Resource Constraints?	Classified vs. Unclassified	# of Months	Clear Priorities vs. Aspirational?	Implemented Widely?	Durable?	Time Horizon
Large	Both	No	Yes	Unclassified	10	Clear Priorities	Yes	No	15 yrs

Chapter 4: Analysis and Insights

The Chapter 3 laid out the 12 choices that DoD should consider in structuring a strategy formulation process. This chapter analyzes historical experience and uses the information in the case studies to provide insights on each of the 12 choices.

1. Rapidity of Process

“[T]he Secretary shall present the national defense strategy required by this subsection as soon as possible.”⁴⁸

In theory, faster is better. DoD can shift direction sooner and avoid the confusion, loss of opportunity, and political penalties caused by delay. With changes in administration, there is a particular premium on speed since the new administration must adjust several budgets within the first few months. These fiscal decisions benefit from coherent strategic direction. However, the pace of a strategic formulation process trades time for rigor, comprehensiveness, and participation. Further, a new political team may not be ready to launch a strategy process immediately.

Historical experience

U.S. experience with the 1993 BUR and 2001 QDR indicates that the fastest change-of-administration strategy formulation process has taken nine months. (See case studies in Appendices C and D for further detail.) Even that timeline is ambitious because those reviews enjoyed special circumstances. In 1993, Secretary Aspin had two great advantages: conducting extensive preliminary analysis while still in Congress and bringing his congressional staff with him to the Pentagon. In 2001, Secretary Rumsfeld had the advantage of past service as secretary of defense and thus knowledge of the department’s organization and processes. Future administrations are unlikely to have those advantages.

Table 4.1 shows key U.S. and foreign experiences with timelines on strategy formulation since 1993.

⁴⁸ New language (NDAA Section 941 (E)): *National Defense Authorization Act for Fiscal Year 2017*, S. 2943, 114th (2015-16). Section 941(E) provides this new language (emphasis added).

Table 4.1: Historical Experience on Strategy Reviews

Document	Delivery (from beginning of administration)	Context
U.S. Experiences		
<i>1993 BUR</i>	Sept./Oct. (9 months)	Administration change
<i>1997 QDR</i>	May (4 months)	Second term
<i>2001 QDR</i>	Sept. (9 months)	Sept. 30 statutory deadline, administration change
<i>2006 QDR</i>	Feb. (13 months)	Statutory deadline changed to February of year two of an administration
<i>2010 QDR</i>	Feb. (13 months)	
<i>2014 QDR</i>	March (14 months)	
Foreign Experiences		
<i>France 2013</i>	9 months	Administration change
<i>UK 2015</i>	6+ months	Second term; required
<i>Australia</i>	30 months	Slowed by changes of administration

Reviews conducted in the second term of an administration, like the 1997 QDR, can move quickly. This speed is enabled by having the key players in place, understanding their roles, and being familiar with the issues.

Foreign experience is consistent with U.S. experience. The 2008 French review, conducted after a ruling party transition, took nine months. The UK’s 2010 SDSR, similar to the French effort coming after a ruling party transition, took six months. Australia’s 2016 Defense White Paper’s 22-month timeline is a major outlier caused by several, dramatic changes in government (and governing party) over the course of the process.

As previously described, Congress extended the submission date of the QDR report in 2002, allowing it to be submitted as late as the following budget, 13 months after an administration took office. This allowed enough time to cover the 26+ separate statutory requirements and to incorporate the views of DoD’s many elements. All subsequent QDRs took full advantage of the extended timeline. As described earlier in this report, the FY2017 law encourages DoD to complete the strategy review as soon as possible. Congress has also narrowed the scope of what the strategy document must cover. Thus, the process might be conducted significantly faster. That said, history shows that DoD will use all the time available: if DoD has eight months, it will finish in eight months; if it has 13 months, it will finish in 13 months. Longer timelines add to staff burden, which, as noted in Chapter 2, was one of the major criticisms of the previous system.

The imperative of the budget cycle

The budget cycle encourages faster strategy development, particularly at the beginning of a new administration. A new administration needs to amend the budget for the current year (for the Trump administration, FY 2017), reshape the prior administration's budget for the next fiscal year (for the Trump administration, FY 2018), and develop a budget for the following fiscal year (for the Trump administration, FY 2019). A well-justified, clearly explained, and widely read strategy is a powerful tool for a new administration to justify its budget proposals. This is particularly true if the administration is proposing large budget changes, either up or down. Inevitably, such changes will have opponents who would cite any lack of strategic justification as reason to delay implementation.

Amending the current budget must be done rapidly as the administration takes office with one-third of the fiscal year already gone. However, because such amendments make relatively modest changes to an existing budget, there is less need for strategic direction and thus less criticism about the budget changes coming out before an administration has articulated a strategy.

A new administration must also produce a budget for the following fiscal year, which begins in October. In a normal year, the president submits this budget to Congress in February. During changes of administration, the timeline stretches, but the longer it goes, the more anxious Congress becomes about the lack of time to conduct hearings and markup. Delay also increases the likelihood of a continuing resolution, which in turn delays implementation of a new administration's strategy.

In the past, new administrations have submitted this budget in April or May. Here there is more demand for a strategic context because the budget represents more fundamentally the views of the new administration. This is particularly true if the budget includes a full Future Years Defense Plan (FYDP), as this would provide some emerging insights into the administration's strategy. However, in this budget proposal, the out years, the last four years of the FYDP, generally do not include much program detail due to time constraints. This lack of detail mitigates some the need for detailed strategic explanation, especially if Congress and the administration have similar views and priorities.

Finally, a new administration must prepare a budget for the following fiscal year, which will be submitted to Congress in February, 13 months after a new administration has taken office. This budget will include the new administration's first detailed FYDP. As a result, it must be fully informed by the new administration's strategy. The secretary of defense's planning guidance (DPG) plays a key role in translating the new administration's strategy into guidance for programming for DoD components.

DoD will be involved in two budget negotiations. The most visible negotiations will be those conducted with Congress over the budgets that the administration has sent forward. However, there will also be internal negotiations between DoD, Office of Management and Budget (OMB), and the White House. Typically, OMB pushes back on all agency budgets to keep deficits lower and to give the president the ability to move money around. DoD will be well aware of its resource needs and typically will be pushing for a higher budget.

The pressure of world events

Beyond the budget, world events, both expected and unexpected, will require the administration and the department to respond. There will be ministerial meetings with allies, deployment of forces, and

various crises. Administration actions will be more credible if they fit into a strategic framework, rather than appearing to be ad hoc responses to individual circumstances.

During the most recent cycle, the tyranny of world events was on full display. Both the 2014 QDR and 2015 NSS were perceived to be dead on arrival because they did not adequately reflect the changing global threat environment. The QDR is particularly instructive as it did not foresee the resurgence of a revanchist Russia or the explosion of ISIS across the Middle East. The Russian invasion and annexation of Crimea came mere days after the release of the QDR. These two factors directly undercut many of the assumptions that undergirded the defense strategy. The United States could no longer rebalance its force structure to focus on a high-end, maritime-dominant strategic competition. Given this, the choices enumerated in this study could not be implemented.

2. Strategy Alignment and Agility

In theory, there is no difference between theory and practice. In practice, there is.—Yogi Berra

As described in Chapter 2, the DoD strategy process nests within the larger national security strategy process. In theory, the strategy formulation process produces a hierarchy of documents running from the White House through the departments to their various subcomponents. Since at least 1993, DoD's strategy document comes out first.

The hierarchical nature of the process runs from the National Security Strategy. The National Defense Strategy builds on the direction in the National Security Strategy and provides guidance for subordinate strategies. If an NSS is unavailable, DoD's strategy review builds on guidance from the president. Below the NDS is the National Military Strategy. Below these are the annual DPG and the Guidance for the Employment of Forces (GEF). Below these are the service strategies and various forms of intra-service planning guidance. Ultimately, programs and budgets implement the strategic vision.

In addition to being hierarchical, these documents are, in concept, developed sequentially with higher guidance preceding and informing lower-level processes and documents. In theory, this is sound—higher levels giving guidance to lower—but in practice it breaks down, especially during changes of administration. For example, at the beginning of the George W. Bush administration, a military officer briefed Secretary Rumsfeld about the budget and programs that had been developed. The briefing officer, following the standard concept from the war colleges, described how the planning element of Planning, Programming, Budgeting, and Execution System (PPBES) (described further in Appendix X) had been developed two years earlier using the then-current National Security Strategy. Then the plan had been turned into programs, and finally the programs have been turned into budgets. Rumsfeld's response was, so this budget you're presenting me was developed by a different administration with a different strategy in a different strategic environment. The briefing then collapsed.⁴⁹

The standard, multiyear, sequential strategy development process also causes concerns about the agility of the process. As the Rumsfeld story makes clear, the theoretical process is rigid and slow. If actions in the real world must wait for a hierarchy of strategy documents to be developed and then drive new

⁴⁹ Recounted in Donald Rumsfeld, *Known and Unknown* (New York: Sentinel, 2012), x.

programs and budgets, the United States will be very slow to react to new challenges and changing conditions.

Fortunately, this well-ordered, but rigid, linear process is not what occurs in practice. Strategy formulation processes adapt to changing political, security, and budgetary circumstances, and can result in emergent strategies, as discussed in Chapter 2. There are feedback loops several times each year that allow modification of the department's plan, programs, and budget. For example, as each service and agency develops its five-year proposal (called a Program Objective Memorandum, or POM), it has the opportunity to incorporate new information that arises from within the service or agency, from other elements of the government like the White House or Congress, and from the external environment.

There is another opportunity for updates late in the cycle, in the budget phase, before it is presented to Congress. When the president presents the budget to Congress, there is yet another opportunity to describe changes in strategy and to propose new national security initiatives. Even after a budget is presented to Congress, there are opportunities to make changes, either through budget amendments, or by requests to congressional committees that can incorporate changes in their marks. Finally, during the year of execution, the services conduct a midyear review and send to Congress a reprogramming request that moves money around depending on budget execution and changes to the national security environment. The system, therefore, is more flexible in practice than the unfortunate military briefer implied to Secretary Rumsfeld.

However, the flexibility available to strategists and programmers during their respective processes is not unlimited. It can be difficult to make major changes to plans and programs (and by extension strategy) without a personal intervention by the secretary. It required considerable personal attention from then-Secretary Gates to pressure the Air Force into acquiring more unmanned aerial systems and to push through funding for the Mine-Resistant Ambush Protected (MRAP) program. Furthermore, cutting a major program will run into considerable service and congressional opposition. To make major changes in direction, therefore, DoD generally needs the forcing function of a strategy formulation process.

It is also important to note that in all previous strategy formulation cycles, the QDR, the most detailed of the strategy documents with critical decisions about programs and forces, came out before the NSS.

Table 4.2: Publication Dates of Strategic Documents, by Cycle

<i>Defense Strategy Reviews (BUR/QDRs)</i>	<i>National Defense Panels</i>	<i>National Security Strategy</i>	<i>Defense Strategy</i>	<i>National Military Strategy</i>
Oct. 1993	[Not required]	Jan. 1993 Feb. 1996	Jan. 1993	Jan. 1992 Feb. 1995
May 1997	Dec. 1997	May 1997 Dec. 2000	N/A	Feb. 1995 Sept. 1997
Sept. 2001	[Not required]	Sept. 2002	Mar. 2005	2004
Feb. 2006	[Not required]	Mar. 2006	June 2008	2006
Feb. 2010	July 2010	May 2010	N/A	Feb. 2011
Mar. 2014	July 2014	Feb. 2015	N/A	June 2015 and Oct. 2016

This occurs because DoD has a large civilian and military staff in place and the continuity to start a process quickly whereas the NSC needs time to staff up.

Presidential guidance

An alternative to a linear, hierarchical series of strategy documents would be to have presidential guidance at the beginning of DoD’s strategy formulation process. That would provide direction without having to produce a full strategy document. Further, presidential guidance can help overcome the natural inertia of organizations, programs, and budgets in making major changes.

In theory, there is no reason that could not be done. However, that has not been the experience of most U.S. strategy reviews, although it is the custom with some foreign reviews, as Table 4.3 shows. The reason is likely that the president has many more demands for his attention at the beginning of his administration beyond national security. For example, at the beginning of the Trump administration, healthcare and tax reform clearly have priority for the president’s time. Some guidance is provided through the standard coordination process run by the National Security Council and described in brief in Chapter 2. These meetings could be specifically framed around providing national security strategic guidance or relevant subtopics—for example, nuclear weapons modernization—that affect development of strategy. Thus, the White House may provide guidance without publishing a specific guidance document.

Having the president’s imprimatur on a strategy gives it more weight and credibility.⁵¹ Without this, it is often not clear the extent to which a defense strategy reflects the president’s thinking on national security matters. Presidential involvement on the front end can also help secure presidential support for controversial strategy implementation on the back end, for example, for structure cuts, changes to the politically powerful reserve components, or base closure.

Table 4.3: Formal Presidential Guidance Preceding Defense Review

<i>QDR</i>	Guidance?
<i>1993 (BUR)</i>	No
<i>1997</i>	No
<i>2001</i>	No
<i>2006</i>	No
<i>2010</i>	Yes ⁵⁰ (Classified)
<i>2014</i>	No (but based on DSG, which had presidential involvement)
Foreign experience	
<i>France</i>	Yes
<i>UK</i>	Yes
<i>Australia</i>	Yes

⁵⁰ Interviews with former senior government officials

⁵¹ Interview with former senior government official.

Our case study of NSDD-32 and general understanding of the other major strategies during the Cold War (e.g., NSC-68 and NSC-162/2) would seem to indicate a shift as these White House documents all appear to have preceded more specific defense guidance.

There appears to have been presidential guidance provided during the 2010 QDR and the 2012 DSG.⁵² For the DSG, for example, the president met several times with senior officials during development of the document. He signed the document's cover letter, which is more typically signed by the Secretary of Defense, and opened the roll out briefing, both of which were unprecedented. This presidential guidance is in part responsible for the clarity and authority of the DSG and one of the reasons that many consider the DSG to be a model process.⁵³

3. Team Structure and Composition

As discussed in the literature review, small groups and individuals can produce outputs more often, with more candor, and more closely reflecting the thinking of senior leadership. However, they fail to generate the organizational commitment for implementation. Larger groups can incorporate more inputs, deal with more issues at a greater level of fidelity, and drive consensus across large organizations but take time, are difficult to coordinate, and can be captured by special interests or denuded of sharp choices.

The contemporary literature on public policy development leans toward allowing all parties affected by a policy to participate in the policy's development. Applied to the DoD strategy formulation process, this often has the effect of producing numerous panels and working groups. As participation expands, staff burden increases with most participating organizations establishing their own strategic review cells. This phenomenon happens not just at the service and agency level, but also at subordinate levels. Individual staff elements and lower-level offices and headquarters all seek to participate in the process, influence the outcome, and defend their interests. The impact extends even further, as various consulting organizations are engaged to produce studies, models, and analysis. This places further demands on staff time and study budgets.

Further, we found little evidence that these "strategic review cells" or component studies affected the result of the strategy process. If true, this would be unsurprising, as the members are not close enough to the decisionmaking to understand the issues at hand, the options under consideration, the analysis with the greatest impact, or the political sensitivities that must be navigated. These supporting efforts may represent a waste of staff resources. They must expend considerable effort to produce products that may never reach or influence a strategy's core writing group.

As a result, there is near-universal agreement to limit the number of panels and working groups, thus reducing staff burden and speeding the strategy formulation process. This aligns with the literature on strategy formulation. Current management theory recommends a lean, leader-driven process rather than a massive, staff-driven process. However, such a model may not be fully achievable in DoD. Some amount of participation across the organization is necessary for the process to be both technically sound and acceptable to the many elements of the organization. Nevertheless, a lean, streamlined process can

⁵² U.S. Department of Defense, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, January 2012, http://archive.defense.gov/news/Defense_Strategic_Guidance.pdf.

⁵³ Interviews with former senior government officials.

be held up as an ideal.

Secretary Panetta's development of the 2012 DSG has been used as one such model of streamlining. Leaders involved in the process, including Deputy Secretary Ash Carter and Vice Chairman of the Joint Chiefs of Staff Admiral James Winnefeld, intentionally sought to avoid replicating the cumbersome QDR model most recently carried out in 2010, opting instead for a leaner staffing mechanism. There was a recognized need for a rapid process because the recently passed Budget Control Act and downward spending pressure from the White House created a clear misalignment between the previous DoD strategy and the available resources. These conditions were unusual, if not actually unique. The high-level engagement across components and the president's significant involvement minimized the normal bureaucratic pushback that a limited consultative process could have created.

The 2001 QDR process illustrates several challenges of designing team structure and composition. Facing delays in political senior staff appointments after the 2000 presidential election, then-Secretary Rumsfeld commissioned a series of strategy papers including one by the Office of Net Assessment as part of an initial review. The results were descriptive rather than prescriptive, and as a result, Rumsfeld ordered a series of outside expert panels comprised of former civilian and military leaders to examine military transformation issues. However, this outside panel structure alienated the service chiefs and crippled the effort. The resulting panel recommendations did not prioritize or find offsets. Rumsfeld then changed tack. He formed a Senior Level Review Group that included the service chiefs and tasked them to develop an overarching terms of references (TOR) that framed key issues and delineated next steps. The TOR created an executive working group chaired by Rumsfeld's special assistant, Steve Cambone, and included OSD and military staff. The working group coordinated subordinate project teams to prepare the QDR, but the military still felt alienated at times. Moreover, by the time the QDR began in earnest, the team was racing the clock to provide in-depth analysis and recommendations by the September 30 deadline.

4. Process Leadership

It matters who runs the process and how. A key element is to establish a balance between civilian and military leadership given the chairman's statutory requirements and the always-sensitive nature of civilian-military relations. Complicating this are a range of CJCS-led documents that have only minimal involvement by civilians.

The language in 2017 NDAA places the secretary clearly and unequivocally in charge of the new National Defense Strategy. This is a change from the more general language previously contained in 10 USC 118 that mandated the QDR/DSR. Congress emphasized the change by moving the tasking to the section concerning the secretary's responsibilities, 10 USC 113. There is clear congressional intent to make the strategy process more top down, purposeful, and less diffuse. The CJCS is intended to be part of this process, with the statutory requirement both that the secretary consult him and that CJCS provide advice.

This seemingly unobjectionable structure obscures two difficult questions: who should run the process for the secretary, and how to deconflict this process from the chairman's responsibility to provide independent military advice to the president.

Who runs the process has varied by secretary and review. The BUR was drafted within OSD(P). The 1997 QDR had several different leads, each assigned to one of four different portions of the final product. The final 2001 QDR process was run from a small strategic integration cell attached directly to Secretary Rumsfeld’s office. There have also been efforts to run strategy formulation and annual program decisions through a troika of OSD(P), Office of Cost Assessment and Program Evaluation (CAPE), and the Joint Staff. This brings all three elements together—strategy, resources, and military—but with an awkward management structure. Each approach gives the strategy formulation process a distinct perspective.

The other difficult question is about reconciling the CJCS responsibilities with the department’s strategy formulation process. The CJCS has the statutory responsibility to provide independent military advice to the president and to the secretary of defense. This makes CJCS a more significant bureaucratic player than any service chief, service secretary, or OSD undersecretary. In executing his statutory responsibilities, the chairman has a statutory requirement to produce a parallel set of documents as described in Figure 4.4. (Figure 4.4 does not capture the full range of doctrine, planning, budget, and execution documents produced by Joint Staff as laid out in various instructions, notably CJCS 3130 and 3170.01I.⁵⁴ Planning, budget, and execution documents are discussed in Appendix J.)

Table 4.4: Chairman’s Required Documents, Per 10 USC 153

Name	Description
<i>National Military Strategy</i>	Chairman-led analogue to secretary’s strategic review. Focus on the services and core military tasks.
<i>Chairman’s Risk Assessment</i>	Gauges the risk in executing the NMS, including identifying key assumptions and shortfalls.
<i>Annual Report on Combatant Command Requirements</i>	Consolidates and offers commentary on COCOM Integrated Priority Lists (IPL). Describes how IPL requirements may be met in the FYDP.
<i>Report on Assignment of Roles and Missions</i>	Issued at least once every three years. Recommends any changes to service functions as driven by duplication, threats, and/or technology.
<i>Annual Assessment of Force Readiness</i>	Describes the current capability and capacity of the Armed Forces to meet U.S. national security goals.

These documents could provide a parallel strategy formulation, programming, and budgeting process. In the 1990s, General Shalikashvili, then CJCS, considered doing this. In the end, the CJCS has chosen to meld his processes and documents with the secretary’s. However, there is always some tension arising from the different perspectives and their statutory basis.

In addition to the documents required in 10 USC 153 (Duties of the CJCS), the old QDR statute required the CJCS to provide a separate assessment of the QDR. This review, generally called the “Chairman’s Assessment of the Quadrennial Defense Review,” was a Joint Staff product presented to the secretary

⁵⁴ Chairman of the Joint Chiefs of Staff, *Adaptive Planning and Execution Overview and Policy Framework*, CJCS 3130, May 29, 2015, <http://www.jcs.mil/Portals/36/Documents/Library/Handbooks/g3130.pdf?ver=2016-02-05-175741-677>; Chairman of the Joint Chiefs of Staff, *Joint Capabilities Integration and Development System (JCIDS)*, CJCSI 3170.01I, January 23, 2015, https://dap.dau.mil/policy/Documents/2015/CJCSI_3170_01I.pdf.

for inclusion in the final document. During past reviews, it caused tension as it created a CJCS view that was distinct from the QDR. It also created awkward situations where the CJCS's assessment was received more favorably by elements of Congress and the public than the official DoD strategy. This was the case with Chairman Dempsey's assessment of the 2014 QDR.

The parallel process gives the CJCS and the Joint Staff "a second bite at the apple" in that they can raise issues previously thought settled. Further, political forces both inside and outside of DoD will be interested in driving a wedge between the secretary and the CJCS (or the uniform and civilian staffs) in order to achieve some preferred outcome. For example, critics of Secretary Rumsfeld used the testimony of General Eric Shinseki, then chief of staff of the army, to question the rigor and validity of stability planning for post-invasion Iraq in 2003.

The civil military relationship is often difficult at the beginning of the new administration because the Joint Staff and the military services will have continuity whereas the senior political leadership will have a gap. Further, it will take time for a new administration to fill all the key political positions so the gap in senior political leadership may take some time to close. How the civil-military relationship manifests will be largely dependent on personalities. Personal relationships can bridge organizational gaps. The closer the working relationships, the easier the integration.⁵⁵ Further, positive outcomes seem to be correlated with the close involvement of senior leaders. The 1993 BUR and 2012 DSG are instructive of this point. During the 1993 BUR, Secretary Aspin was closely involved throughout the process. During the 2012 DSG, Secretary Panetta and President Obama both played considerable roles in the process.

5. Topics Addressed

If you try to please everyone, someone's not going to like it.—Rumsfeld's Rules, Donald Rumsfeld

Broad survey or narrow focus

Strategies and their attendant formulation processes can either survey the environment broadly or focus on a handful of opportunities and challenges. This choice also affects the size of the group tasked with the strategy formulation process. An expansive process helps an organization look and act broadly across its many elements and gives attention to the many claimants for attention. A focused process, by concentrating on the most vital issues, avoids trivia and may have greater impact, albeit on a small range of issues.

Recent congressional guidance is clear: DoD should focus on the most important security topics. The statutory requirements for the QDR covered 26+ separate items including not just expected topics such as forces, threats, and modernization, but also special interest topics such as training ranges, climate change, and the national defense role of the Coast Guard. While the various QDRs never fully addressed all the required elements, there was always pressure from various advocates to give their set of issues further time and attention. The House Armed Services Committee has always been especially interested in DoD fully accounting for the various QDR statutory reporting requirements. This large number of topics and their breadth created great staff burden, both in assessing the many topics and in responding to the inevitable complaints that the review had not dealt with a given issue in a satisfactory manner.

⁵⁵ Loren Dejonge Schulman and Mara Karlin, "Keeping Up Civ-Mil Relations," *War on the Rocks*, April 18, 2017, <https://warontherocks.com/2017/04/keeping-up-civ-mil-relations/>.

The 2017 NDAA eliminated the entire QDR section and substituted more flexible language, expressed as broader topics. The effect is the DoD can choose the topics it wants to focus on, beyond the basic requirements of delineating ends, ways, and means, and is not required to expend energy on interesting but secondary issues. As the 2012 DSG demonstrated, a disciplined choice of topics can help reduce staff load, improve the clarity of the result, and better tailor the process to the priorities of the secretary.

The problem of “many voices”

As the number of topics considered in the strategic review decreases, there will be pressure to increase the number of complementary strategies to cover topics that were not included in the NDS. As noted in Chapter 3, these complementary strategies can be numerous. The problem is that, as the number of strategy documents multiplies, the opportunity for confusion and “guidance shopping” increases. Policy and program advocates can find justification for their desired actions in one of the myriad strategies. Then, what might appear to be a clear and focused strategy becomes diffuse and ineffective in implementation. The Obama administration’s strategic tenant of a Pacific rebalance is a case in point. It was rolled out in several only partially synced documents across the interagency enterprise, which had similar but not identical definitions of the initiative.⁵⁶

6. Articulation of Priorities

To govern is to choose.—Aaron Wildavsky⁵⁷

Clear priorities reflect a process that has made tradeoffs. Priorities are reflected in strategy documents by statements about what the organization will not do as well as what it will do. Most experts cite this as a desirable outcome as it provides clarity for the organization during implementation. As an earlier CSIS study noted, “nothing is important if everything is important.”⁵⁸

However, such clarity can imply a lack of support for lower-priority but worthy goals, and this may induce opposition by their advocates. This pathology can be a particular problem for governmental organizations like DoD. They must operate in a political environment, where subordinate elements can leverage other actors such as the press and Congress to force senior leaders to reconsider their decisions.

In the most recent changes to DoD strategy formulation statute, congressional intent is clear and pointed: DoD should prioritize among missions when assigning resources. Previous strategy documents were perceived to be too vague and covered too many topics without a clear sense about what was truly important. The documents conveyed the sense that the reviews were trying to appease a broad spectrum of interest groups, both inside and outside of the department. The QDRs did not clearly

⁵⁶ David J. Berteau, Michael J. Green, and Zack Cooper, *Assessing the Asia-Pacific Rebalance* (Washington, DC: CSIS, December 2014), 3–17.

⁵⁷ Aaron Wildavsky, *The Politics of the Budget Process* (New York: Little, Brown, 1964).

⁵⁸ Kathleen H. Hicks, *Invigorating Defense Governance* (Washington, DC: CSIS, 2008), 14, <https://assets.documentcloud.org/documents/2695408/2008-Beyond-GN-Phase-4-Report-Invigorating.pdf>.

indicate that DoD had made the tough tradeoffs that are inevitably involved in strategic decisionmaking. The chairman of the Senate Armed Services Committee, Senator John McCain, stated this view clearly:

The development of policy, strategy, and plans in the DoD has become paralyzed by an excessive pursuit of concurrence or consensus. Innovative ideas that challenge the status quo rarely seem to survive the staffing process as they make their long journey to senior civilian and military leaders. Instead, what results too often seems to be watered-down, lowest common denominator thinking that is acceptable to all relevant stakeholders precisely because it is threatening to none of them.⁵⁹

Both the 2017 NDAA conference report and the series of hearings on defense reform convened in winter 2015/2016 emphasized the need for greater candor about priorities. For this reason, as noted earlier, Congress directed that the NSS, the NDS, and the NMS be primarily classified.

In part, this is a perception problem. The public strategy documents are indeed vague. However, the internal documents are much clearer about priorities—particularly the Defense Planning Guidance, which the secretary uses to give direction to the services and defense agencies about construction of their programs and budgets. This is possible because the documents are classified and for internal use only.⁶⁰

The vagueness, however, may partially reflect the inability to make the tough decisions. Raphael Cohen argues this strongly:

[T]he lack of succinctness, sharpness, and substance in strategies is just a symptom of the deeper reason why the strategy-making process so often yields lackluster results. They fail because leaders are unwilling to make difficult decisions—to focus on one threat as opposed to another, prioritize resources accordingly, and then explain their decisions publicly—at risk of being wrong. Instead, they prefer to delegate the process to the bureaucracy, which lacks the institutional power and the incentive to make decisions. . . . Decisive choices can make enemies within the bureaucracies, lead to congressional scrutiny, and, perhaps most importantly, risk assuming blame for potential catastrophes when decisions prove wrong. Moreover, the benefits of getting strategy “right” are sometimes only visible long after the policymaker leaves office. Far better to settle for mediocrity and play it safe.⁶¹

As Cohen further notes: “Good strategies have an edge to them. They should make some people unhappy; when strategies prioritize resources, not everyone comes out a winner.”⁶²

⁵⁹ U.S. Congress, Senate, Armed Services Committee, *Opening Statement by SASC Chairman John McCain at Hearing on Improving Pentagon Policy, Strategy & Plans*, 2015, <https://www.mccain.senate.gov/public/index.cfm/2015/12/opening-statement-by-sasc-chairman-john-mccain-at-hearing-on-improving-pentagon-policy-strategy-plans>.

⁶⁰ In DoD parlance, the DPG is a “pre-decisional” document, not subject to FOIA or congressional review. The resulting decisions are subject to both, and, generally speaking, they are captured in the president’s budget submission.

⁶¹ Raphael S. Cohen, “Why Strategies Disappoint—And How to Fix Them,” *Lawfare*, March 19, 2017, <https://www.lawfareblog.com/why-strategies-disappoint%E2%80%94and-how-fix-them>.

⁶² *Ibid.*

Transparency creates additional complications by being a double-edged sword. In the age of the Internet, all strategy documents reside on easily accessible government (and many nongovernment) websites. This is a change from the past when it took some effort, and often cost, to acquire a hard copy of the strategy documents. As a result of this evolution, many more interested parties can now examine the documents for how they affect specific issues of interest. This increase in access is a good thing for government transparency and public diplomacy. However, the increase in transparency also allows more issue advocates to bring their views to bear in an increasingly partisan political environment. Partisan advocacy creates disincentives for DoD to fully explain sensitive decisions or analysis, even if unclassified, in public documents. A comparison of the 1993 BUR and the 2014 QDR reflects this insight. The 1993 BUR includes considerable detail on the scenarios, force-sizing construct, and required capabilities. The 2014 QDR discusses these same topics at a much greater level of abstraction.

Making the strategy documents classified will not wholly protect them from outside scrutiny. Classified documents tend to leak, and the more important and interesting the document, the more likely it is to leak. Therefore, major elements of the strategy will become public knowledge, even if the documents are classified. Indeed, the department will be concerned that leaks will occur outside of its control, and it will therefore lose control of the public messaging.

7. Forecasting

*The U.S. military relies on prediction to forecast needs and influence the design of major equipment. As the future or futures are envisioned, requirements are deduced and acquisition and design decisions are made and justified accordingly. However, both the experience of the Department of Defense (DoD) and social science literature demonstrate that long-term predictions are consistently mistaken.—Richard Danzig, *Driving in the Dark*, Center for a New American Security, 2011*

Because of the competitive value and bureaucratic usefulness in anticipating opportunities and challenges, organizations make great efforts to forecast the future. Indeed, there are whole industries devoted to peering in to the grayness ahead. The further into the future, the better.

Unfortunately, DoD's track record in making accurate forecasts is poor. Former Secretary of Defense Robert Gates frequently makes this point: "In the 40 years since Vietnam, our record in predicting where we will be militarily engaged next, even six months out, is perfect: we have never once gotten it right."⁶³ Secretary Gates may be overly pessimistic as the United States partially predicted Operation Iraqi Freedom in 2003, since forcible regime change in Iraq was one of two "major contingency operations" envisioned in 1990s force planning. Further, the conventional wisdom is that the United States deters the wars it expects and fights the wars it doesn't. If so, successful deterrence reflects a victory for forecasters. Despite such successes, we must nevertheless recognize the many failures. Iraq in 1991, Afghanistan, Bosnia, Kosovo, Libya, Grenada, Panama—they were all unexpected. So, we should approach forecasting with humility.

Although DoD's track record in forecasting the future is poor, others have not fared better. For example, the "conventional wisdom" failed to foresee Brexit or the results of the 2016 U.S. presidential election. Recent economic research by the Federal Reserve is similarly discouraging. Despite plentiful data and

⁶³ Gates, *Duty: Memoirs of a Secretary at War*, 589.

continuous calibration, economic forecasts are still highly unreliable even two years out, with uncertainty increasing for most forecasts the farther out they go. The study concluded: “Longer-horizon forecasts do not have predictive power. . . . The future is uncertain.”⁶⁴ This empirical and anecdotal evidence has engendered considerable skepticism about forecasting accuracy.

There is considerable academic research about the challenge of forecasting and overconfidence in forecasts. Behavioral economists like Daniel Kahneman highlight issues such as “the planning fallacy”—making decisions based on unfounded optimism—and the “narrative fallacy”—ascribing causality to random events.⁶⁵ Philip Tetlock, who has conducted extensive experimental analysis on this topic, famously concluded that experts were little better at predicting the future than dart throwing monkeys.⁶⁶

Accurate forecasting in the national security strategy formulation process is further distorted by the legacy of Paul Nitze, director of policy planning at the State Department from 1950–1953. Nitze was the chief architect of NSC-68, to many observers the most influential strategy document in modern U.S. history. NSC-68 defined the landscape of the national security debate for two generations. Since then, many strategists have aspired to achieve the impact of this legendary document. However, these aspirations run afoul of the inherent limitations of forecasting. To be blunt: thinking about the future is intellectually interesting, and attracts many thoughtful and articulate people but, without a recognition of its great uncertainty, can be a tremendous waste of time.

There is a cone of accuracy in making forecasts, with greater accuracy for near-term forecasts, at least regarding major trends and threats, and with the range of uncertainty and possible outcomes growing exponentially over time. The uncertainty surrounding 20-year forecasts can be orders of magnitude greater than that surrounding 10-year forecasts.

You never see further than your headlights, but you can make the whole trip that way.—
E. L. Doctorow

Headlights are a useful metaphor when thinking about the utility of forecasting. One does not need to see the final destination, merely far enough ahead to stay on the road and avoid dangers. If the headlights are too dim, then dangers will arise before one can react. However, attempting to fashion headlights bright enough to illuminate the entire path to the final destination will waste time and end in frustration. So it is with forecasts.

In the context of the Defense Department, the planning horizon, or “headlights,” does not need to be infinitely distant but needs to provide just enough visibility to make informed decisions about what

⁶⁴ David Reifschneider and Peter Tulip, *Gauging the Uncertainty of the Economic Outlook Using Historical Forecasting Errors: The Federal Reserve’s Approach*, Finance and Economics Discussion Series 2017-020 (Washington, DC: Board of Governors of the Federal Reserve System, 2017), <https://doi.org/10.17016/FEDS.2017.020>.

⁶⁵ Daniel Kahneman, *Thinking, Fast and Slow*, Chapter 19 “The Illusion of Understanding” and Chapter 23 “The Outside View” (New York: Farrar, Straus and Giroux, 2011).

⁶⁶ Philip E. Tetlock, *Expert Political Judgment: How Good Is It? How Can We Know?* (Princeton, NJ: Princeton University Press, 2006).

systems to acquire, how to train and equip the force, and what research and development might be needed.

Table 4.5 shows a range of forecasting horizons used by a number of reviews. The horizons for strategic planning cluster in the 10- to 20-year range. The financial planning horizons are shorter, clustering in the 5-year range. Some strategy efforts look even further into the future. The current U.S. Army effort goes out to 2050, 35 years in the future. This long view has been criticized for “risking building a force on a foundation of hallucination.” Instead, Army historian Conrad Crane argues for a “headlight approach” of “periodic course corrections” and 20 years as “the maximum effective range of a prediction.”⁶⁷

Some organizations have used red teaming, described in detail in Question 10, Use of Experts, along with wargaming to cope with uncertainty. Hypothesizing multiple possible futures can act as a counterweight to highly uncertain and unreliable point estimates and hedge against surprise. In seeking to prepare for a spectrum of possibilities, DoD still needs to focus on what needs to be done now rather than what might need to be done at some time in the future.

Table 4.5: Examples of Forecasting Horizons

OMB fiscal horizon	10 years
Future Year Defense Program	5 years
Defense Strategy Review	5, 10, and 15 years
NIC Global Trends	20 years
Joint Operating Environment	20 years
French White Paper	15 years
Australian Defense White Paper	20 years

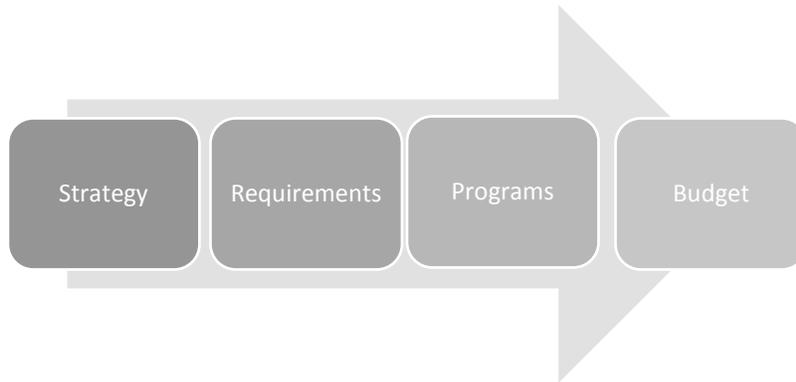
8. Role of Resources

Strategy wears a dollar sign.—Bernard Brody

There is a perennial tension between developing strategy unconstrained by resources and limiting the strategy to only what is achievable with currently planned resources. Many strategists argue that national security is too important and too complex to be treated like an economics problem. As President Ronald Reagan said, “Defense is not a budget issue. You spend what you need.” Under this approach, strategy should be developed independently and resources should follow strategy, along the line of the graphic below.

⁶⁷ Conrad Crane, “Note to Futurists: The Maximum Effective Range of a Prediction is 20 Years,” *War on the Rocks*, October 2, 2016.

Figure 4.1: Strategy to Budget



Proponents of this view argue that a well-crafted and forcefully argued strategy will garner the resources it needs. Further, without a guiding strategic direction, program decisions will be ad hoc actions without broader purpose. A strategy process unconstrained by resources can more easily identify new areas for investment, shortcomings in existing capabilities, and misalignments in force posture. “Far too often strategy is an exercise in means-based planning; it is inherently uncreative, noncritical, and limits new and adaptive thinking.”⁶⁸

The flip side of this argument is made by many in the national security budgeting community who contend that strategy should follow resources. As Robert McNamara famously said, “You cannot make decisions simply by asking yourself whether something might be nice to have. You have to make a judgment on how much is enough.”⁶⁹ Beyond questions of how much is enough, supporters of the resource-driven model contend that any wholly unconstrained strategy process would result in a strategy that would be too expensive to realistically implement. It is no surprise that former Secretary Robert Gates complained that “[the QDRs’] conclusions about strategy and priorities were detached from actual budget decisions.”⁷⁰

Finally, a strategy without resource implications will risk changing rhetoric, not programs or behavior, because institutions naturally believe in their chosen capabilities. Whatever strategy is articulated, and absent explicit direction to the contrary, the Navy will argue that carriers fit the strategy perfectly, just as the Air Force will argue for stealth aircraft, the Army for boots on the ground, and the Marine Corps for air ground task forces (MAGTFs).

Congressional constituency interests complicate DoD’s task. The more specific the budget and program details, especially about cuts, the more that individual members will become engaged for parochial interests. Although such engagement is inevitable, the institutional inclination is to downplay bad program news, particularly by burying them in the details of budget documents, rather than to highlight them in strategy documents.

⁶⁸ Jeffrey W. Meiser, “Ends + Ways + Means = (Bad) Strategy,” *Parameters* 46.4 (Winter 2016-2017).

⁶⁹ Alain Enthovan and K. Wayne Smith, *How Much Is Enough?* (Santa Monica: RAND Corporation, 2005), http://www.rand.org/content/dam/rand/pubs/commercial_books/2010/RAND_CB403.pdf.

⁷⁰ Gates, *Duty: Memoirs of a Secretary at War*, 456.

The tension between strategy and resources is seen across DoD strategy documents. The 1993 BUR and the 1997 QDR both had extensive references to resources. In the FY2012 NDAA, Congress added a requirement that the review “make recommendations that are not constrained to comply with and are fully independent of the budget submitted to Congress by the President.”⁷¹ The stated purpose was to keep strategy “pure” and unsullied by budgetary constraints.

Congressional concern over resourced constrained approaches tended to limit how candid DoD could be about tradeoffs it had made to reinvest in higher-priority activities or to cut lower-priority efforts. The 2010 QDR report, for example, contained only four dollar signs in 105 pages of text. Most QDRs professed to use a “strategy-driven, resource-informed” approach.

The 2014 QDR report, the only QDR published after Congress explicitly directed DoD to be budget unconstrained in its recommendations, referred extensively to resources. However, the 2014 QDR process was dominated by the consequences of the 2011 Budget Control Act. The primary goal was to argue strongly against the budget caps imposed by the Budget Control Act by showing the damaging effects of such caps on the DoD enterprise. The 2014 QDR asserted repeatedly that the department would be unable to execute the strategy at medium risk if resources fell to that level.

In the FY2016 NDAA, Congress changed the QDR to the DSR, adding language explicitly allowing DoD to consider resources. The FY2017 NDAA did not carry this language over to the new NDS. Instead, the NDS requires the development of a strategic framework and identification of “defense capabilities, force structure, force readiness, force posture, and technological innovation.” Nevertheless, these requirements would allow the department to discuss resources to the extent it desires.

As a practical matter, strategy formulation processes have at least a rough idea about resources when they begin. Some may be general—1993 BUR, 2001 QDR—while others are explicit—2014 QDR. These constitute a major constraint on strategy. Whether to request additional resources is a major secretarial decision. During the 2010 budget build, Secretary Gates successfully appealed to President Obama for more funds than were initially allocated by OMB.⁷² In the 2012 DSG process, Secretary Panetta pushed hard, albeit mostly unsuccessfully, for additional resources. The secretary of defense is one of the few department leaders who can appeal his budget directly to the president and not be stopped by either the director of OMB or the White House chief of staff. However, making such an appeal is a silver bullet that the secretary will want to use judiciously.

9. Supporting Analysis and Characterization of Risk

Some numbers beat no numbers every time—Paul Wolfowitz

The issue with analysis and risk assessment is with both what is and what is not shown to the public and to Congress. Examining the role of analysis in the national security strategy process at the unclassified level is fundamentally challenging. Most, if not all, of this work is classified and the final unclassified products make only passing references to the supporting analysis.

⁷¹ “National Defense Authorization Act” (PL 109-364, Oct. 17, 2006), 109th U.S. Congress, <https://www.gpo.gov/fdsys/pkg/PLAW-109publ364/html/PLAW-109publ364.htm>.

⁷² Gates, *Duty: Memoirs of a Secretary at War*, 314.

Supporting analysis. There is a perception among many outside experts and from some in the legislative branch that U.S. defense strategy has become untethered from rigorous analysis. This perception arises because analytic inputs to inform force size, capability mix, and global posture are not apparent in recent strategy documents, as shown in Table 4.6. In this, DoD is consistent with foreign strategic documents.

Table 4.6: Supporting Analysis in Past Strategy Reviews

Review	Analysis Cited in Report Text	Scenarios Cited in Report Text
1993	Campaign models, extensive and specific results	Iraq, Korea
1997	Extensive discussion: overseas presence, OPTEMPO, major wars, service analyses	Scenarios: Korea, SW Asia: “Three alternative defense postures . . . including overseas presence, smaller scale contingencies, major theater wars, and conflict with a future power,” no specifics on postures
2001	Forces “assessed across several combinations of scenarios” at “moderate risk,” without further details	Defend U.S., deter aggression, win 2 MTWs (1 defeat, 1 regime change), small-scale contingencies; not based on a specific threat
2006	“Operational availability analysis” (4-year ongoing analytic effort), operational experience, no specifics	“Major combat operations, routine deployments and a long war,” without specifics
2010	“Draws on quantitative analysis, expert opinions,” no specifics	Three scenario combinations, described in detail but without countries named
2012	[None cited]	None
2014	[None cited]	No specific scenarios; missions instead: CT, homeland security, deterrence in multiple regions, combat operations (1 defeat/1 deny objectives)
France	[None cited]	No specific scenarios; missions under several strategic functions: knowledge and anticipation, deterrence, protection, prevention, intervention
UK 1998	Two sets of simultaneity demands with specifics	50 tasks, with forces and simultaneous requirements specified
UK 2015	“Tested and discussed with experts”	No specific scenarios: a range of missions are discussed, including high-end conflict, nuclear deterrence, stability operations, and support for civil authorities
Australia	“Comprehensive analysis” of likely security challenges, no specifics	Regions only: “Pacific,” “Indian Ocean,” “across the world”

This perception is reinforced by the apparent stability of programs and force requirements. For example, the overall U.S. force-sizing construct of two major theater wars has remained largely unchanged since the Base Force in 1991. However, interviews with the participants, discussions among the working group, and the personal experiences of the study team show that extensive analysis is conducted for most strategy reviews. Some is done by the Office of the Secretary of Defense, some by the Joint Staff, some by the services and defense agencies, the total comprising a very extensive analytic effort. This analysis informs the discussions of the senior leadership in making strategy and program choices. Much of the gap between perception and reality is likely the result of the classified nature of the analysis and the unclassified nature of many strategy documents.

In the case studies examined, the reports reference analysis that was performed but rarely go beyond that acknowledgment to provide details. The 1993 BUR is the notable exception in that it presented extensive analysis publicly. As detailed in the case study, the report described the strategy, a force-sizing methodology based on two major conflicts, the forces needed for the conflicts, and then how the requirements were calculated. The report also described peacetime demands on the military forces and how that drove certain force elements, particularly aircraft carriers. The frank and open nature of the BUR regarding its analytic underpinnings created a high level of expectation that subsequent strategies have not met. At the other extreme from the BUR were the 2012 DSG and 2014 QDR, the final report of each making no mention of analysis at all.

The value that analytic transparency can provide is demonstrated in the 2010 report to Congress by Transportation Command, which explained how it set the size of the strategic mobility force to inform the 2010 QDR.⁷³ The analysis described three cases—combinations of conflicts and other demands on forces—in some detail, shown in Figure 4.2, though it did not specify the adversaries. For each case, it calculated requirements for the major elements of strategic mobility—sealift, airlift, aerial tanker, civilian augmentation for passengers and cargo—and showed where there was excess capacity.⁷⁴ In the figure, values below 100 percent indicate excess capacity. Although it is hard to connect cause and effect, Congress did agree to make the changes that the study identified. These included some painful reductions to the C-5, KC-135, and C-130 fleets.

⁷³ *Executive Summary, Mobility Capability and Requirements Study*, February 25, 2010; *Statement of Brigadier General Michelle Johnson on the Mobility Capability and Requirements Study*, Homeland Security and Government Affairs Committee, July 13, 2010.

⁷⁴ In Figure 4.2, CRAF is civilian augmentation aircraft; PAX is passengers; POL is petroleum, oil, and lubricants; RORO is Roll On, Roll Off, a kind of cargo ship; and LSV is Logistics Support Vessel, a small cargo military ship.

Figure 4.1: Analysis of Strategic Lift Capabilities in Contingency Scenarios

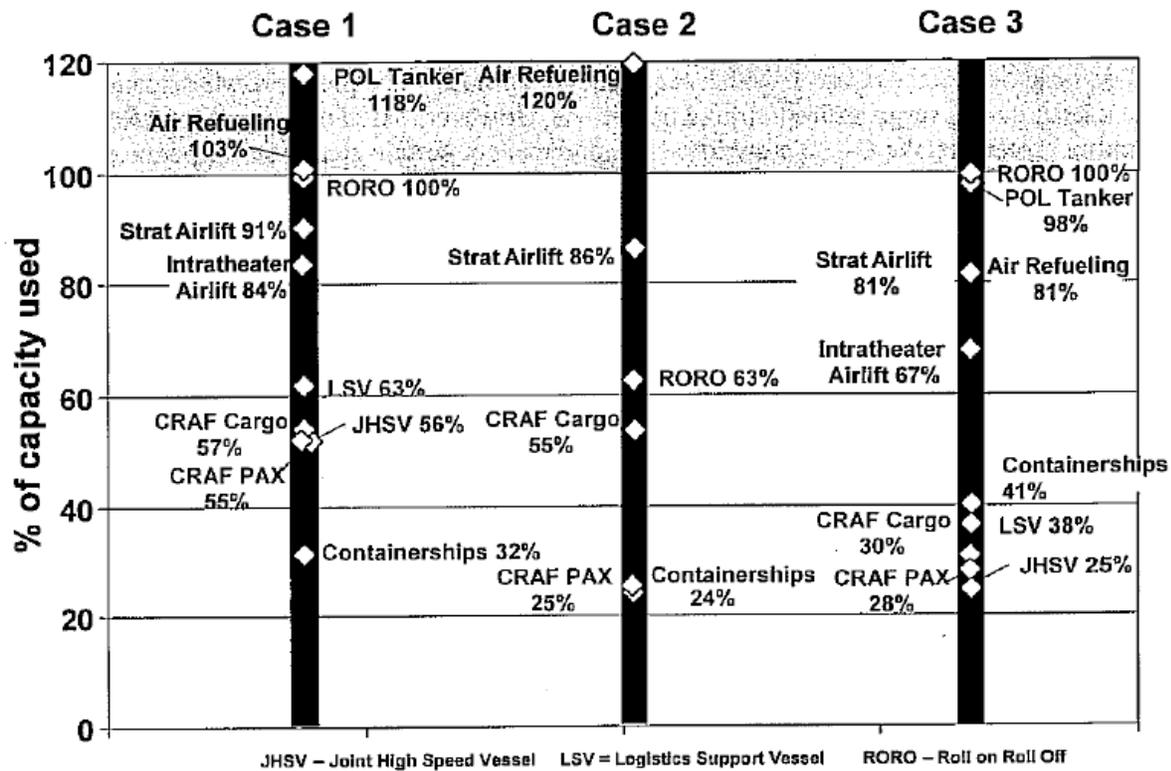


Figure 1: (U) Mobility System Utilization by MCRS Case

The general lack of description about analysis likely reflects several DoD concerns.

- There may be political sensitivities around some scenarios, such as those relating to China.
- Every analytic approach can be challenged because there is never a single, correct approach. Thus, the methodology of any published analysis can be challenged by external experts and by opponents of elements of the review’s conclusions.
- There may be internal disagreement about the supporting analysis. Such disagreements can range from a lack of confidence about analytic methodologies to more fundamental disagreements about goals and assumptions. Rather than resolve these tensions, which may arise from fundamental strategic disagreements, it may be easier to not discuss them publicly at all. During the 1993 BUR, Secretary Aspin had confidence in the analysis because a considerable amount had been done by his staff, during his tenure in Congress and published. This allowed the analysis to be robustly vetted. Furthermore, the force-sizing construct hewed closely to the base force that had been proposed by General Powell.⁷⁵ These two efforts created a degree of confidence in the analysis. Subsequent reviews have not had these advantages.

⁷⁵ Lorna S. Jaffe, *The Development of the Base Force: 1989–1992* (Washington, DC: The Joint Staff, 1993), http://www.jcs.mil/Portals/36/Documents/History/Monographs/Base_Force.pdf.

- Congress and the public might rerun the analysis with their own assumptions and come up with different results. Because these different results would be based on the department’s own methodology, they would have a credibility that might undermine DoD’s arguments for its own approach.
- Finally, there is a continuing tension between planning scenarios, which drive future capabilities, and war plans, which drive contemporary operations. However, the two often cover the same threats and consider similar operations, and thus both appear to be bases for strategic planning. As a result, in trying to understand the planning scenarios, Congress sometimes desires to see the war plans, which DoD will not share as Congress is not in the chain of command.

Characterization of Risk

The arguments about risk are like those about analysis. There is no single, widely accepted approach to measuring and quantifying risk. Indeed, there is a whole literature on the many ways to measure risk.⁷⁶ Military risk is especially sensitive because it bears on the administration’s ability to protect the American people and their interests. As a result, and as indicated in Table 4.7, public documents include some characterization of risk, but the descriptions are vague and qualitative, often using a high/medium/low characterization without explaining the real-world implications of these risk levels or the tradeoffs involved for different policy options. A recent study of risk noted that many senior officials found this language “stale” and had become “numb” to it.⁷⁷

Characterization of risk is also complicated because of its connection with resources. Capability and mission advocates have incentives to highlight risk as an argument for more resources, while political officials, who have accepted a given level of risk, argue that the level of risk is manageable. Conversely, officials are reluctant to characterize any capability or mission area as “low risk” because of the implication that it is comfortable and that resources could be cut.

The department’s major risk document, the Chairman’s Risk Assessment, is difficult to translate into real-world terms that are meaningful for senior leadership. Further, there is a perception that the CRA merely rolls up COCOM assessments without synthesizing risks across COCOMs or analyzing the full implications of the identified shortfalls. The treatment of risk in other strategy documents has historically been superficial. The overarching critique is that DoD does not have an effective way of translating military risks into policy-relevant decisions that are meaningful to senior civilian leaders who lack deep operational experience.

Congress clearly expects some form of explicit measurement. However, explicit characterization of risk, even in classified form as statute provides and current practice follows, will be challenging for similar reasons as detailed discussions of analysis. A full discussion of risk would entail a detailed description of operational risks and warfighting concepts that may come too close to war plans. Additionally, the inherent uncertainty surrounding the future adds a degree of “fuzziness” to any characterization of risk.

⁷⁶ For a review, see Mark A. Gallagher et al., “Implied Risk Assessment Communication,” *Military Operations Research*, V21 N1 2016.

⁷⁷ Nathan P. Freier, *At Our Own Peril: DoD Risk Assessment in a Post-Primacy World* (Carlisle, PA: Army War College Press, 2017).

Finally, discussing military risk can be deeply uncomfortable even in a classified forum because of the implication of possible failure or danger to the American people.

Nevertheless, the allocation of risk is arguably the foundation of strategy. The existence of risk and a strategy is unavoidable; the choice institutions have is whether to deal with the risk explicitly and explain it publicly. How risk is explained also matters. “Communicating risk with adjectives does not justly convey the significance of shortfalls,” as one expert noted. Instead, explaining the consequence of the risk in policy terms has more impact.⁷⁸ For example, when sequestration hit in 2013, DoD explained to Congress how the reduction in resources affected its ability to conduct full-spectrum operations, particularly in terms of specific operational plans. Arguably this was an important factor that led to the bipartisan budget agreement of 2013, which offered some funding relief.

In a previous CSIS study, Mark Cancian and Clark Murdock made a similar point, arguing for linking risks to policy outcomes in the form of “if . . . then” statements.

Identifying policy-based risk judgments is useful because they indicate where senior officials have decision space. Customarily, risk has been described qualitatively—that is, high, medium, low, or with regard to a baseline, for example, higher or lower. These descriptions do not help policymakers identify the exact nature of the risk and obscure where their choices are.

For example, one classic risk is that a conflict on the Korean Peninsula might take longer than currently planned. In particular, if active duty forces are too small and reserve combat forces need to be used, that will delay the “dominance” phase three and conclusion of the conflict. There are risks associated with such a delay, but decisionmakers might judge that those risks are acceptable when compared to other risks. Simply describing the situation as high risk, however, does not capture the nature of the tradeoff facing decisionmakers.⁷⁹

In making such connections, however, DoD needs to be careful that it does not exaggerate the amount of risk involved. That undermines credibility. One criticism of DoD’s sometimes-apocalyptic predictions about the effect of budget cuts is that these predictions do not come to pass.

⁷⁸ Laura J. Junor, *Managing Military Readiness*, Center for Strategic Research, Institute for National Strategic Studies, National Defense University, February 2017.

⁷⁹ Mark Cancian and Clark Murdock, *Alternative Defense Strategies in a Cost-Capped Environment* (Washington, DC: CSIS, 2016), <https://www.csis.org/analysis/alternative-defense-strategies-cost-capped-environment>.

Table 4.7: Historical Experience with Explaining Risk in Strategy Reviews

1993 (BUR)	Forces: warfighting success Modernization: combat effectiveness, tech risk, cost, industrial base
1997	Two elements: Near-term deterrence and warfighting; long-term transformation
2001	Four categories: force management, operational, future challenges, institutional, described but without metrics
2006	[Same as 2001]
2010	Five categories: operational, force management, institutional, future challenges, and strategic, military, and political
2014	“Risk” cited 72 times, for example, “increased level of risk for some missions,” but without elaboration; also, many descriptions of risk, “less margin for error” and “strains ability to simultaneously respond to more than one major contingency at a time,” also without elaboration. In Chairman’s Risk Assessment (CRA), risk described as the effect of sequestration: “[L]onger wars . . . higher casualties. Ultimately, emboldened adversaries and undermining confidence of allies.”

10. Use of Outside Experts

For by wise guidance you can wage your war, and in abundance of counselors there is victory.—
Proverbs 24:6

In general, only U.S. government officials directly participate in U.S. strategy formulation processes.⁸⁰ However, there are a number of ways that the secretary can bring outside experts into the process and gain the value of a different set of perspectives.

Outsiders in the formal process

One unsuccessful attempt to include outsiders was in QDR 2001 where panels of outside experts participated officially. The panels did not have enough time to provide detailed proposals and lacked the incentive to establish priorities, so the results were not adequate for providing actionable guidance to subordinate elements of the department.

However, that is not the only way outside experts could be brought into the strategy formulation process. France had outsiders—legislators, think tank experts, industry executives, even foreign ambassadors—on the commission that oversaw development of the national security strategy. This would be equivalent to having members of Congress, executives from a defense industry association, experts from CSIS, and the British ambassador sitting on the secretary’s most senior review group. One

⁸⁰ An exception is that liaison officers from allies like Australia and the UK do participate in the review. However, they do so in their capacities as members of the U.S. organization, not as representatives of their government.

advantage is that the diverse perspectives alert the process to difficulties, especially political objections that insiders may not weigh sufficiently heavily.

The United States could bring in outsiders; there is no statutory impediment. However, it would be a dramatic break with past practice. In addition, the creation of an outside, nongovernmental advisory group would likely be governed by the provisions of the Federal Advisory Committee Act (FACA).⁸¹ This law places restrictions and requirements on such panels that may decrease their utility or at minimum increase the staff work required to conduct their work.

Red Teams and the Competition of Ideas

Red teams are groups that generally comprise individuals wholly separate from the primary decisionmaking process. Effective red teams are staffed with creative thinkers with reputations for challenging established assumptions. They are another way for a strategy process to incorporate a wide array of inputs as well as to test assumptions and logic. Their purpose is to “deliver some new finding or insight that otherwise could not have been self-generated within the walls of the targeted institution.”⁸²

Recent national security strategy formulation processes have not included a formal red team. There are some notable historical examples, the best known being the Ford administration’s highly politicized Team B effort to red-team the CIA’s estimates of Soviet military strength.⁸³ (The team argued that the Soviet Union had overtaken the United States in military power, and that called into question the Ford administration’s handling of national security.)

The 2010 QDR is an exception to recent practice. Secretary Gates created a formal, internal red team led jointly by the Office of Net Assessment and Joint Forces Command, convened toward the end of the process. It is unclear the extent to which it influenced the final report given its timing. Successful red teams are generally incorporated in the process at an early stage to provide continuous feedback and shape final outputs.

It is important to note that, although informal review groups, which DoD has more commonly employed in QDRs, have attributes of a red team—for example, they are outsiders who are not invested in current policies—they are not classic red teams because they are not empowered or structured to support the strategy formulation process from beginning to end.

Beyond red teaming, there are several, related mechanisms for developing alternative approaches, for example, by having several, independent teams tackle the same problem. The best-known example of this is the Eisenhower administration’s Project Solarium. Project Solarium had three teams of experts, each with different foundational assumptions, develop different responses to the Soviet threat.⁸⁴

⁸¹ FACA requires that all committee meetings be announced beforehand and open to the public. *Federal Advisory Committee Act*, Public Law P.L. 92-463, *U.S. Statutes at Large* 86 (1972): 770–76.

⁸² Micah Zenko, *Red Team: How to Succeed by Thinking Like the Enemy* (New York: Basic Books, 2015).

⁸³ Lawrence Freedman, “The CIA and the Soviet Threat: The Politicization of Intelligence, 1966–1977,” *Intelligence and National Security*, 12.1 (1997).

⁸⁴ William B. Pickett, ed., *George F. Kennan and the Origins of Eisenhower’s New Look: An Oral History of Project Solarium* (Princeton: Princeton Institute for International and Regional Studies, 2004), <https://www.rose-hulman.edu/~pickett/Solarium.pdf>.

Project Solarium was the major strategy effort of the early Cold War period, and it cemented the strategy of containment as the de facto U.S. strategy for the next 40 years. A Solarium-like approach today might be to ask several think tanks or FFRDCs (Federally Funded Research and Development Centers) to develop strategies and to have these briefed early in the strategy process in a competition of ideas to open up discussion at the front end.⁸⁵

In addition, the development of alternative strategies as part of a larger strategy formulation process can illuminate how changes to priorities and risk acceptance can change the department's ability to meet the demands of a wide range of future security and resource environments. The Navy has used the alternative strategies approach as an element of its Force Structure Assessments. In 2016, the Navy commissioned three alternative fleet models to inform its thinking about how to best structure the future fleet. This effort produced a number of "outside of the box" options for applying naval power to a range of future operational challenges. A 2005 Navy-commissioned alternative fleet model is especially notable as an alternative strategy exercise. The now-defunct Office of Force Transformation authored a 2005 alternative FSA that presented a radically different vision for the Navy. While many of these concepts were ultimately not adopted, the echoes of this effort can be seen in current naval concepts, such as distributed lethality.

Consultation on final draft

A final consultation with outside experts serves four functions: to identify weak arguments, to clarify potential areas of confusion, to surface political issues that may not have been evident or fully appreciated, and to gain buy-in by potential commentators. Each of these is valuable.

- Weak arguments creep into a document as a result of the many compromises that must be made to arrive at text that can be supported by the diverse internal groups involved in a strategy formulation process.
- Some text can be read different ways, including ways not intended by the drafters. This can particularly be the case with outside groups who track certain issues very closely and can become alarmed if unclear text allows readings averse to their advocacy. For example, arms control groups will be looking for any indication that the Trump administration might be walking away from the New START treaty and have read such an interpretation into some of President Trump's ambiguous tweets.⁸⁶ Administrations have enough difficulty fighting for the controversial initiatives they intend and cannot afford to expend energy on defending against controversies they did not intend.
- Political issues, that is, issues that resonate with the legislature or with the public, are generally known throughout the executive branch. However, their strength and durability are often underappreciated by those in the bureaucracy who don't deal with them intimately.
- Finally, outside experts like to be consulted. As one long-time think tank expert observed, "[F]or

⁸⁵ Hicks, *Invigorating Defense Governance*, 21.

⁸⁶ For example, *Trump and the Extension of the New START Treaty*, Global Zero, February 9, 2017, <http://www.globalzero.org/press-media/press-releases/global-zero-trump-and-extension-new-start-treaty>.

the ambitious Washington think-tanker, nothing quite gets the pulse racing like the idea of attending a roundtable with the most important government officials.”⁸⁷ Their inclusion also incorporates potential critics into process.

Historically, DoD has asked key outsiders to comment on the draft report informally, but never formally. That is, DoD discussed emerging results of the strategy formulation process with small groups and showed elements of the final report to outside experts. These commentaries by outsiders were not publicized and were generally made late in the strategy formulation process. For this reason, outside input could only provide relatively minor changes to the final product. These informal consultations reviews did allow the department to build support for the strategy with key constituencies before the strategy’s public release and prepare for likely critiques

DoD could create a formal outside review process. However, a formal review structure would be governed by FACA, as noted earlier. This creates considerable administrative complications that reduce flexibility and could cause delay. If such a group were desired, the Defense Policy Board (DPB) could serve in this role and might reduce some of the issues that would result from standing up a new advisory group.⁸⁸

Other countries have taken a different approach. France, as noted earlier, has outsiders on the review’s governing body. The UK has a “senior review panel” comment on the draft at the end of the process but before publication. The group includes a wide variety of outsiders, from industry, academia, the media, and the think tank community. This is a formal part of the process, with the members of the group listed and acknowledged in the report itself. The closest equivalent in the United States is the National Defense Panel (or its current incarnation, the Commission on the National Security Strategy of the U.S.), described in detail below.

The disadvantage of outsider participation is that sensitive information may leak as experts try to get a jump on the news cycle. Disagreements over key strategy elements may spill out into the media and Congress prematurely, before the administration has had an opportunity to make its full argument. Further, an outside review group could ask for major changes at the last minute and delay publication.

A final consultation, no matter how it is structured, cannot be considered a “red team” as the scope of possible change at this point in the process is limited.

National Commission

As described in Chapter 3, a major new element in the U.S. strategy formulation process is the “Commission on the National Defense Strategy for the U.S.” This commission, created by the 2017

⁸⁷ Jeremy Shapiro, “Who Influences Whom? Reflections on U.S. Government Outreach to Think Tanks,” Brookings Institution, June 4, 2014, <https://www.brookings.edu/blog/up-front/2014/06/04/who-influences-whom-reflections-on-u-s-government-outreach-to-think-tanks/>.

⁸⁸ The Defense Policy Board is an advisory committee that, according to its charter, “serves the public interest by providing the Secretary of Defense, Deputy Secretary of Defense and the Under Secretary of Defense for Policy with independent, informed advice and opinion concerning major matters of defense policy. It will focus upon long-term, enduring issues central to strategic planning for the Department of Defense and will be responsible for research and analysis of topics, long or short range, addressed to it by the Secretary of Defense, Deputy Secretary of Defense and the Under Secretary of Defense for Policy.”

NDAA, is the successor to the National Defense Panel that accompanied previous strategic reviews but with some important changes.

The effect of the changes is that the National Commission is intended to serve as an input to DoD's strategy formulation process, not a commentary on it. Although this role as a strategy input offers a more direct mechanism to shape national security strategy, it creates its own challenges. It requires additional work on the part of the commission and its staff as they will be creating an intellectual structure from whole cloth rather than reacting to the department's efforts. This new structure will require commissioners who are both very familiar with the process of strategy formulation and also willing to accept the political risk associated with authoring what is, in effect, an independent strategy.

It is unclear the extent to which the staff elements of DoD will incorporate the findings and recommendations of an outside group. The fact that the commission members are appointed entirely by Congress increases the prospect of divergence between the department's and commission's visions about the U.S. role in the world and the forces and resources needed. Further, melding of executive and legislative processes raises questions about the proper separation of the branches of government and may be perceived as an intrusion by Congress into the prerogatives of the executive branch to develop a strategy without outside interference.

Congress clearly intended a substantial role for the National Commission, directing that "[T]he Commission shall receive the full and timely cooperation of the Secretary of Defense in providing the Commission with analysis, briefings, and other information necessary for the fulfillment of its responsibilities."⁸⁹ To ensure a robust effort, Congress directed funding of \$5 million to support the National Commission.

Congress's original timeline for the commission will not be met. It was envisioned to provide an interim report by June but as of mid-June, Congress had not yet named its members. Building this commission is a difficult task because it must be created from scratch. It requires rapid action by Congress to name members and then for the commission chairman, working with DoD, to arrange facilities and hire a staff. This rapid action has yet to materialize.

The nature of the interim report is also uncertain. Producing a written product will require considerable time and resources as commissioners must establish guiding strategic principles before drafting, reviewing, and publishing a document. The interim report might instead comprise a set of meetings with DoD officials that discusses key topics.

The timing of the final report (December) may be too late to inform the strategy formulation process. The December target fits with a strategic review published the following February in conjunction with the president's budget. This is the timeline that QDRs had been on. However, Congress directed that the new defense strategy be submitted as quickly as possible, as discussed earlier in this chapter. There is a risk that the National Commission's results will come out too late to influence the strategy formulation process. The National Commission and DoD should, therefore, think about ways to communicate prior to publication of the final report.

⁸⁹ U.S. Congress, Senate, *National Defense Authorization Act for Fiscal Year 2017*, January 4, 2017, 114th Cong., 2nd sess., S.2943, 369.

11. Strategy Dissemination

A classified strategy report could describe the alignment of ends, ways, and means with candor and in detail. Many experts recommend this model. However, a broadly disseminated, unclassified document will also be needed to communicate intent to a wider audience of the U.S. public, allies, partners, and adversaries.

The need for an unclassified report

All of the strategy formulation processes that this study considered, U.S. and foreign, produced an extensive document that described not just the strategy but also the methodology, force structure, resources, personnel effects, and industrial impacts associated with the strategy. The length of the public document varies considerably, as Table 4.8 shows, from the very short 2012 DSG (8 pages) to the mammoth 2008 French white paper (330 pages). NSSs and NMSs tend to be shorter, averaging 42 and 30 pages respectively since 1990 because they do not contain the programmatic detail and reporting requirements that a QDR contains.

All previous QDRs and NSSs, and some NMSs, have been unclassified. Although, many documents derived from these overarching documents are classified. The unclassified nature of the QDR has enhanced transparency, which is generally a positive thing, but may have inhibited candor.

Dissemination of these future strategy documents will be complicated. As described in Chapter 2, Congress recently made the NMS, NDS, and NSS classified because it wanted to encourage candor regarding tradeoffs and priorities.

Democracies must justify their actions, first to their legislatures, which must approve the proposed actions, and ultimately to their publics, which are supplying money and recruits. Beyond that, allies, coalition partners, and even adversaries want to understand what a country plans to do. Classified documents may explain strategy to the legislature and to the limited group with access to such restricted information, but they do not reach other critical audiences. Even an executive summary would likely be unsatisfactory, at least for a U.S. explanatory document, given the extensive resources being requested and the global impact that U.S. defense efforts have.

As a result of all the strategy documents being classified, there may be a dearth of publicly available information. However, it is unlikely that Congress meant to prevent a public description of an administration’s strategy. Many congressional staff members lack clearances and would need an unclassified, public document to help their members. The legislation does not prevent DoD from developing a monograph for public dissemination. It would be possible to use the unclassified summary as an “executive summary” and then write a full monograph.

Connecting strategy with resources, programs, and policies

Since strategy is about connecting ends, ways, and means, all QDRs have discussed not just goals but also force structure levels, major acquisition programs, and significant policy commitments.

Therefore, all have tables specifying the major force elements and budget levels for major components (appropriations, which approximate functions like RDT&E; organization like military departments). All also describe decisions on the largest or most visible acquisition programs, recently, for example, the F-35.

12. Regularity of Process

Organizations need to conduct periodic strategy formulation processes to align ends, ways, and means. The question is, how often and when? Expert opinion has moved from structured, regular strategy

Table 4.8: Length of Public Document (in pages)

U.S. Experience	
1993 (BUR)	109
1997	69
2001	71
2006	92
2010	105
2012 (DSG)	8
2014	64
Foreign experience	
France (2008)	330
France (2013)	160
UK (2015)	96
Australia (2016)	188
Germany (2016)	144

formulation processes to a blend of regular processes and as-needed processes driven by changes in strategic ends or the overall environment. As-needed reviews also economize on staff and senior leader time. However, it can be difficult to improvise an unplanned review. The benefit of a regular process is that resources and personnel can be planned against a known schedule. DoD also operates in a political environment where periodic changes in administration dictate that there be some changes in strategy to accommodate the inevitable changes in policy direction.

The Clinton administration conducted the Bottom-Up Review in 1993 because the Cold War had ended, and the new administration had committed to making additional defense cuts. Secretary Aspin was well-positioned to conduct such a review because of his prior work as chairman of the House Armed Services Committee. (See case study on the Bottom-Up Review at Appendix C.) The BUR was considered so successful that Congress legislated that such a review be conducted every four years. Thus, DoD has produced a QDR every four years since then. In the FY2007 NDAA, Congress required that a National Defense Panel assess each QDR and provide its views, as described in Chapter 4. Those reviews were duly conducted, reporting out a few months after the QDRs.

Production of other strategy documents has been less regular. Statutorily, the NSS was to be conducted on an annual basis.⁹⁰ However, in practice, as Table 4.2 shows, the NSS has followed the QDR by a few days to several months and have become roughly quadrennial, unclassified documents. Publication appears to be linked to bureaucratic cycles rather than events in the security environment.

One exception is the DSG. Secretary Panetta conducted the DSG after Congress passed the Budget Control Act of 2011, which greatly reduced the department's fiscal resources. The review culminated in a short strategy document that outlined several strategic initiatives.

The Obama administration conducted a routine QDR in 2013–2014 as statutorily required. However, the resulting document mostly repeated the strategy that had already been described in the 2012 DSG. Instead, the review acted as a plea that Congress provide more resources than the Budget Control Act did. For example, the word “sequestration” appears 10 times and BCA 4 times.

Having conducted the statutorily required strategy review in 2013–2014, DoD was not positioned to do another strategy formulation process when it was actually needed in the summer and fall of 2014. Just after the QDR report had been issued, the Russians took over the Crimea, invaded the Ukraine, and threatened the Baltic States. ISIS swept across Syria and Iraq, capturing Fallujah and Mosul, and threatening Baghdad. The Chinese continued their assertive actions in the South China Sea, building and then militarily developing their man-made islands. The administration responded with the European Reassurance Initiative, an escalating campaign of airstrikes in Iraq and Syria, and freedom-of-navigation operations in the South China Sea. While these were appropriate and widely supported, they went beyond the strategic construct that the administration had published just six months earlier. Further, the new operations stretched forces. As a result, many experts argued that the department needed additional resources and could not continue the force structure reductions that had been planned in the QDR. The Obama administration recognized this tension but decided to leave resolution to the next administration, having already conducted its strategic review.

⁹⁰ *Annual National Security Strategy Report*, 50 U.S. Code §USC 3043.

Chapter 5: Recommendations

The study makes four overall recommendations for the strategy formulation process: use the latitude arising from recent statutory changes to adapt the process and the structure to the needs of the senior leadership; recognize the inherently political nature of the process; limit the proliferation of strategy documents and ensure that published documents are consistent; and seize the opportunity present in each strategic review to drive change.

First, adapt the process and the structure to the needs of the senior leadership The strategy formulation process must be designed to meet the needs of the department’s senior leadership given its leadership personnel, the leadership’s style, domestic political considerations, and the international security environment. A process that fits one leader’s style and circumstances will likely not fit another’s. Therefore, the process must focus on issues the senior leadership sees as important and design a process that is comfortable for them, not for the staff. DoD should not simply rerun the QDR process because that is what the institution is accustomed to doing. That would risk repeating the worst aspects of the QDR: massive staff efforts to produce a document widely regarded as unsatisfactory.

If the formal process does not produce results the secretary feels are useful and has confidence in, the secretary will build an ad hoc process or become disengaged. An ad hoc process may avoid wasting staff time, but it disenfranchises the formal planning groups, possibly loses access to useful staff expertise, and most certainly inhibits subsequent staff involvement in implementing the strategy. Disengagement by the secretary undermines the value of the entire process. The secretary’s front office staff and OSD should proactively engage him/her regarding strategy process and structure, and his/her parameters for key strategic decisions (risk, timespan, role of allies, regional priorities, etc.).

Second, recognize the inherently political nature of the process. Every strategy document tells the story that the political leadership wants to present. Strategy documents, therefore, need to begin with the administration’s declared positions. Certain key constituencies inside and outside the Pentagon must support the strategy documents or at least acquiesce to the documents’ findings for them to be politically viable, especially with Congress. Engagement with critical constituencies—allies, outside groups, former senior officials, and the Hill—could be important steps to build buy-in and enhance the clarity and utility of the product. Although the hyper-partisan nature of the U.S. political environment may taint the strategy document in the eyes of certain stakeholders, it may be offset by the choices made regarding the analysis and the incorporation of outside views, discussed in detail later in the recommendations below.

Third, limit the proliferation of strategy documents and ensure that published documents are consistent. Separate, uncoordinated strategy formulation processes, though intended to be distinct, overlap and provide inconsistent guidance on the same issues. That produces confusion and encourages issue advocates to go “guidance shopping” in support of their programs. Supplementary processes also encourage different actors to put out their own strategic visions, which may not be consistent with the secretary’s. Reducing the number of separate strategy documents is a start. Further, the secretary should limit the documents he/she signs so supporting strategy documents are clearly subordinate. The unique character of this NDS as a strategy document can and probably should influence the

department's other documents. A classified NDS may make some portions of the DPG irrelevant or redundant, and making both could potentially open up issues to constant renegotiation that may be counterproductive.

Fourth, seize the opportunity present in each strategy formulation process to drive change DoD's strategy formulation process engages all elements of the defense establishment and has access to deep expertise. Its results are widely distributed, both internally and externally. For these reasons, it is important to view the strategy formulation process not as a burden, but rather as a vital pathway for achieving a secretary's—and by extension, the administration's—vision for the Defense Department and U.S. national security. It is well understood that a bureaucracy as large as DoD's cannot change rapidly. Senior DoD leadership should take advantage of the strategy formulation process to “steer the ship” as such opportunities are not often available.

The 12 Choices

In structuring a strategy formulation process, the DoD leadership should consider each of the 12 choices identified in this study and make explicit decisions. Otherwise the staffs will drift into approaches that may not be what the secretary wants. To help DoD with this decision process, the study team, building on the analysis in Chapter 6, and in consultation with the working group and the senior review group identified the set of recommendations below.

1. How rapidly to conduct the process?

DoD should publish its strategy document in the fall to support its budget proposals and give coherence to its policy actions.

As noted in the analysis section, the budget cycle is inexorable. Therefore, faster is better in formulating a strategy. Congress and the public are open to big initiatives early in an administration, when the administration has more political capital, so there is a great advantage to moving quickly. A national security strategy can explain to Congress, the public, the international community, and the bureaucracy the reason for resource shifts in its budget proposals. This is particularly true if the administration is seeking large overall budget changes, either up or down. Inevitably, such changes will have opponents who will cite the lack of strategic justification as reason to delay implementation.⁹¹ Further, events will be happening in the real world that require a response arising from some strategic framework.

Finally, administrations have internal negotiations about budgets, and a developed strategy helps DoD articulate its resource needs to OMB and the White House.

There are limits to what is achievable. Even rapidly conducted processes take time. The department is large, the issues are difficult, and the analysis is complex. The inevitable lack of political appointees in

⁹¹ For example, critics have raised such objections to President Trump's March 2017 proposals for budget increases: “A budget in search of a strategy,” as quoted in “Is America's Military Big Enough?,” K. K. Rebecca Lai, Troy Griggs, Max Fisher, and Audrey Carlson, March 22, 2017; “The military does face substantial challenges . . . but these require a clear strategy supported by the administration and Congress before adding more money,” as Lawrence J. Korb stated in testimony before the House Committee on Oversight and Government Reform, March 21, 2017.

early months of the new administration will slow the process. However, some past administrations have conducted strategy processes with a handful of appointees, relying heavily instead on special assistants and civil servants. This has enabled them to release a strategy document by September, roughly eight months after taking office.

New administrations should candidly take stock of where they begin. They are unlikely to have the advantages of Secretary Aspin—whose staff had done extensive preliminary work while he was still in Congress—or Secretary Rumsfeld—who had been secretary of defense. Achieving a September completion, as the processes of 1993 and 2001 did, may not be possible without similar advantages.

Nevertheless, new administrations should aim to complete the review as soon as possible, in the fall of its first year if feasible. They should not wait to begin the process until a complete set of political appointees is on board because that would entail a considerable delay. A fall completion would fully inform development of the next budget and associated five-year plan. This is also early enough to inform congressional budget deliberations that begin in October. Although these discussions will be well along, the final bill may not be complete, especially if Congress can only pass a continuing budget resolution. Even a partially completed strategic review could be used to strengthen an administration's arguments for its budget.

A new administration could take 13 months and publish the new strategy with the following year's budget. This has been the recent experience and is what the national security community has become accustomed to. Such a timeline would not, therefore, be considered unusual. However, for all the reasons noted in the analysis section, an administration loses the opportunity to make a public argument for its early budget and policy choices if it waits this long.

If the timeline for producing a strategy looks to be long, an administration could publish an interim strategic rationale for budgets and policy in the budget proposal that goes to Congress in April or May of its first year in office. Budget documents typically include some strategy discussion to give the numbers context. An administration could expand the process for an interim document to provide a more extensive discussion. Producing at least the outlines of a strategy may be sufficient to satisfy congressional concerns, justify resource decisions, and give internal guidance to the department's different agencies as they prepare their next budget and associated five-year program. The risk with interim strategies is that they become unfocused and full of platitudes if they are composed before the key policy and fiscal decisions have been made.

2. How to align DoD strategy formulation with national security formulation?

DoD should not wait for White House guidance. Instead, it should drive an interagency conversation at the NSC, up to and including the president, to establish key elements of the administration's national security objectives.

DoD strategy documents have historically been the first strategy document released by an administration. This is out of sequence from the pattern advocated in hierarchical models of top-down strategy formulation; under such models, DoD's strategy should flow from, and come after, a national strategy. In practice, that would entail considerable delay. As discussed in the analysis chapter, such a delay would be unacceptable because of missed strategic opportunities and reduced agility. A new

administration should, instead, view the requirement for DoD to release a strategy document as an early opportunity to convey the president's national security objectives. In addition, this effort could drive agencies beyond DoD to begin strategy formulation processes and to develop their own strategy documents more rapidly than might otherwise occur.

Ideally, DoD's process should begin with guidance from the president to provide clear policy direction for and credibility for the result. However, the analysis of previous strategy formulation processes showed that presidential direction is rare, especially at the beginning of an administration when the leadership is adjusting to its new role. Therefore, DoD should start the process on its own and link to the White House using senior-level interagency groups as the DoD process moves forward. These include NSC-organized deputies committee meetings, principals committee meetings, and even National Security Council meetings to discuss DoD's emerging results. These meetings would involve not just the NSC but also OMB, State, the Intelligence Community, and DHS, among others. Involving OMB would ensure that expectations about resources are in line with those of the White House. Involving State, DHS, and the Intelligence Community would help synchronize strategy formulation processes across government.

3. Who does the work: small v. large group?

A small integration group, leveraging expertise and experience from across the broader organization, best enables a process to focus on key issues while ensuring adequate connection to the institution's technical and analytic expertise.

Document writing is an element of strategy formulation and cannot be separated from decisionmaking.

As noted in the analysis, there is near-universal sentiment to limit the number of panels and working groups involved in DoD's strategy formulation process in order to reduce staff burden and speed the process. It is not clear how to limit staff size while still obtaining the technical expertise needed to craft viable policies and generating buy-in from subordinate organizations that implement the strategy.

A hybrid process, which combines a small core group with broader participation, is a good compromise. The small group could be some version of the "integration group" that strategy formulation processes have used in the past as a mechanism for the most senior officials to consider options and develop a way forward for the secretary.

This small group might be made tighter by requiring nondisclosure agreements and forbidding the attendance of deputies. Nondisclosure agreements emphasize the importance of confidential discussions and limit leaks, even if these cannot be entirely prevented. Forbidding the attendance of deputies—a practice the French used in developing their white papers—limits the number of meetings that are possible and thus gives incentive for the group to focus only on the most important issues. At the least, the senior leadership should make it clear that deputies who attend for an absent principal must be empowered to speak for their organization, while still requiring regular principal attendance.

DoD should also take steps to limit the number of supporting groups. Reducing the amount of staff busywork in connection with strategy formulation processes is important both in meeting criticisms about staff burden and in maintaining staff morale. However, no outside authority can prevent

organizations from forming “QDR cells” to protect their interests and express their views. Nevertheless, there may be ways to limit the “strategic review sprawl.” One way would be to restrict the number of panels that OSD creates. Since Congress has limited the number of topics that a strategy process must now consider, there is no need to create dozens of panels to assess special interest topics. Conducting the process more quickly would also limit staff burden since “work expands to fill the time available.”

However the secretary decides to structure the process, developing and writing down the strategy must be considered as a single, continuous process. It is not possible to have one group develop the strategy and a separate group write it down as a mechanical, recordkeeping activity. The process of writing matures and clarifies the strategy. The writing and the strategy development are thus intimately linked. They must be done by the same people, or, at the least, the subset of people doing the writing must be part of the effort to develop the strategy.

This is particularly true in DoD, where decisions and discussions tend to flow from PowerPoint slides rather than text papers. Although PowerPoint can be a useful mechanism for identifying issues for discussion, it must necessarily leave out a great deal of detail. Expanding from a four-bullet decision to a chapter on strategy and its implications is itself an effort in strategy development.

Further, the written text will go through some coordination process within DoD. This is useful in identifying weaknesses, clarifying arguments, building support, and facilitating implementation. However, the give and take of coordination will involve decisions about the fundamental nature of the strategy and how far it can accommodate alternative viewpoints without losing coherence or focus. This can only be done by people who fully understand the strategy and its rationale. As a result, resolving the comments received should be done by an individual empowered to accept only comments that refine—rather than dilute—the strategy based on decisions made by the secretary or the secretary’s leadership team.

4. Who runs the process?

The secretary clearly runs the process in statute. It is vital that the secretary drives the process in practice as well.

The process needs to incorporate the CJCS and Joint Staff at every level to narrow gaps and limit end-game issues.

As noted earlier, the process should be deliberative and inclusive but it also needs to fit with the secretary’s preferences. In turn, the secretary must step up to take control and use the process to shape the department and its policies. The staffs will be watching to see where the secretary spends his/her time and what issues the secretary thinks are important. Laying out clear guidance at the outset and being personally involved in the process conveys the message that this is important. Personally signing the memos at key points further indicates importance and the secretary’s personal involvement.

The process represents an opportunity for the secretary to engage the department’s senior leadership and build a consensus about the department’s direction. As Eisenhower famously noted, “In preparing for battle, I have always found that plans are useless but planning is indispensable.” Although Eisenhower was talking about military planning, others have applied this to the strategy formulation process. The secretary can engage the department’s senior leadership in a dialogue, hear its thoughts,

provide his/her views, and together reach consensus about how to move forward. Reaching a consensus and having the senior leadership understand the secretary's thoughts are vital in an organization as large and disparate as DoD, where there are many power centers that can operate quasi-independently from the Secretary.

The analysis section noted how the chairman's responsibilities as principal military adviser to the secretary and the president produce, in effect, a parallel strategy process. There is risk that this will open a gap between the secretary and the chairman. On the other hand, the chairman has statutory responsibilities to provide his/her own views. To avoid confusion and the appearance of disagreement, the administration must find ways to ensure that there is a single process, not two parallel processes, and a single voice.

Ensuring that the CJCS and Joint Staff participate at all levels, as they have done in past reviews, can help. In this way, the views of the joint community are aired early and can be heard at successively higher levels. This reduces, though it does not eliminate, the possibility of issues arising late in the process. Developing a close relationship between senior political and military leadership will also help as processes are heavily dependent on personalities, given the "separation of powers."

Allowing the secretary to comment on the NMS, just as the CJCS participates in the NDS, would better link the two processes.⁹²

5. What topics to cover: comprehensive coverage or focus on key issues?

Congress eliminated the 26+ statutorily required elements for the QDR and substituted six general areas. DoD should use this latitude to focus on the issues it thinks are important.

The bureaucracy should *not* be put on automatic pilot to identify issues. If that happens, the department will find itself reliving the QDR with numerous topics each pushed by different interest groups within the department. Instead, the department's senior leadership should consciously identify the issues to pursue in consultation with the White House and national security interagency. Many issues will be evident from the existing strategic and fiscal environment and from policy positions enumerated on the campaign trail. The senior leadership should also engage the secretary early in a conversation about what he thinks is important. In this way, the department can focus its energies on the most important issues and not be sidetracked by secondary concerns.

It will be hard to get the secretary to focus on the strategy formulation process given his/her tremendous range of responsibilities and the immediate crises to be handled. However, everyone will save a lot of time if the list of issues is narrowed and prioritized early and, above all, reflects what the secretary thinks is important. Otherwise, issue advocates will push forward briefings, resulting in endless meetings on topics of relatively lower importance.

As DoD focuses on key issues, and disregards others, it will be tempted to institute complementary strategy documents and "roadmaps" for special interest areas. It should resist this temptation and limit the number of such "strategic reviews" and "roadmaps" being developed. As noted earlier, multiplication of strategy documents creates opportunities for confusion and ultimately unhelpful

⁹² Hicks, *Invigorating Defense Governance*, 24.

single-issue advocacy. When it must create such documents, DoD should clearly delineate their fields to minimize overlap.

6. How to handle the relative importance of topics: clear priorities or many aspirational goals?

The classified strategy documents should enumerate clear national security priorities, including descriptions and justifications about what missions and capabilities are more important than others.

DoD should think about the NDS report in a different way from how it thought about the QDR report. The classified report needs to be clear about key principles, priorities, and tradeoffs. This is difficult because articulating “winners and losers” makes institutions uncomfortable for fear of offending powerful interest groups. However, congressional intent to require DoD to be more explicit about goals, priorities (and prioritization), and risks is a central element of strategy. Producing an effective strategy document will also require eliminating the platitudes and over-generalizations that are often found in unclassified documents.

Classification will not fully insulate these documents from the public, however, because such documents tend to leak. Therefore, DoD will likely need to do some hedging and take care with the manner in which it characterizes important decisions in the classified document. Particularly sensitive details may need to be provided verbally during briefings of the strategy.

If DoD is to establish a new practice of providing clear priorities and candid assessments and avoid past criticisms about mediocrity through consensus, senior leaders within DoD will need to have confidence that clarity and candor will be received in a constructive manner. If those candid assessments become the subjects of anonymous media attacks, congressional criticism of individual officials, or hearings designed to embarrass the department for making tradeoffs, then the likelihood of receiving candid strategy discussions in the future diminishes greatly.

7. How, and how far, to look into the future?

DoD needs to make forecasts for acquisition and force development. However, it should recognize the inherent uncertainty, develop off-ramps, and focus on those long-term elements that would change decisions within the fiscal planning horizon (FYDP).

The analysis chapter demonstrated how difficult it is but also how important it is for developing weapon systems, designing forces, and positioning capabilities around the globe. Planners would like a point estimate, or a few point estimates, about what the long-term future will look like. Although such specificity would be convenient for developing plans and programs, the future is too uncertain. That uncertainty increases as time horizons lengthen and makes point estimates impossible. It is worth remembering that 30 years ago the Cold War was still in full force with no end in sight. Projections never foresaw, even remotely, the world we live in today. Therefore, forecasts going beyond 10–20 years should be viewed with great caution.

In forecasting, DoD should keep in mind the importance of the 5- to 6-year fiscal planning horizon (FYDP). If forecasts are not going to significantly change what DoD does in the FYDP, then the forecast might be intellectually interesting but not critical for strategy formulation. For example, thinking about the world around 2050 is unlikely to change many actions in the FYDP. A few major procurements like

ships and aircraft may last that far out, but there is no need to build most forces that far in advance. Forces can generally be built on much shorter timelines. R&D programs might be pursued on the promising technologies that will bear fruit far in the future, though at a relatively low financial cost inside the FYDP.

Many long-term decisions do not need a specific forecast but rather an estimate about what capabilities will be needed. For example, in deciding whether to build another aircraft carrier, the Navy does not need to forecast what the world will look like in 2070 when this carrier will still be in service. Instead, the Navy will need to make a judgment about whether that capability will still be important.

Wargames, exercises, and scenario building can help expand the scope of possible futures to be considered and therefore hedge against unforeseen circumstances. The more possibilities that are considered, the more openness there is to unconventional scenarios. To be effective, however, the insights of these efforts must be brought into the strategy formulation process in a formal way and not left outside the process as intellectual curiosities with no impact. That means focusing on and driving changes in the FYDP.

Off-ramps are created when programs can be adjusted based on how the future plays out. This means building some flexibility into planning. One way to do is to delineate assumptions about the future environment, which if proved wrong, would require minor, medium, or major shifts in the strategy. Above all, the subject needs to be approached with humility and without trying to implement a false precision.

8. What role should resources play in formulating strategy?

Strategy formulation is always conducted in an environment of constrained resources. “Strategy-driven, resource-informed” is conceptually a good compromise.

Strategy documents need to connect strategy with resources, programs, and policies to be credible and effectively drive change.

The analysis chapter noted the tension between goals and resources. “Strategy driven, resource informed” makes the point that strategy comes first, but also recognizes that resources are a part of the strategy formulation process—both driving tradeoffs among desirable goals, and highlighting what additional resources may be needed to achieve the strategy. Reconciling limited resources and expansive strategic goals will inevitably take time and effort.

In its passback to all agencies of the government, OMB, on behalf of the president, will direct fiscal top lines that agencies, including DoD, must not exceed. Although some strategists would argue that strategy should be built without fiscal constraints, building the strategy in the context of the OMB-directed level is unavoidable. Further, a strategy process that ignores resources and lacks clear priorities becomes irrelevant. A strategy that does not define gaps or risks between assigned policy aims and available resources is also less than desirable. Then, programmers and budgeteers will step in, make the necessary tradeoffs and, in effect, produce a strategy.

Inevitably, goals will outstrip the resources available; that is the nature of strategy formulation. A major decision for the secretary, therefore, will be whether to appeal to the president for a higher level of

resources. The secretary of defense is one of the few department leaders who can appeal his/her budget directly to the president and not be stopped by either the director of OMB or the White House chief of staff. However, making such an appeal is a silver bullet that the secretary should use judiciously. This is another reason why the secretary needs to be personally involved in the strategy formulation process. The secretary needs to have confidence that any appeal that he/she makes for additional resources supports the goals of the administration's national security strategy. A clear articulation of risk tradeoffs and choices in meeting national security and policy objectives if the department does not receive the resources it needs can strengthen the secretary's position in budget discussions with the White House and OMB.

In support of such a request, the department could build increments above the directed fiscal level that would improve certain aspects of its program. To be credible, these levels would need to be tied to a strategic rationale and not just be a list of unfunded service requirements. An approach described in CSIS's *Alternative Defense Strategies* is framing the argument as an "if . . . then" construct to clarify the strategic issues at stake and at least get an explicit acknowledgment from the president of the risks that his/her budget is accepting.⁹³ For example, "If carrier levels stay at the budget-supported level of 11, then there will be periodic gaps in presence in the Middle East." This exercise would also help shape the service unfunded requirements lists, which are often transmitted to Congress. In developing "if . . . then" statements, the administration will need to avoid the appearance of "crying wolf" by exaggerating the adverse effects of resource constraints.

Finally, a decision must be made about how extensively the classified or unclassified document should discuss resources and programs. A strategy document that seeks to drive change cannot avoid specifics. When it does, the document tends to devolve into generalities and platitudes. Strategy documents must address the "how" and "so what." Therefore, at a minimum, DoD's strategy documents will need to discuss the major programs and budget changes that the strategy is driving.

Citing resources and programs when discussing strategy gives credibility to the policy being discussed. For example, just saying, "the administration is emphasizing [X]," is not very convincing because the extent of the commitment is unclear. Saying, "The administration is adding \$5 billion to [X] over the FYDP period," is concrete and, hence, more credible. The Obama administration ran into this problem with its presentation of the Third Offset. The concept was announced before the administration could provide program and budget details, and the resulting uncertainty weakened the concept's credibility.

9. What analysis should be presented and how should risk be discussed?

Strategy documents should present analysis and discuss risks to increase the credibility of the findings and policies recommended. Analysis and risk assessment can be a mechanism by which DoD agrees on a common set of assumptions and goals. Congress should not appear to punish DoD for providing these insights.

Strategies backed by explicit and well-crafted analysis and risk assessment are more credible than strategies not so backed because they answer the questions, "why" and "so what"? However, recent

⁹³ Cancian and Murdock, *Alternative Defense Strategies in a Cost Constrained Environment*.

strategy documents have had little explanation about the analysis and risk behind their results, and this absence has caused many of the criticisms about the documents.

However, the solution is not as simple as “provide more analysis and risk assessment” because analysis and risk assessments will be presented in a political environment where some observers will be disparaging in any case. It is not possible to present completely objective analysis devoid of political context. That said, it is possible to present credible analysis and risk assessments that strengthen an administration’s arguments for its policies. They may mitigate the political quality of the documents and give them more of a technical foundation. The key is recognizing that the presentation is being made to a political community and not to a symposium of military operations researchers and to structure that presentation accordingly.

The analysis chapter noted the risk that congressional staffs or outside experts might rerun DoD’s analysis methodology using different assumptions and come out with different results. These results might undermine the department’s own recommendations. Further, an explicit discussion of risk might imply, or seem to imply, that the American people were not safe.

The Bottom-Up Review provides one encouraging data point counter to these concerns. It had an extensive discussion of the analysis backing up the results. Risk discussions were included throughout the analysis. Many experts consider the BUR to be one of the most successful strategic reviews because of the enduring nature of its findings and concepts. Others, particularly in the services, viewed it as a process to justify blind budget cuts. Although the BUR’s success had many causes, most experts believe that its explicit and credible analysis was one of them.⁹⁴

While some members of Congress will not be interested in the greater explanation of analysis and risk afforded by a classified strategy documents, there are members in both the House and Senate that care deeply about these issues and will expect this greater candor. These members will include the top leadership of the SASC, HASC, SAC-D, and HAC-D as well as their staffs. If DoD does not deliver the expected rationale, it will be noticed by these groups, which wield considerable power over defense issues.

Strategy documents—either classified or unclassified—might take one of several approaches in describing analysis, with the classified documents having more latitude to include detail.

- At the least, strategy documents should reference the analysis done. That is, regarding specific recommendations, the report should say, “The department analyzed [this issue] and found that [results support the department’s recommendation].”
- A better approach would be to describe the analysis. For example, “The department tested these forces against different combinations of surge demands and found that the forces were adequate with moderate risk. In addition, these forces could meet expected ongoing demands

⁹⁴ Not everyone thought the BUR was a success—the strategy document met with significant criticism at the time. See David Isenberg, “The Pentagon’s Fraudulent Bottom-Up Review,” *Cato Institute Policy Analysis* 206, April 21, 1994, <https://object.cato.org/sites/cato.org/files/pubs/pdf/pa206.pdf>; Lawrence DiRita, Baker Spring, and John Luddy, “Thumbs Down to the Bottom-Up Review,” *Heritage Foundation Backgrounder* 957, September 24, 1993, http://thf_media.s3.amazonaws.com/1993/pdf/bg957.pdf.

for crisis response, forward deployments, and small-scale contingency operations, again with moderate risk.”

- The best approach would be to outline the analysis in detail. For example, in 2010 U.S. Transportation Command described in detail its analysis about how it set the size of the strategic mobility force. That convinced Congress to make some painful reductions to the C-5, KC-135, and C-130 fleets. Detailed analysis could be put into an appendix—classified or unclassified—to keep the main text short.

Regarding risk, as the analysis chapter noted, a description with adjectives—high/medium/low—is too general. Instead, risk should be described in terms of the policy consequences. DoD could take one of several approaches:

- At the least, the report should describe the kind of risks that the strategic review considered. For example, the QDRs of 2001, 2006, and 2010 described four risk categories: force management, operational, future challenges, and institutional. There are, of course, many other ways to describe risk but the strategy documents should have some framework.
- The report could include some metrics to measure risk. Congress is clearly expecting this in the classified report; some version could also be discussed in the unclassified report. There are many possibilities, for example, naval presence in different theaters, such as described in the Center for Strategic and Budgetary Assessments’ Navy force structure report, or dwell time for ground units given their high level of peacetime commitments, with historical benchmarks for comparison.⁹⁵
- As with budget effects, the report could describe risk in terms of “if . . . then” statements. For example, “If NATO prepositions some equipment in the Baltic countries, then it will be able to slow any aggression enough that reinforcements could prevent the loss of a capital city.”

Congress will need to be careful that it does not appear to punish DoD for providing more detail and candor on the analysis and the risk assessment. It is, of course, the duty of Congress to conduct oversight and question, where need be, the policies of the administration. However, Congress should use DoD’s analysis to have a discussion about assumptions, goals, and methodology and give DoD a chance to explain its choices.

Similarly, Congress should use DoD’s risk assessment to have a discussion about *which* risks to accept, not whether to accept risks. There is always risk, and one of the key judgments that strategy formulation must make is where to allocate that risk. It is the duty of Congress to discuss and debate with the executive branch about where to allocate risk, but everyone must accept the concept that there *is* risk. Criticizing DoD for accepting any possibility of mission failure or of any harm to the American homeland undermines the strategy formulation process. If DoD comes to believe that its candor is being used against it, then it will stop providing the level of detail and specificity that Congress is expecting and will instead revert to vague statements that protect the institution’s autonomy.

⁹⁵ Bryan Clark et al., *Restoring American Seapower: A New Fleet Architecture for the United States Navy*, Ch. 5, “Naval Posture” (Washington, DC: Center for Strategic and Budgetary Assessments, 2017).

10. Should the secretary use outside advisers as part of the process? If so, how?

A final consultation with outside experts is useful, and some consultation should be made in every strategy formulation process. As a trial initiative, DoD should consider using a task force of the Defense Policy Board (DPB) to comment on the final draft.

Some “red teaming” might be useful to encourage a competition of ideas and expand the scope of options and possibilities considered.

A final consultation with outside experts serves four functions: to identify weak arguments, to clarify potential areas of confusion, to surface political issues that may not have been evident or fully appreciated, and to gain buy-in by potential commentators. The question is, how to do this? The department has three options:

1. Continue its past practice of bringing in small groups or individuals to read or be briefed on parts of the final report. Experience shows this to be viable and easy to do.
2. Adopt the British practice of having a group formally review the final product. DoD could create such a group. The difference from the first option is that this group would be constituted formally and recognized as part of the official process. The disadvantage is that Congress might object to giving a formal role to an outside group that it had not created.
3. Use an existing group, like the Defense Policy Board (DPB), to provide its assessment and comments. Earlier engagement with the DPB in the strategy review process could also highlight strategic insights. The advantage is that the board already exists, so no new authorities or bureaucratic effort would be required. Further, the DPB might expect to be involved, given its role and membership. The board would likely want to select a task force from its members who have broad DoD experience.

At the least, DoD should continue what it has done in the past, pursue option 1. It should also consider using an outside group to review at least part of the final report as an experiment that could enhance the review and broaden the discussion. DoD already has a number of bodies such as the Defense Science Board, Defense Business Board, Defense Innovation Board, and Defense Policy Board (DPB) established to gain access to outside expertise. Using a subset or task force of the DPB would procedurally be the easiest given its expertise and existing infrastructure. Relief from FACA in these limited circumstances would dramatically help formal consultations.

There is also an opportunity to bring outside perspectives into the process earlier using red teams. Such teams can broaden the set of ideas considered and foster a competition of ideas.⁹⁶ Teams could include members of the department with a track record of creative thinking but should mostly be composed of outside experts who bring substantially different perspectives to bear, such as journalists, think tank experts, representatives of allied governments, and members of Congress or congressional staffs. For such an effort to be successful, a red team must have senior leader buy-in, and the department must be willing to consider, or at least hear, significantly divergent views.⁹⁷ DoD has done some red teaming in

⁹⁶ Ibid.

⁹⁷ Zenko, *Red Team: How to Succeed by Thinking Like the Enemy*.

the past, and the concept has the potential for major payoff. Initially, the department could implement it in a limited way with a small internal team, perhaps focused on a narrow area like the selection of scenarios. If the department does not want to bring outsiders into the whole process, it can bring them in at the end, as described earlier.

None of these uses of outside experts should be institutionalized. Such consultations must be tailored to fit the particular circumstances and the desires of the secretary. Institutionalized consultation processes risk becoming a burden, or worse a threat, and consequently ignored.

11. How much dissemination and of what kind?

The classified strategy document should be distributed widely within the department to ensure that subordinate elements align their efforts with the strategy, in addition to being delivered to the appropriate committees of Congress.

DoD should also develop an unclassified document for public release.

Because the classified document is intended to be guidance from the secretary to the department, distribution must be wide in order for all departmental elements to understand what is expected and align their budgets and policies with the strategy. Although the possibility of leaks increases as distribution widens, that risk must be accepted in order for the document to accomplish its purpose.

A public document needs to be developed for the many audiences that cannot access a classified document. This document could build on the statutorily required summary of the classified strategy document but needs to have a more extensive discussion of the strategic vision, the regional plans, the industrial effects, the supporting analysis, and the international context, paralleling what is in the classified document. This is particularly important now since so many of the strategy documents will be classified.

The public report can also be less pointed about tradeoffs and priorities than the classified report. In an ideal world, there would be no difference; administrations could be as candid in public as they are in private. In the real world, however, senior officials and political leaders naturally want to highlight winners in a strategy review but hesitate to identify losers; as a result, there will be a desire to soften discussion of tradeoffs. This helps with public diplomacy and with allies. However, the two documents—classified and unclassified—cannot get too far apart because some commentators will see both. Differences will leak out into the public domain, and, if they are significant, will undermine the strategy's credibility.

An unclassified document also facilitates congressional oversight. Congressional hearings are almost entirely conducted in unclassified settings to allow the broadest participation. If the administration's strategy documents are all classified, then it will be difficult to discuss them in an open hearing. Conversely, an unclassified document provides the basis for a public hearing and thus facilitates congressional oversight.

Finally, since strategy is about connecting ends, ways, and means, a strategy document must include not just a discussion of goals and desired end states but also of the ways and the means to get there. Without the discipline of specifying ways and means, strategy documents could easily become a series

of platitudes describing the many desirable goals for defense and foreign policy but without any recognition of the difficulties in achieving them. The military services and defense agencies would prefer general principles and being allowed to design implementation themselves. Much will, indeed, need to be left to subordinate organizations to implement and a document that over-specifies is as flawed as one that underspecifies. Leaving too much unspecified, however, induces subordinate organizations to change their rhetoric to align with the new strategy but not actually to change programs. As a result, all QDRs have discussed not just goals but also force structure levels, major acquisition programs, and significant policy commitments.

12. How often to revise strategy: on a regular schedule (e.g., every four years) or as circumstances change?

Administrations should conduct a strategy formulation process at the beginning of the first term but should conduct subsequent processes only when strategic conditions have changed to the degree that the old strategy needs major revisions.

Conducting a strategy formulation process at the beginning of a new administration is unavoidable. A new president, even if from the same party as the old president, will have a different set of priorities and policies and will want to express these in new strategy documents.

However, there is no need to automatically do an NSS or NDS at the beginning of a second term if the strategic environment has not changed. Instead, having developed a strategy in the first term, administrations should conduct their next strategy formulation process when strategic conditions—the administration’s priorities, the international environment, budget resources, or national security opportunities—have changed enough to warrant one. This is similar to the periodic white paper approach of the UK, France, or Australia and what the United States did in 2012 with the DSG. To meet the inevitable demand for some strategy statement at the beginning of a second term, the administration could publish a short reiteration of strategy, perhaps with the budget, which would come out just a few weeks after the inauguration.

Some experts criticize the existing framework of reviews every four years as incapable of adapting to a rapidly changing national security environment. Conducting some processes “as needed” after an initial process would meet this objection. The SASC went further in its version of the FY 2017 bill and proposed annual strategy documents. This was judged too burdensome, however, and dropped from the final bill.

A new NMS may be needed after a new NSS and NDS. The chairman will likely want to update his vision for military strategy when the national security and defense strategies have changed. However, as with the NDS, there is no need to publish a new NMS unless there is a further strategy change or the military environment has changed so much, by technology or by experience in conflict, that a new NMS is needed.

A national commission would naturally occur whenever a new administration conducts its initial defense strategy formulation process. After that, Congress can decide when another commission is needed. If there is no strategy process at the beginning of a second term, then there is no need for another commission. If an administration does a mid-term strategy review, Congress can take appropriate action in the annual NDAA. It could create a national commission, or it could establish something less extensive, perhaps an independent study that looks at the strategic environment concurrently with

DoD's strategy formulation process and that pulls in the senior experts from outside the department. Such requirements for senior expert panels have routinely been a part of independent studies.

As discussed in Chapter 3, Congress accelerated the national commission's schedule and will appoint all its members. It is unclear whether the commission can be organized in time to meet the new schedule. If it can't, then Congress might consider conducting these independent assessments through an FFRDC or think tank rather than establishing a separate commission.

Actions for Congress

Chapter 3 described the many changes that Congress made last year to the strategy formulation process. Making further changes at this point (2017) would be premature. Rather than further restructuring an already restructured system, DoD and Congress should see how the new system performs. In the next year, the new administration will likely produce a National Security Strategy, a National Defense Strategy, and, perhaps, a National Military Strategy. The National Commission is due to separately produce its report. These will show whether the reforms are working as Congress intended. During the FY 2019 budget cycle, therefore, when all these documents are available, Congress should conduct a formal review of the processes that produced the documents.

In preparation for this review, Congress, in the FY 2018 NDAA, should direct DoD to produce its own assessment of the process and provide its insights and recommendations. Since they are the ones operating the process, their views should be heard in a formal way, beyond the useful but limited congressional testimony of senior officials. In addition, Congress might direct an independent study of the process that incorporates the views of outside experts and covers all the strategy documents, not just DoD's.

These assessments should consider the following questions:

National Security Strategy

- Did the classified nature of the document increase its candidness and usefulness?
- Are the intended audiences cleared to read the document?
- Were goals prioritized?

National Defense Strategy

- Was DoD able to complete the document before the next (i.e., FY 2019) budget submission?
- Did the unclassified summary or monograph adequately explain the strategy and its rationale to outside audiences?
- Did the classified nature of the main document increase its candidness and usefulness?
- Was the analysis and risk assessment sufficient for credibility? Did citing specific analyses and risks have any adverse effects? Is there value in having CBO or another credible body conduct an assessment ("scoring") of DoD's analysis and methodology?

National Military Strategy

- Did the classified nature of the report increase its candidness and usefulness?
- Did production of the NMS produce tension with OSD and production of the NDS?
- Was the NMS focused on a military strategy to support the NDS?
- Are there other ways to provide military advice to Congress?

Commission on the National Defense Strategy for the U.S.

- Can the National Commission get started quickly enough to meet the statutory deadlines?
- Was the interim report useful to DoD as it conducted its own strategic review?
- Was the final report useful and available in time to affect DoD's strategy formulation process?
- Was the lack of a document formally commenting on the NDS a loss?
- Was a congressionally established commission able to help in the executive branch process?
- Could an independent study conducted by an outside group perform these functions?

Overall

- Did the several documents fit together well or was there overlap and duplication?
- Were the documents published at appropriate times considering the needs of Congress and the budget?
- Did the classified nature of so many documents impede public diplomacy?

Devising an effective strategy formulation process is important for two reasons. The first is to help DoD and the executive branch. An effective process produces coherence in action and helps subordinate elements work together smoothly in pursuit of the president's national security agenda.

The second is to produce a document that is clear and concise in its recommendations and facilitates effective congressional oversight. Congress made major changes in the strategy development process to produce documents that are insightful, candid, and prioritized. If the process produces documents that do not satisfy the new statutory requirements, Congress might direct further changes. This could result in a strategy process that is as tightly specified as the acquisition process, which has been extensively criticized and, as a result, has been extensively controlled and continually reformed.

The process of strategy formulation matters. It determines which issues will be raised for decision, how issues are elevated to senior levels, what options are presented, who participates in the decisionmaking, and how the results are communicated both internally and externally. Designing a process that weighs

the 12 choices proposed by this study would enable future defense leaders and planners to produce strategies appropriate for the political, security, and budgetary realities of their time.

Appendix A: Statutory Language – Public Law 114-92: National Defense Authorization Act for Fiscal Year 2016

SEC. 1064. INDEPENDENT STUDY OF NATIONAL SECURITY STRATEGY FORMULATION PROCESS.

- (a) **REQUIREMENT FOR STUDY.** —The Secretary of Defense shall enter into a contract with an independent research entity described in subsection (c) to carry out a comprehensive study of the role of the Department of Defense in the formulation of national security strategy.
- (b) **MATTERS COVERED.** —The study required by subsection (a) shall include, at a minimum, the following:
- (1) Several case studies of the role of the Department of Defense and its process for the formulation of previous national security strategies in place throughout the history of the United States, with specific emphasis on the development and execution of previous strategies, as well as the factors that contributed to the development and execution of successful previous strategies with specific emphasis on—
 - (A) the frequency of strategy updates;
 - (B) the synchronization of timelines and content among different strategies;
 - (C) the prioritization of objectives;
 - (D) the assignment of roles and responsibilities among relevant agencies;
 - (E) the links between strategy and resourcing;
 - (F) the implementation of strategy within the planning documents of relevant agencies;
 - (G) the value of a competition of ideas; and
 - (H) recommendations for the executive and legislative branches on the best practices and organizational lessons learned for enabling the Department of Defense to formulate long-term defense strategy.
 - (2) A complete review and analysis of the current national security strategy formulation process, as it relates to the Department of Defense, including an analysis of the following:
 - (A) All major Government products and documents of national security strategy relevant to the Department of Defense and how they fit together, including—

- (i) the National Military Strategy prepared by the Chairman of the Joint Chiefs of Staff under section 153(b)(1) of title 10, United States Code;
- (ii) the most recent quadrennial defense review conducted by the Secretary of Defense pursuant to section 118 of title 10, United States Code;
- (iii) the national security strategy report required under section 108 of the National Security Act of 1947 (50 U.S.C. 3043); and
- (iv) any other relevant national security strategy products and documents.

(B) The time periods during which the products and documents covered by subparagraph (A) are prepared and published, and how they fit together.

(C) The interaction between the White House and the agencies that develop such products and documents and formulate strategy.

(D) All the current entities in the Federal Government, including Congress, that contribute to the national security strategy formulation process and how they fit together.

(c) **INDEPENDENT RESEARCH ENTITY.** —The entity described in this subsection is an independent research entity that is a not-for-profit entity or a federally funded research and development center with appropriate expertise and analytical capability.

(d) **REPORT.** —Not later than 18 months after the date of the enactment of this Act, the independent research entity shall provide to the Secretary a report on the results of the study. Not later than 90 days after receipt of the report, the Secretary shall submit such report, together with any additional views or recommendations of the Secretary, to Congressional defense committees.

Addition from Public Law 114-328: National Defense Authorization Act for Fiscal Year 2017

SEC. 945. MODIFICATION TO INDEPENDENT STUDY OF NATIONAL SECURITY STRATEGY FORMULATION PROCESS.

Section 1064(b)(2) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92; 129, 17 Stat. 989) is amended ...by adding at the end the following new subparagraph: ‘(E) The capabilities and limitations of the Department of Defense workforce responsible for conducting strategic planning, including recommendations for improving the workforce through training, education, and career management.’

Appendix B: 1982 National Security Decision Directive

The National Security Decision Directive Number 32 (NSDD-32), titled “U.S. National Security Strategy,” was a classified document issued by President Ronald Reagan in May 1982. The purpose of NSDD-32 was to “serve as the starting point for all components of [U.S.] national security strategy.”⁹⁸ NSDD-32 served as the strategic foundation for President Reagan’s Cold War policy, outlining the global objectives of the United States vis-à-vis the Soviet Union, and a multifaceted strategy to achieve these objectives. Unlike the 1993 Bottom-Up Review and Quadrennial Defense Reviews, which are DoD-generated documents, guidance for NSDD-32 came from the White House. It is a predecessor document to the National Security Strategy established in statute as part of the 1986 Goldwater-Nichols reforms.

Context

President Reagan had campaigned on a commitment to confront the Soviet Union. “The Soviet Army outnumbers ours more than two-to-one and in reserves four-to-one,” he said during a campaign speech in March 1976. “They out-spend us on weapons by 50 percent. Their Navy outnumbers ours in surface ships and submarines two-to-one. We’re outgunned in artillery three-to-one and their tanks outnumber ours four-to-one. Their strategic nuclear missiles are larger, more powerful and more numerous than ours. The evidence mounts that we are Number Two in a world where it’s dangerous, if not fatal, to be second best. . . . [P]eace does not come from weakness or from retreat. It comes from the restoration of American military superiority.”⁹⁹

Soon after coming into office, President Reagan “formulated an extensive ‘silent campaign’ against the Soviet Union, embodied in several secret National Security Decision Directives.”¹⁰⁰ The first of these directives was issued on February 25, 1981, establishing NSDDs and National Security Study Directives (NSSDs) as vehicles for policymaking within the National Security Council (NSC) apparatus.¹⁰¹ After issuing several general memoranda on issues such as NSC structure and crisis management (NSDD-1 to NSDD-4), the Reagan administration turned to a more substantive focus for its NSDDs, addressing regional issues—including but not limited to Cuba, Central America, China, and the Middle East—as well as policies on nuclear weapons employment, chemical and biological weapons control, and terrorism incidents (NSDD-5 to NSDD-31). There was still, however, no comprehensive strategy document issued by the Reagan administration by this point.

In February 1982, a year into his presidency, President Reagan issued a study directive—NSSD 1-82—which provided guidance for reviewing and formulating a national security strategy. NSSD 1-82 provided parameters for the scope of and topics to be covered by the new strategy document, and established an “interagency review group” responsible for carrying out the study and formulating the new security

⁹⁸ Ronald Reagan, “National Security Decision Directive Number 32: U.S. National Security Strategy” (The White House, May 20, 1982), 1, <https://fas.org/irp/offdocs/nsdd/nsdd-32.pdf>.

⁹⁹ Ronald Reagan, “To Restore America” (Televised, March 31, 1976), <https://reaganlibrary.archives.gov/archives/reference/3.31.76.html>.

¹⁰⁰ William E. Pemberton, *Exit with Honor: The Life and Presidency of Ronald Reagan* (New York: M.E. Sharpe, 1997), 156.

¹⁰¹ Ronald Reagan, “National Security Decision Directive Number 1: National Security Council Directives” (The White House, February 25, 1981), <https://fas.org/irp/offdocs/nsdd/nsdd-32.pdf>.

strategy.¹⁰² Three months later, the NSDD-32 was issued as the foundational national security strategy document for the Reagan administration. In effect, it operationalized Reagan’s campaign commitments on national security. All subsequent NSDDs (NSDD-33 to NSDD-237) flowed directly from the core national security strategy established by NSDD-32. Four years later, in September 1986, President Reagan issued NSDD-238—the updated “Basic National Security Strategy”—which refined and superseded NSDD-32. NSDD-238 asserted that “significant progress [had] been made during the past six years of strengthening the position of the United States in world affairs,” meriting an update—but not a radical change—to U.S. strategy.¹⁰³ Like NSDD-32, the documents following NSDD-238 flowed from the guidance presented by this new national security strategy.

Process Leadership and Team Structure

The members of the interagency review group that was established by NSDD 1-82 were the key players in formulating NSDD-32. The group consisted of staff members from the White House, Department of Defense (DoD), Department of State (DoS), the intelligence community (IC), the Joint Staff (JCS), and the NSC.¹⁰⁴ National Security Advisor William Clark, a longtime adviser to President Reagan and one of the primary architects behind the Reagan Doctrine, presided over the strategy formulation process on behalf of the president.¹⁰⁵ NSC staffer and former Air Force Secretary Tom Reed, a close associate of Reagan’s and Clark’s, was appointed as chair of the interagency review group and led the NSDD-32 effort.¹⁰⁶ Other prominent members of the review group included DoD Under Secretary of Defense for Policy Fred Iklé, Chairman of the National Intelligence Council Henry S. Rowen, DoS Director of Politico-Military Affairs Richard Burt, DoS Director of Policy Planning Paul Wolfowitz, DoS Executive Secretary Paul Bremer, and NSC Senior Director of International Economic Affairs Norman Bailey.¹⁰⁷ The study participants were entirely from the executive branch. There was no briefing of Congress or consultation with outside experts.

Although the interagency group leading the process was quite small, the three-month effort of formulating the NSDD-32—just an eight-page document—was described as “fitful,” “hampered by divisions within the administration, a weak staff, and Reagan’s style of collegial decision making.”¹⁰⁸ There was a reported desire on the part of some of the group members to “deliver a predigested consensus view of the world” to the president, while his preference—and that of Reed’s—was to “[lay] out a variety of options from which the President may select.”¹⁰⁹ President Reagan played off the

¹⁰² Ronald Reagan, “National Security Study Directive Number 1-82: U.S. National Security Strategy” (The White House, February 5, 1982).

¹⁰³ Ronald Reagan, “National Security Decision Directive Number 238: Basic National Security Strategy” (The White House, September 2, 1986), 1, <https://fas.org/irp/offdocs/nsdd/nsdd-238.pdf>.

¹⁰⁴ Michael O. Wheeler, *Minutes of Interagency Review Group Meeting, NSDD 1-82, February 18, 1982*, 90034 (National Security Council, 1982), <https://www.cia.gov/library/readingroom/docs/CIA-RDP85M00366R000100060028-6.pdf>.

¹⁰⁵ Thomas Reed, *At the Abyss: An Insider’s History of the Cold War* (New York: Presidio Press, 2007), 235–37.

¹⁰⁶ *Ibid.*

¹⁰⁷ Henry S. Rowen, “Memorandum for Director of Central Intelligence, Deputy Director of Central Intelligence: Plans for NSDD 1-82 US National Security Strategy” (Director of Central Intelligence, February 18, 1982).

¹⁰⁸ Williamson Murray and Richard Hart Sinnreich, *Successful Strategies: Triumphant in War and Peace from Antiquity to the Present* (Cambridge: Cambridge University Press, 2014), 406.

¹⁰⁹ Reed, *At the Abyss*, 236.

disagreements among his advisers, encouraging them to think deeply through the issues before arriving at final options and recommendations.

The NSDD-32 process demonstrated a complementary, iterated cycle of top-down guidance and bottom-up analysis and response. Reagan, Clark, and Reed provided broad but clear direction to the interagency review group, who not only conducted a thorough review of the issues raised by the leadership, but also took the opportunity to raise strategic points from the bottom up. For instance, the original guidance focused heavily on the military aspect of U.S. national security, but several of the interagency group members argued strongly for the inclusion of nonmilitary aspects of U.S. power in the formulation of NSDD-32. This vertical exchange of ideas was encouraged by Reagan, and added value to the resultant strategy.¹¹⁰

Resources

The interagency review group behind NSDD-32 opted to use the existing DoD budget guidance as its resource guideline for the defense elements of the strategy document.¹¹¹ Reagan had committed to a large budget increase for defense, but even at these higher levels trade-offs were necessary. These resource constraints are reflected within the text of NSDD-32, where there is the assertion that “the United States must increasingly draw upon the resources and cooperation of allies and others to protect our interests and those of our friends. There is no other alternative.”¹¹²

Analysis and Risk Assessment

NSSD 1-82 essentially set up the process, provided the organizational guidelines, and established the analytical basis for what eventually became the NSDD-32 document. Under the auspices of NSSD 1-82, Reed established the interagency review group responsible for drafting NSDD-32 and guided it through a tightly directed and scheduled study plan (detailed in Figure 1 below), which aimed at completing the analysis for the resultant strategy document within a month and a half.¹¹³ The interagency group branched off into three working groups to conduct detailed research that would inform the final NSDD-32 strategy document. Part I and II of the study, focused on the “National Objectives / International Environment” and “Implementing Strategies,” respectively, were chaired by the NSC. Part III of the study, analyzing “Military Component of U.S. National Security Strategy,” was chaired by the Department of Defense. This third working group was further divided into seven sub-groups, four chaired by the DoD, two chaired by State and one jointly chaired by DoD and CIA.¹¹⁴ Progress from these

¹¹⁰ Rowen, “Memorandum for Director of Central Intelligence, Deputy Director of Central Intelligence: Plans for NSSD 1-82 US National Security Strategy.”

¹¹¹ Michael O. Wheeler, *Minutes of Interagency Review Group Meeting, NSSD 1-82, February 26, 1982*, 90126 (National Security Council, 1982), <https://www.cia.gov/library/readingroom/docs/CIA-RDP85M00366R000100060027-7.pdf>; “National Defense Budget Estimates for FY 1982” (Office of the Assistant Secretary of Defense (Comptroller), March 1981), http://www.DoD.mil/pubs/foi/Reading_Room/Acquisition_Budget_and_Financial_Matters/16-F-1264_National_Defense_Budget_Estimates_For_FY_1982.pdf.

¹¹² Reagan, “NSDD-32,” 3.

¹¹³ Rowen, “Memorandum for Director of Central Intelligence, Deputy Director of Central Intelligence: Plans for NSSD 1-82 US National Security Strategy.”

¹¹⁴ Michael O. Wheeler, *Minutes of Interagency Review Group Meeting, NSSD 1-82, March 13, 1982*, 90163 (National Security Council, 1982), <https://www.cia.gov/library/readingroom/docs/CIA->

efforts was periodically briefed to the NSC and President Reagan, and the resultant feedback and critique significantly guided and shaped the final document.

Figure B.1: NSDD 1-82 Draft Study Plan¹¹⁵

Segment	Title	Sub Working Group Chair / Vice Chair	Lead Agency Chair / Vice Chair	Review Group Meeting	Issue Resolution
Part I	National Objectives / International Environment	NSC Staff C. Lord	NSC Staff C. Lord	Mar 3, 1982	Mar 8, 1982
Part II	Implementing Strategies	NSC Staff C. Lord	NSC Staff C. Lord	Mar 3, 1982	Mar 8, 1982
Part III		DoD A. Myer			
	Section A: Impact of military threats		CIA/DoD M. Berta	Mar 13, 1982	Mar 23, 1982
	Section B: Role of Allies and others		State J. Rentschler	Mar 13, 1982	Mar 23, 1982
	Section C: Regional military objectives		DoD C. Shoemaker	Mar 13, 1982	Mar 23, 1982
	Section D: Strategic and other nuclear forces		DoD R. Linhard	Apr 2, 1982	Apr 7, 1982
	Section E: Non-nuclear forces		DoD A. Myer	Apr 2, 1982	Apr 7, 1982
	Section F: Force integration		DoD C. Shoemaker	Apr 2, 1982	Apr 7, 1982
	Section G: Security Assistance		State R. Kimmitt	Apr 2, 1982	Apr 7, 1982
NSC Meeting					Apr 15, 1982

The risk assessment during the NSDD-32 process was almost entirely USSR-focused. The risk assessment phase revealed two camps among the interagency group: those who argued that there was clear U.S. superiority over the Soviet Union and pushed for a more aggressive agenda, and those who argued for caution, given the Soviet Union’s persisting strength and ability to successfully compete with the United States.¹¹⁶ The differences over perceptions of Soviet strength inevitably resulted in competing analysis over how best to tackle U.S.-USSR competition. Reagan encouraged this debate. As one participant

RDP85M00366R000100060014-1.pdf; Rowen, “Memorandum for Director of Central Intelligence, Deputy Director of Central Intelligence: Plans for NSDD 1-82 US National Security Strategy.”

¹¹⁵ Adapted from Rowen, “Memorandum for Director of Central Intelligence, Deputy Director of Central Intelligence: Plans for NSDD 1-82 US National Security Strategy.”

¹¹⁶ Murray and Sinnreich, *Successful Strategies*, 406.

commented: “Clark and Reed asserted that the President [wanted] a process that [brought] out differing views with options rather than a bland consensus document. They [didn’t] want a lot of pointless options and they [wanted] a short paper in the end.”¹¹⁷

Articulation of Priorities

Both NSSD 1-82 and NSDD-32 lay down a broad set of goals vis-à-vis the Soviet Union intended to guide national security strategy in the Reagan administration, and to be operationalized in following NSDDs. The goals were aspirational but focused tightly on the Soviet Union. These goals were as follows:

- “To deter military attack by the USSR”;
- “To strengthen the influence of the U.S.”;
- “To contain and reverse the expansion of Soviet control and military presence”;
- “To neutralize the efforts of the USSR to increase its influence through its use of diplomacy, arms transfers, economic pressure, political action, propaganda, and disinformation;”
- “To foster . . . restraint in Soviet military spending, discourage Soviet adventurism, and weaken the Soviet alliance system”;
- “To limit Soviet military capabilities by strengthening the U.S. military”;
- “To ensure the U.S. access to foreign markets, and to ensure the U.S. and its allies and friends access to foreign energy and mineral resources”;
- “To ensure U.S. access to space and oceans”;
- “To discourage further proliferation of nuclear weapons”;
- “To encourage and strongly support aid, trade and investment programs . . . in the Third World”; and
- “To promote a well-functioning international economic system with minimal distortions to trade and investment.”¹¹⁸

Dissemination

NSDD-32 was classified as Top Secret, thus greatly restricting its dissemination. Reed, the chairman of the interagency group directing the effort, wanted to “hold tight the word that [the NSDD-32 was]

¹¹⁷ Rowen, “Memorandum for Director of Central Intelligence, Deputy Director of Central Intelligence: Plans for NSSD 1-82 US National Security Strategy.”

¹¹⁸ Reagan, “NSDD-32.”

underway to try to avoid stories to the effect that the [United States was] undertaking a basic review of its security strategy.”¹¹⁹

Although there was no release of an unclassified version of NSDD-32, Clark and Reed discussed the highlights of the strategy in two speeches at the Center of Strategic and International Studies and to the Armed Forces Communications and Electronics Association in May and June 1982, respectively.¹²⁰

Rapidity and Regularity

Reagan’s National Security Strategy took three months to formulate, with the process starting in February 1982 with the issuance of NSSD 1-82, and concluding in May 1982 with the release of NSDD-32.

Although NSDD-32 was superseded in 1986 by NSDD-238, the major tenets within the latter strategy document were derived from the former, a testament to the durability of the ideas and objectives contained within NSDD-32.

Forecasting

There was no specific time horizon specified in NSDD-32, but one can infer that it was intended to last until the Soviet Union was defeated. While the document was superseded four years later by an updated strategy to deal with the changing nature of the Soviet threat in NSDD-238, the foundational focus and goals of NSDD-32 did indeed endure until the end of the Cold War.

Alignment to Other Documents

NSDD-32 became the basis of President Reagan’s Cold War strategy, and all subsequent national security decisions were derived from the foundations established in the document. Most notably, the strategy document “instructed the armed forces to make plans and acquire forces that would enable them to prevail either in a prolonged global conflict with conventional weapons or in a protracted nuclear war, should deterrence fail.”¹²¹ This allowed the administration to implement its more assertive and aggressive “Reagan Doctrine” toward the Soviet Union, which served as the driving force behind U.S. security policy from the 1980s through the end of the Cold War.

The NSDDs following NSDD-32 focused on specific regional, functional, and political issues complemented and elaborated on goals laid out in NSDD-32. These included, for instance, “U.S. Approach to START Negotiations” (NSDD-33), “U.S.-Japan Trade Policy Relations” (NSDD-154), “Preparing for Negotiations with Soviet Union” (NSDD-160), and “U.S. Policy, Programs, and Strategy in Afghanistan” (NSDD-166). Between May 1982 and January 1989, the Reagan administration issued 294 NSDDs, several of which remain either partially or entirely classified.

¹¹⁹ Rowen, “Memorandum for Director of Central Intelligence, Deputy Director of Central Intelligence: Plans for NSSD 1-82 US National Security Strategy.”

¹²⁰ Reed, *At the Abyss*, 237.

¹²¹ Richard Halloran, “Reagan as Military Commander,” *New York Times*, January 15, 1984, sec. Magazine, <http://www.nytimes.com/1984/01/15/magazine/reagan-as-military-commander.html>.

Of the many directives issued, NSDD-75 stands out as a particularly important document that followed NSDD-32. Titled “U.S. Relations with the USSR,” NSDD-75 was a deep dive into U.S. strategy toward the Soviet Union, with three main objectives that buttressed the tenets of NSDD-32 and proved the hallmark of the Reagan Doctrine: 1) not just containing but challenging and reversing Soviet expansion and influence globally; 2) promoting internal economic and ideological change within the Soviet Union; and 3) diplomatic engagement with the Soviet Union to reach mutual agreements that would improve the security of U.S. interests.¹²² Together, NSDDs-32 and -75, along with the later updated NSDD-238, formed the substantive basis for President Reagan’s Cold War policy for the duration of his presidency.

As previously noted, in 1986, the Goldwater-Nichols Act mandated that “The President shall transmit to Congress each year a comprehensive report on the national security strategy of the United States,” which was to assert national security goals, provide guidance for applying elements of national power in the pursuit of those objectives, and assess U.S. military and nonmilitary capabilities for strategic success.¹²³ As a result, President Reagan issued the first National Security Strategy (NSS) in 1987, followed by another one in 1988. The overarching objectives of both the ’87 and ’88 NSS documents are very clearly derived from and influenced by NSDD-32. In the opening section of NSS ’87, Reagan asserts that “The foundation of a sound National Security Strategy, laid in the early days of this Administration, has held firm and served us well,” and that “This National Security Strategy Report builds on the efforts of the Administration, Congress, and the American people over the past six years.”¹²⁴

¹²² Eric D. Patterson and Jeffrey H. Morrison, *The Reagan Manifesto: “A Time for Choosing” and Its Influence* (New York: Springer, 2016), 18.

¹²³ Goldwater-Nichols Department of Defense Reorganization Act of 1986, Public Law 99-433 (1986), 85–86.

¹²⁴ Ronald Reagan, “National Security Strategy of the United States” (The White House, January 1, 1987), <http://nssarchive.us/NSSR/1987.pdf>; Ronald Reagan, “National Security Strategy of the United States” (The White House, January 1, 1988), <http://nssarchive.us/NSSR/1988.pdf>.

Appendix C: 1993 Bottom-Up Review (BUR) Case Study

The 1993 Bottom-Up Review (BUR) marked a significant milestone in U.S. national security strategy, revamping it for the post–Cold War era. Conducted by the newly elected Clinton administration and overseen by Secretary of Defense Les Aspin, the BUR sought to provide “a comprehensive review of the nation’s defense strategy, force structure, modernization, infrastructure, and foundations.”¹²⁵ The BUR identified four “new dangers” to the United States, changing the threat paradigm after nearly five decades of standoff against the Soviet Union: “spread of nuclear, biological, and chemical weapons; aggression by major regional powers or ethnic and religious conflict; potential failure of democratic reform in the former Soviet Union and elsewhere; [and] potential failure to build a strong and growing U.S. economy.”¹²⁶ Perhaps most importantly, the BUR codified the two-major regional conflict (MRC) capability standard—that is, the U.S. military should have the requisite forces and materiel to be able to fight and win two major regional wars nearly simultaneously—the basis upon which the BUR justified cutting the military force by roughly a third from Cold War levels but nevertheless maintained substantial forces at a time when there was no existential threat to the United States.¹²⁷

Context

The end of the Cold War, coupled with a sharp recession in the U.S. economy, created an atmosphere in the early 1990s conducive to an overhaul of the structure and budget of the U.S. military. Congressional calls for defense budget cuts led the Bush administration to develop the Base Force, a post–Cold War strategy that proposed downsizing U.S. military force by 25 percent.¹²⁸ The resultant series of congressional hearings and debate on the Base Force from 1991 to 1992 illustrated a mounting sentiment that this new era necessitated a strategy to reduce the cost, and subsequently the size, of the U.S. military force.

Then-Chairman of the House Armed Services Committee (HASC) Les Aspin arose as a vocal critic of the Base Force, countering the Bush administration strategy with recommendations of his own, presented in a series of speeches and white papers. As it became apparent that the Base Force concept was unlikely to succeed, the Pentagon began to formulate a “Base Force II” that would cut troops by 33 percent.¹²⁹ The review was led by General Colin Powell, then-chairman of the Joint Chiefs of Staff (JCJS). These recommendations from Aspin’s white papers and Powell’s Base Force II became the foundation upon which the BUR was eventually built. The formulation of a new security strategy for the United States was an issue of paramount importance during the 1992 presidential election, and the newly appointed

¹²⁵ Les Aspin, “Report on the Bottom-Up Review” (Washington, DC: Department of Defense, October 1993), iii.

¹²⁶ *Ibid.*, 1.

¹²⁷ Eric V. Larson, David T. Orletsky, and Kristin J. Leuschner, *Defense Planning in a Decade of Change* (Santa Monica, CA: RAND Corporation, 2001), 41, http://www.rand.org/pubs/monograph_reports/MR1387.html.

¹²⁸ Don M. Snider, “Strategy, Forces and Budgets Dominant Influences in Executive Decisionmaking, Post–Cold War, 1989–91,” *Professional Readings in Military Strategy* no. 5 (Carlisle Barracks, PA: U.S. Army War College Strategic Studies Institute), 29.

¹²⁹ Martin Binkin, *Who Will Fight the Next War?: The Changing Face of the American Military* (Washington, DC: Brookings Institution, 1993), 145.

Secretary of Defense Aspin harnessed the political momentum around the issue to officially begin working on the BUR immediately after President Bill Clinton took office.¹³⁰

Process Leadership and Team Structure

Secretary Aspin was the main driving force behind the BUR, with a very open mandate from President Clinton. Aspin's previous work on the HASC heavily guided the BUR strategy formulation process. His February 1992 report to the HASC—a rebuttal to the original Base Force—included “four illustrative options” for what the Cold War force structure could look like; Option C from the report most closely resembles what would go on to become the BUR final product.¹³¹

The review was executed by a combination of a smaller steering committee, led by Deputy Secretary of Defense John Deutch as the chairman, with the larger staff effort directed by Acting Deputy Undersecretary of Defense for Policy Frank Wisner.¹³² Both the BUR steering committee and the workforce included a broad mix of civilian and military representatives from across the DoD: “the Office of the Secretary of Defense, the Joint Chiefs of Staff, the unified and specified commands, each of the uniform military services, and other defense agencies.”¹³³

The steering committee included many former members of Secretary Aspin's congressional staff, who had the experience of working on his responses to the Bush Base Force, including a series of white papers that detailed a post-Cold War threat paradigm and provided options for how to cut the military force and realign it to the new strategic environment. Other prominent members of the steering committee who were not part of Aspin's congressional staff included Assistant Secretary of Defense for Strategy and Requirements Ted Warner, Deputy Assistant Secretary of Defense for Strategy David Ochmanek, and Deputy Assistant Secretary of Defense for Requirements and Plans Dale Vesser.¹³⁴

To support the steering group, a large number of working groups and panels were established. These included members of OSD, the Joint Staff, and the military services. As a result, the BUR described itself as an effort that harnessed “hundreds of individuals' labor and dedication.”¹³⁵

The dynamic between the Office of the Secretary of Defense for Policy (OSD Policy) and the Office of the Joint Chiefs was collaborative but tense through the duration of the BUR policymaking process, mostly due to Aspin and General Colin Powell's at times tenuous relationship. Powell had served as CJCS under Bush while Aspin was still the HASC chairman, and as such had been heavily involved in developing the Base Force. Aspin's criticisms of Powell during the Base Force discussions, and disagreement over

¹³⁰ Mark A. Gunzinger, “Beyond the Bottom-Up Review” (National War College, 1996), www.dtic.mil/cgi-bin/GetTRDoc?AD=ADA430015.

¹³¹ Les Aspin, “An Approach to Sizing American Conventional Forces for the Post-Soviet Era: Four Illustrative Options,” House Armed Services Committee, February 25, 1992; John T. Correll, “The Legacy of the Bottom-Up Review,” *Air Force Magazine*, October 2003, <http://www.airforcemag.com/MagazineArchive/Pages/2003/October%202003/1003bur.aspx>.

¹³² Gunzinger, “Beyond the Bottom-Up Review,” 6; Timothy D. Ringgold, “Strategy Turned Upside Down: The Bottom-Up Review and the Making of U.S. Defense Policy” (Center for Strategic and International Studies, March 21, 1996), 7, <http://www.dtic.mil/cgi-bin/GetTRDoc?Location=U2&doc=GetTRDoc.pdf&AD=ADA310856>.

¹³³ Ringgold, “Strategy Turned Upside Down.”

¹³⁴ Gunzinger, “Beyond the Bottom-Up Review,” 7.

¹³⁵ Aspin, “Report on the Bottom-Up Review,” iii–iv.

capabilities-based versus threat-based strategic planning throughout the formulation of the BUR, colored some of the interactions between the offices of OSD Policy and the Joint Staff.

Powell had developed “a strategic planning legacy” that avoided the bureaucracy by sidestepping the strategic planning system.¹³⁶ He often chose to consult with “key people on the Joint Staff to develop the concepts, [discussing] it with the Joint Chiefs and Combatant Commanders, and [presenting] an overall force structure reduction to civilian leaders before the final structure was agreed to formally.”¹³⁷ Despite Powell calling the review “a very, very collaborative effort,” his back-door policymaking complicated his relationship with Aspin, and added to the tension between their two offices.¹³⁸

Secretary Aspin benefited from extensive preliminary work on strategy and budgets that he and his staff conducted at the HASC during the 1991–1992 debates on the Base Force, but also from Powell’s Base Force II, which shared similarities. Clarity of direction from Aspin and the familiarity of his transplanted staff with the subject matter greatly streamlined the strategy formulation process, particularly within the steering committee. Despite tensions between the OSD Policy and the Joint Staff, the BUR enjoyed buy-in from both organizations, especially due to the inclusion of themes from Base Force II, which contributed to the enduring nature of the strategy. That buy-in can be attributed in part to both Powell publicly praising the final BUR and the acknowledgment by Aspin that BUR built on “analytic efforts that Powell and the Joint staff had begun while Aspin was still in the House.”¹³⁹

Although there is no explicit indication that U.S. allies were consulted in the formulation of the BUR, an entire section within the document is dedicated to U.S. efforts at “Sustaining and Adapting Alliances.”¹⁴⁰ Similarly, there was no official involvement of agencies outside of the DoD in the BUR formulation process.

As the name of the document suggests, the BUR was intended to be a bottom-up process, an effort that, instead of arbitrarily slashing budget and troop numbers—a criticism that Aspin had of the Bush Base Force—would work from the ground up to recommend actions that would best mitigate these emergent threats and place the military in the best possible position for success in a two-MRC scenario. However, critics of the BUR assert that contrary to the name of the document, Aspin built upon his work at the HASC countering the Base Force concept and issued a “‘top-down,’ highly politicized”¹⁴¹ mandate to cut defense budgets, forcing those working on the BUR to struggle to “bridge the gap between Aspin’s arbitrary budget and a credible defense program.”¹⁴² In fact, “Aspin had frequently mentioned savings targets prior to and during the review. These spending targets support assertions that the BUR was not

¹³⁶ Richard M. Meinhart, “Chairmen Joint Chiefs of Staff’s Leadership Using the Joint Strategic Planning System in the 1990s: Recommendations for Strategic Leaders (Carlisle Barracks, PA: U.S. Army War College Strategic Studies Institute, 2003), 39, http://www.globalsecurity.org/military/library/report/2003/ssi_meinhart.pdf.

¹³⁷ Ibid.

¹³⁸ Defense Department Review (CSPAN), September 1, 1993, <https://www.c-span.org/video/?49768-1/defense-department-review&desktop=> .

¹³⁹ Randall B. Ripley and James M. Lindsay (eds.), “U.S. Foreign Policy after the Cold War (Pittsburgh: University of Pittsburgh Press, 1997).

¹⁴⁰ Aspin, “Report on the Bottom-Up Review,” 3.

¹⁴¹ David Isenberg, “The Pentagon’s Fraudulent Bottom-Up Review,” Cato Institute, April 21, 1994, <https://www.cato.org/publications/policy-analysis/pentagons-fraudulent-bottom-review>.

¹⁴² Correll, “The Legacy of the Bottom-Up Review,” 54.

entirely bottom-up, but was, in part, a top-down, fiscally driven exercise to cut forces and realize a greater peace dividend.”¹⁴³

Resources

The BUR formulation process was destined to be resource-constrained even before it began; the Clinton campaign had run on a platform of decreasing military spending with the Soviet threat of nearly five decades lifted, shifting the focus to improving the domestic economy.¹⁴⁴ Although President Bush had committed to cutting the active duty military force from 1.9 million troops to 1.6 million troops, Clinton wanted to reduce that number by a further 200,000.¹⁴⁵ Additionally, while Bush proposed a military spending budget of \$1.42 trillion over the 1993 to 1997 timeframe during the campaign, Clinton proposed \$1.36 trillion for the same period, nearly 4 percent lower.¹⁴⁶

After the Clinton victory, his campaign promise of cuts to the defense budget and military forces informed the BUR. The BUR proposed to cut the Base Force budget by an additional 7 percent, resulting in about \$1.2 trillion allocated to the defense budget over five fiscal years.¹⁴⁷ Working within the tight parameters and constraints issued by the leadership, which sought to make significant budget reductions, this review ultimately cut U.S. military forces by one-third from Cold War era levels—compared with the 25 percent Base Force cut.¹⁴⁸

The force structure established by the BUR appears in Table C.1.¹⁴⁹

¹⁴³ Gunzinger, “Beyond the Bottom-Up Review,” 16.

¹⁴⁴ Isenberg, “The Pentagon’s Fraudulent Bottom-Up Review.”

¹⁴⁵ Eric Schmitt, “The 1992 Campaign: Clinton and Bush Agree on Trimming Armed Forces, but Their Paths Vary,” *New York Times*, October 21, 1992, <http://www.nytimes.com/1992/10/21/us/1992-campaign-clinton-bush-agree-trimming-armed-forces-but-their-paths-vary.html>.

¹⁴⁶ *Ibid.*

¹⁴⁷ The breakdown per year was as follows: FY 1995: \$249 billion; FY 1996: \$242 billion; FY 1997: \$236 billion; FY 1998: \$244 billion; and FY 1999: \$250 billion. Isenberg, “The Pentagon’s Fraudulent Bottom-Up Review.”

¹⁴⁸ U.S. General Accounting Office, “Bottom Up Review: Analysis of Key DoD Assumptions,” Report to Congressional Committees (U.S. General Accounting Office, January 1995), 3.

¹⁴⁹ Ringgold, “Strategy Turned Upside Down,” 11; “U.S. Strategic Nuclear Forces, End of 1993.” *The Bulletin of the Atomic Scientists*, 50.1 (January/February 1994): 65; Mark E. Gebicke, “Reserve Forces: DoD Policies Do Not Ensure That Personnel Meet Medical and Physical Fitness Standards,” Report to the Chairman, Subcommittee on Readiness, Committee on Armed Services, House of Representatives (Chapter Report, 03/23/94, GAO/NSIAD-94-36), March 23, 1994, <https://www.gpo.gov/fdsys/pkg/GAOREPORTS-NSIAD-94-36/html/GAOREPORTS-NSIAD-94-36.htm>; Mick Miller, Ray Hall, and Bill Myers, “Memorandum for the Record: The Administration’s Budget for 1994,” United States Congress, April 21, 1993, <https://www.cbo.gov/sites/default/files/103rd-congress-1993-1994/reports/93doc05b.pdf>, 9; “U.S. Ship Force Levels, 1993-1999, Naval History and Heritage Command,” Accessed February 17, 2017, <https://www.history.navy.mil/research/histories/ship-histories/us-ship-force-levels.html>; David Coleman, “U.S. Military Personnel 1954–2014,” *History in Pieces*, Accessed February 17, 2017, <http://historyinpieces.com/research/us-military-personnel-1954-2014>.

Table C.1: BUR Force Structure

Service	1993 Levels	BUR Recommendations	Delta
Army	14 Active Divisions	10 Active Divisions	-4
	8 Army National Guard Divisions	8 Army National Guard Divisions	[No change]
	19 Army National Guard Brigades	18 Army National Guard Brigades	-1
Navy	12 Active Aircraft Carriers	11 Active Aircraft Carriers	-1
	1 Reserve Aircraft Carrier	1 Reserve Aircraft Carrier	[No change]
	88 Total Submarines	45–55 Attack Submarines	-43 to -33
	454 Ships	346 Ships	-108
Air Force	16 Active Fighter Wings	13 Active Fighter Wings	-3
	12 Reserve Fighter Wings	7 Reserve Fighter Wings	-5
	202 Total Bombers	Up to 184 B-52H, B-1, and B-2 Bombers	-18
Marine Corps	3 Marine Expeditionary Forces	3 Marine Expeditionary Forces	[No Change]
	178,379 Active Duty Personnel	174,000 Active Duty Personnel	-4,379
	44,000 Reserve Duty Personnel	42,000 Reserve Duty Personnel	-2,000
Strategic Nuclear Forces (by 2003)	18 Ballistic Missile Submarines (Planned)	18 Ballistic Missile Submarines	[No Change]
	92 B-52H Bombers	Up to 94 B-52H Bombers	+2
	20 B-2 Bombers (Planned)	20 B-2 Bombers	[No Change]
	500 Minuteman III Single Warhead ICBMs	500 Minuteman III Single Warhead ICBMs	[No Change]

Additionally, the BUR reassures allies of U.S. commitment to remaining engaged globally, but also made it clear that an effort would be made to “sustain [U.S.] leadership at a lower cost,” based upon priority areas of interest, which “[U.S.] allies must be sensitive to.”¹⁵⁰

¹⁵⁰ Aspin, “Report on the Bottom-Up Review,” 3.

Analysis and Risk Assessment

The BUR explicitly laid out the methodology behind its strategy—a new threat paradigm for the post-Cold War era, an approach to tackle the risks, a force structure to accomplish the strategic goals, and programmatic needs to complement the force structure.

As early as 1991, Aspin had advocated the use of a threat-based methodology over the capabilities-based methodology posited by then-Chairman Powell in the Base Force. This meant that rather than looking at U.S. capabilities and determining how to best allocate resources, which tends “to preserve more forces as a hedge against uncertainty,”¹⁵¹ Secretary Aspin wanted to show “a clear linkage between the forces and the threats those forces are designed to deal with,” not just to streamline strategy more efficiently, but also to justify defense spending to the U.S. public.¹⁵² Aspin wanted to show that troop levels were commensurate to the level of threat being faced. These force levels would avoid the higher costs the United States had to bear during the Cold War, but at the same time, ensure that forces were not just cut blindly, leaving the United States and its allies and interests vulnerable.

The BUR proposed a step-by-step methodology for the review, as follows:

1. “Assessing the post-Cold War era, and particularly the new dangers and opportunities it presents.”
2. “Devising a defense strategy to protect and advance our interests in this new period.”
3. “Constructing building blocks of forces to implement the strategy.”
4. “Combining these force building blocks to produce options for our overall force structure.”
5. “Complementing the force structure with weapon acquisition programs to modernize our forces, defense foundations to sustain them, and policy initiatives to address new dangers and take advantage of new opportunities.”
6. “Make decisions on force structure, modernization, defense foundations, and policy initiatives for the BUR.”
7. “Build multi-year defense plan.”¹⁵³

The methodology was not unique. All subsequent strategic reviews have argued that they followed the same process. What was unique was the transparency of the process. The BUR report described each step in detail.

The BUR built its strategy on the assumption that U.S. forces needed the ability to successfully fight two nearly simultaneous “major regional conflicts” (MRCs). Determining U.S. force structure and posture in line with the MRC capability assumption required use of scenario-based assessments. Two scenarios—“aggression by a remilitarized Iraq against Kuwait and Saudi Arabia, and by North Korea against the

¹⁵¹ Gunzinger, “Beyond the Bottom-Up Review,” 4.

¹⁵² *Ibid.*, 2–4.

¹⁵³ Ringgold, “Strategy Turned Upside Down.”

Republic of Korea”—were laid out explicitly in the BUR to determine how the United States should structure its forces.¹⁵⁴ The process of determining a force structure to prevail in these scenarios was dubbed the “building block method.”¹⁵⁵ In both scenarios, the United States would “halt the invasion,” “build up U.S. combat power in the theater, while also reducing the combat power of the enemy,” “decisively defeat the enemy,” and finally, “provide for post war stability.”¹⁵⁶

Winning two nearly simultaneous MRCs with the reduced BUR force structure depended on key force enhancements. DoD representatives stated in testimony that, compared to Base force, “the BUR force incurred a higher level of risk in executing the two-MRC strategy even with the planned force enhancements.”¹⁵⁷ The question of risk was not about prevailing in a conflict—at the time, the United States had overwhelming military capabilities, and there was little doubt that the United States would ultimately prevail in a conflict.¹⁵⁸ Rather, the question of risk asked “whether the capabilities were sufficient to defeat the enemy as quickly as desired, how much of the force would need to be engaged in both conflicts, and whether casualties could be minimized.”¹⁵⁹

There was a debate over a “mismatch between strategy and resources”¹⁶⁰ in the BUR. Critics argued that the two-MRC capability construct “requires a force that is too large to modernize and to keep ready at the same time, within projected funding levels.”¹⁶¹

History appeared to bear this out as global tensions continued. Over the course of the 1990s U.S. interventions in conflicts in Bosnia, Kosovo, and Iraq put unexpected demands on forces. As a result, the defense budget bottomed out in 1998 and started to increase rapidly after that. Additional funds beyond what the BUR originally planned had to be requested to maintain forces and account for unforeseen expenditures, which consequently led to “a defense program for FY 1996–1999 that by all appearances was over budget by roughly \$20 billion.”¹⁶²

Nevertheless, the BUR dramatically changed the U.S. national security strategy and the size and nature of the U.S. force structure after nearly five decades of maintaining a large, expensive force calibrated toward the Soviet threat during the Cold War.¹⁶³ By the early 2000s its force structure changes had largely been implemented. Despite issues with budget and force numbers, the two-MRC force planning construct endured in different forms through QDRs in 1997, 2001, 2006, 2010, and 2014 and up to the present day.¹⁶⁴

¹⁵⁴ Aspin, “Report on the Bottom-Up Review,” 14–15.

¹⁵⁵ Ringgold, “Strategy Turned Upside Down,” 9.

¹⁵⁶ Aspin, “Report on the Bottom-Up Review.”

¹⁵⁷ Larson, Orletsky, and Leuschner, *Defense Planning in a Decade of Change*, 76; Gunzinger, “Beyond the Bottom Up Review,” 11.

¹⁵⁸ Larson, Orletsky, and Leuschner, *Defense Planning in a Decade of Change*, 75.

¹⁵⁹ Ibid.

¹⁶⁰ Correll, “The Legacy of the Bottom-Up Review,” 59.

¹⁶¹ Ringgold, “Strategy Turned Upside Down,” 3.

¹⁶² Larson, Orletsky, and Leuschner, *Defense Planning in a Decade of Change*, 70.

¹⁶³ Ringgold, “Strategy Turned Upside Down,” 79.

¹⁶⁴ Daniel Goure, “The Measure of a Superpower: A Two Major Regional Contingency Military for the 21st Century (Washington, DC: The Heritage Foundation, 2003), <http://www.heritage.org/research/reports/2013/01/the-measure-of-superpower-a-two-major-regional-contingency-military-for-21-century>.

Forecasting

The BUR projected its force structure numbers and strategic goals out to 1999—slightly over five years from when the report was published.¹⁶⁵ It projected out to 2003 for its strategic nuclear force.¹⁶⁶ In its planning stages, the BUR considered three different time horizons (10-year, 20-year, and 30-year) when discussing modernization options.¹⁶⁷

Articulation of Priorities

The BUR delineated clear priorities, and provided concrete, actionable “ways” to get from the “means”—the resource constraints and the newly identified threats—to the “ends”—the goal of being able to successfully fight two nearly-simultaneous regional conflicts without compromising on general deterrence posture and force projection worldwide.¹⁶⁸

Dissemination, Rapidity, and Regularity

The BUR was an unclassified report with no classified annexes.

Because much of the groundwork for the BUR had been laid by Aspin and his team during the years of the congressional debate on the Bush “Base Force,” the president was able to brief the major results in August, and the report was issued in early October, just over nine months after President Clinton first took office.

The success of the BUR process is illustrated by the statutory requirement that it be repeated. In 1997, the Department of Defense under Secretary William Cohen issued a congressionally mandated BUR-like strategic defense review, titled “Report of the Quadrennial Defense Review” (QDR).¹⁶⁹ In 1999, the 106th Congress required that QDRs be conducted every four years, including “a comprehensive examination of the national defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies of the United States with a view towards determining and expressing the defense strategy of the United States and establishing a defense program for the next 20 years.”¹⁷⁰ Despite changes to the QDR requirement in the 2016 and 2017 National Defense Authorization Acts (NDAA), there is still a statutory requirement to produce a strategy document every four years—now called the National Defense Strategy (NDS)—pointing to the BUR’s enduring strategy formulation legacy.¹⁷¹

¹⁶⁵ Aspin, “Report on the Bottom-Up Review.”

¹⁶⁶ *Ibid.*, 17, 26.

¹⁶⁷ *Ibid.*, 37.

¹⁶⁸ *Ibid.*

⁷² William S. Cohen, *Report of the Quadrennial Defense Review*, May 1997.

¹⁷⁰ Jeffrey D. Brake, *Quadrennial Defense Review (QDR): Background, Process, and Issues*, RS20771 (Washington, DC: Congressional Research Service, 2001).

¹⁷¹ The law makes an exception to the four-year requirement in cases where a new secretary of defense is appointed following a presidential election. In that case, “the Secretary shall present the national defense strategy . . . as soon as possible after appointment by and with the advice and consent of the Senate.” Secretary of Defense, 10 USC, § 113 (g)(1)(E) (2016).

Alignment to Other Documents

Several documents followed directly after the BUR was completed, linking the strategies and goals of the document to implementation in specific areas. The Defense Planning Guidance (DPG)—which gave detailed guidance to the services and agencies—shortly followed the publishing of the BUR. The Nuclear Posture Review was issued in September 1994, followed by the Mobility Requirements Study Bottom-Up Review Update (MRS-BURU) in March 1995.

The BUR acted as the administration’s initial strategy document. The National Security Strategy (NSS) was released in July 1994. Thus, contrary to theory, the BUR preceded the NSS, rather than being derived from it.¹⁷² The Joint Chiefs of Staff issued the National Military Strategy (NMS, titled “A Strategy of Flexible and Selective Engagement”) in 1995.

Conclusion

Most experts considered the BUR process to be largely successful. It created a product that was both responsive to the existing political and security environment but also forward-focused and durable enough to persist through the 1990s, until a significant shock—the September 11 attacks—shifted the threat paradigm and required a major reevaluation of U.S. strategy. The document clearly laid out its goals, offered concrete actions for accomplishing those goals, and detailed the nuts-and-bolts of how those actions would be carried out.¹⁷³ The result was a strategic outlook that outlasted the original leaders that conducted the review, with elements like the two MRC construct that continue to resonate strongly within the national security apparatus.

¹⁷² Gunzinger, “Beyond the Bottom-Up Review,” 12–14.

¹⁷³ Aspin, “Report on the Bottom-Up Review,” 4.

Appendix D: 2001 Quadrennial Defense Review (QDR) Case Study

Four key factors shaped the 2001 Quadrennial Defense Review (QDR):

- It attempted to provide guidance through an initial strategy review developed by a small, secretive group of outside experts (who were former insiders), particularly excluding the military services; it then turned to a larger group of both insiders and outsiders, reincorporating the military; and finally shifted to panels of insiders.
- It shifted from a “threat-based model” to a “capabilities-based model” to adapt to a less predictable threat environment.¹⁷⁴
- It continued the “transformation” theme included in the 1997 QDR that was focused on fighting an adversary with advanced technologies by “skipping a generation” of modernization.
- It included homeland defense as a DoD mission for the first time and modified the goals of the two-conflict construct from the 1990s, which described decisively winning one and repelling aggression in the other.

Released on October 1, 2001, the 2001 QDR became the first guiding defense strategy document of the post-9/11 era.

Context

At the turn of the 21st century, the United States enjoyed a unique position of hegemony and prosperity. The Soviet Union had collapsed, no peer competitors had emerged, and the U.S. economy was strong. Spurred by President Bush’s campaign promises to comprehensively review the military,¹⁷⁵ Defense Secretary Rumsfeld wanted to take advantage of the unique U.S. position in order to “recover from investment shortfalls” in people, morale, equipment, and op tempo; to develop and retain better talent; and to invest in future capabilities that could better allow the United States to reassure allies and deter/defeat enemies.¹⁷⁶

Strategically, Rumsfeld envisioned a large shift in defense planning. In the 1990s, planning focused on developing the capability to fight and decisively win two major military campaigns simultaneously—the two-major theater war concept (2 MTW).¹⁷⁷ Rumsfeld and his team believed this approach had become outdated and insufficient, both because two major regional wars had not occurred and because the

¹⁷⁴ U.S. Department of Defense, *Quadrennial Defense Review Report*, October 2001, IV, <http://archive.defense.gov/pubs/qdr2001.pdf>.

¹⁷⁵ Rumsfeld, *Known and Unknown*, 294.

¹⁷⁶ For more on this, see *Senate Armed Services Committee Hearing on Defense Strategy Review* (June 2009) (prepared testimony of U.S. Secretary of Defense Donald H. Rumsfeld), <http://www.comw.org/qdr/010621rumsfeld.pdf>.

¹⁷⁷ Also called the 2 MRC for Major Regional Conflict, or MCO for Major Combat Operation.

likely dangers of the new century would be different than past ones. Strategy would focus less on countering threats from specific adversaries and more on countering the threats themselves; defense forces would therefore be able to address a range of capabilities from conventional to asymmetric.

In a series of congressional hearings on defense reform in the months before the QDR's release, Rumsfeld also made clear that he prioritized "transformation." He wanted a "high-tech, network-centric approach to war, emphasizing precision-strike weaponry, information-age intelligence, and ballistic missile defense."¹⁷⁸ These themes resonated with Bush's plan to "skip a generation of technology," that is, invest in advanced technologies rather than current technologies.¹⁷⁹

When the terrorist attacks of September 11, 2001, occurred, drafting of the 2001 QDR report was well along. Although there was some revision in the intervening three weeks before publication, some officials saw the attacks as confirmation of the overall goals of the document.¹⁸⁰ Rumsfeld, for example, viewed the attacks and the subsequent Global War on Terror as confirmation of his focus on flexibility in order to address "the unanticipated."¹⁸¹

Process Leadership and Team Structure

Rumsfeld was eager to begin Bush's promised review of the military. Unfortunately he encountered delays in the selection, vetting, and confirmation of his senior advisers, driving him to commission a range of outside strategy papers including one by Andrew W. Marshall of the Office of Net Assessments.¹⁸² The result of these efforts was descriptive rather than prescriptive, and so Rumsfeld ordered another series of panels in the winter and early spring of 2001 to conduct further assessments. This set of panels was composed of a small group of outside experts—retired military officers, former defense officials, and former White House officials. The number of panels is somewhat ambiguous (numbering anywhere from 12 to 21).¹⁸³ They examined issues like transformation, conventional and

¹⁷⁸ Suzanne C. Nielsen and Don M. Snider, eds., *American Civil-Military Relations: The Soldier and the State in A New Era* (Baltimore: John Hopkins University Press, 2009), 49.

¹⁷⁹ Frank Pellegrini, "Defense: Rumsfeld's Lonely, Losing Battle," *Time*, August 9, 2001, <http://content.time.com/time/nation/article/0,8599,170605,00.html>.

¹⁸⁰ The report was due to Congress September 30, and while there was reported to be some thought to delaying it in order to more fully address terrorism, leaders ultimately went forward with the planned release, saying that "the QDR already included attention to homeland defense, asymmetric threats and potential surprises, and that references to the terrorist attacks could be sprinkled throughout the existing draft text." Another military officer was more skeptical, wanting to see the September 10 version and the September 12 version side by side. See Elaine M. Grossman, "Key Review Offers Scant Guidance on Handling '4th Generation' Threats," *Inside the Pentagon*, October 4, 2001, posted on the website of Free Republic, <http://www.freerepublic.com/focus/f-news/539473/posts>; A senior defense official said, "It is not a surprise that we were attacked in a way that our conventional military forces were not designed to defend against at that moment." See "Quadrennial Review Shifts Transformation to High Gear," *Defense-aerospace.com*, October 2, 2001, [http://www.defense-aerospace.com/article-view/release/6798/pentagon-explains-qdr-goals-\(oct.-3\).html](http://www.defense-aerospace.com/article-view/release/6798/pentagon-explains-qdr-goals-(oct.-3).html).

¹⁸¹ Rumsfeld, *Known and Unknown*, 303.

¹⁸² There is some confusion as to whether Marshall led a singular, first initial review, or if he led one among several, simultaneous initial reviews. See John T. Correll, "In Pursuit of a Strategy," *Air Force Magazine*, August 2001, <http://www.airforcemag.com/MagazineArchive/Documents/2001/August%202001/0801watch.pdf>.

¹⁸³ For the claim of 12, see Michael Catanzaro, "The Revolution in Military Affairs Has an Enemy: Politics," *The American Enterprise* 12 (October 2001): 24; for the claim of 21, see Robert F. Dorr, "DoD and Senate Feel Winds of Change," *Aerospace America*, July 2001.

nuclear weapons, acquisitions, and more.¹⁸⁴ They met behind closed doors, kept results private, and largely excluded active military.

This alienated the service chiefs and crippled the effort; one article at the time quoted a Joint Chiefs of Staff (JCS) liaison to the review as saying “the review was a ‘train wreck’ being conducted in ‘shallow fashion.’”¹⁸⁵ When panel results did finally air, like proposed cuts in equipment and programs, they angered the military and members of Capitol Hill. Many of the recommendations also appeared to be contradictory.¹⁸⁶ Each of the panels advocated for resources and funding to their areas of expertise without being required to prioritize or find offsets. The panels offered their recommendations to the secretary via written reports, but since there was not a mechanism of synchronization or prioritization, they were not influential.¹⁸⁷ As a result, the initial review was descriptive rather than prescriptive. The lack of specificity and actionable strategy drove the need for another approach.

Rumsfeld changed tack. He reengaged the Joint Chiefs of Staff, holding a flurry of meetings that signaled a much more inclusive process. Together Rumsfeld, his Deputy Secretary Paul D. Wolfowitz, other key OSD leaders, the JCS, and the service secretaries formed a Senior Level Review Group (SLRG) that oversaw the QDR. The SLRG developed a document called the Terms of Reference (TOR), released June 22 but in development since May, that framed the issues and offered next steps. The TOR also created an Executive Working Group, chaired by Steve Cambone, special assistant to Rumsfeld and a member of the SLRG, and included military members and staff from the Office of the Secretary of Defense (OSD). The Working Group coordinated project teams (eight in total) that prepared specific pieces of the QDR.¹⁸⁸

One significant problem was timing. Work had begun in the late spring, but the QDR was due September 30. This left little time for in-depth analysis or recommendations. Senator Carl Levin said that it seemed to be “full of decisions deferred.”¹⁸⁹ Another problem was that, although reintegrated into the process, the military still felt sidelined at times. For example, of the eight project teams set up by the Executive Working Group, only one was chaired by the military. Despite Rumsfeld’s new approach, “the damage

¹⁸⁴ The Panels included issues like: “Defense Strategy, Quality of Life, Acquisition Reform, Transformation, National Missile Defense, Intelligence/Space, Nuclear Forces, and Conventional Forces, as well as several others.” John Y. Schrader, Leslie Lewis, and Roger Allen Brown, “Quadrennial Defense Review 2001: Lessons on Managing Change in the Department of Defense,” Documented Briefing, RAND Corporation, 2003, 18, https://www.rand.org/content/dam/rand/pubs/documented_briefings/2005/DB379.pdf.

¹⁸⁵ Air Force Lt. Gen. Bruce Carlson allegedly said this to other top officers, according to two Defense officials. Thomas E. Ricks, “For Rumsfeld, Many Roadblocks: Miscues—and Resistance—Mean Defense Review May Produce Less Than Promised,” *Washington Post*, August 7, 2001, http://www.washingtonpost.com/wp-dyn/articles/A28526-2001Aug3_2.html.

¹⁸⁶ Steven Lee Myers, “Pentagon Paper Urges Scuttling Howitzer System,” *New York Times*, April 23, 2001, <http://www.nytimes.com/2001/04/23/us/pentagon-panel-urges-scuttling-howitzer-system.html>.

¹⁸⁷ Schrader et al., *Quadrennial Defense Review 2001: Lessons on Managing Change in the Department of Defense*, 25.

¹⁸⁸ U.S. Department of Defense, *Guidance and Terms of Reference for the 2001 Quadrennial Defense Review*, June 2001, <http://www.comw.org/qdr/qdrguidance.pdf>.

¹⁸⁹ *2001 Quadrennial Defense Review Hearing Before the Senate Committee on Armed Services*, 107th Congr. 1, (2001) (prepared statement of the Honorable Paul D. Wolfowitz).

had been done, a Pentagon official noted: ‘Once you lose the trust of military people, it is hard to regain it.’”¹⁹⁰

Top-Down vs. Bottom-Up

As previously illustrated, the 2001 QDR was directly driven by Rumsfeld, making it top-down in nature. As described by one senior defense official: “I’ve participated in at least four serious overall looks at defense strategy under three different presidents and I guess any number of secretaries of Defense. . . . But I’ve never seen in any of those experiences, and I don’t think I’ve heard from anyone else in any other experience, that going into it there was as much senior-level time spent in discussing the assumptions that should guide the analysis that will be done by lower levels in the department. Not much lower, by the way. We’re still talking about pretty senior people doing the work.”¹⁹¹

Top-level civilians, aided by senior military, also guided the Senior Level Review Group, the Executive Working Group, and the writing teams.

Clear Priorities vs. Aspirational, Broad vs. Narrow Focus

The 2001 QDR delineated aspirational goals rather than clear priorities, resulting in an attempt to broadly address every issue. There is no acknowledgment of tradeoffs or hierarchy of priorities; rather, Rumsfeld set forth the aspirational proclamation: “Our commitment to the nation will be unwavering and our purpose clear: to provide for the safety and well being of all Americans and to honor America’s commitments worldwide.”¹⁹² The statement of priorities was no more specific: “The highest priority of the U.S. military is to defend the Nation from all enemies,” and particularly to protect “our critical bases of operation—including the most critical base of operation, the U.S. homeland.”¹⁹³

Planning for the 2001 QDR originally intended to answer 40 particular issues, arranged into six categories: “a general category defining the strategic environment out to 2020; and five “Core Themes”—the strategy-to-force-structure mismatch; a strategy for strategic mobility; sustainment capabilities and infrastructure to achieve Joint Vision 2020; funding to support modernization and recapitalization; understanding homeland security defense; and transforming to Joint Vision 2020.”¹⁹⁴ However, the compressed timeline meant that the QDR could only address the strategic environment.

The QDR set out four broad goals: U.S. strategy should assure allies and friends, dissuade adversaries, deter aggression and coercion, and, if deterrence fails, decisively defeat any adversary. It also helped push the expansion of the discussion of risk. However, the document focused almost exclusively on these “ends,” with little discussion on the “means” to achieve them.

The QDR also identified areas for future assessment. For example, decisions on the role of the Reserve Components were deferred, with the QDR stating: “To ensure the appropriate use of the Reserve Components, DoD will undertake a comprehensive review of the Active and Reserve mix, organization,

¹⁹⁰ Ricks, “For Rumsfeld, Many Roadblocks.”

¹⁹¹ U.S. Department of Defense, “Background Briefing on the Quadrennial Defense Review” (news transcript, June 14, 2001), <http://www.comw.org/qdr/dodbrief061401.html>.

¹⁹² U.S. Department of Defense, *Quadrennial Defense Review Report*, VI.

¹⁹³ *Ibid.*, 6,18.

¹⁹⁴ Schrader et al., *Quadrennial Defense Review 2001: Lessons on Managing Change in the Department of Defense*.

priority missions and associated resources.”¹⁹⁵ More generally, the QDR called for continued review given that “the mix of new threats and missions that DoD will consider in the near- to mid-term requires the Department to reevaluate this study in detail and adjust the results as necessary.” The QDR did not specify whether this reevaluation should be continuous or periodic. In his statement accompanying the QDR, the chairman of the Joint Chiefs of Staff echoed this need for further review, stating that “additional work beyond the QDR is required in several areas,” naming reserve components and logistics specifically.

Resources

Although he did not want to increase the overall size of the U.S. military, Rumsfeld requested additional funds to address his capability objectives and was disappointed when President Bush increased the base Defense Department’s budget by only \$18 billion, about half of Rumsfeld’s request.¹⁹⁶ Still, Rumsfeld worked toward a reallocation of resources to implement his new concepts.

The 2001 QDR presented a mechanism for this reallocation. During the campaign, then-candidate George W. Bush spoke of “a comprehensive military review” to be conducted by his secretary of defense to “develop a new architecture for American defense designed to meet the challenges of the next century.”¹⁹⁷ Those challenges would further impact the administration’s approach to resource allocation following the 9/11 attacks. President Clinton had cut military spending initially before approving small increases in his second term, and he reduced the active duty military force from approximately 1.9 million troops to 1.4 million troops.¹⁹⁸ Bush promised to raise defense spending by \$45 billion over 10 years, but that was a far smaller increase than the additional \$50 billion annually proposed by the Joint Chiefs of Staff.¹⁹⁹

Bush delivered on his campaign promise to empower his secretary of defense to oversee a defense review that would shift resources to build a “lethal, light, and mobile” military with “the flexibility to move rapidly.”²⁰⁰ In the post-9/11 environment, Rumsfeld’s foreword to the 2001 QDR stated, “[C]osts do not begin to compare with the cost in human lives and resources if we fail to do so [spend what is necessary to deter the adversaries of tomorrow],” implying an increased willingness to spend resources because of a heightened sense of threat following the 9/11 attacks.²⁰¹

The 2001 QDR looked to transform “U.S. forces, capabilities, and institutions” to develop “new areas of military advantage”—and the forward-looking, capability-based approach prioritizes immediate

¹⁹⁵ Schrader et al., *Quadrennial Defense Review 2001: Lessons on Managing Change in the Department of Defense*, 23.

¹⁹⁶ Rumsfeld, *Known and Unknown*.

¹⁹⁷ Roberto Suro, “Issue Guide: Gore, Bush Defense Plans Short of Military Demands,” *Washington Post*, October 28, 2000, https://www.washingtonpost.com/archive/politics/2000/10/28/issue-guide-gore-bush-defense-plans-short-of-military-demands/e61a7613-dad8-490d-8ad1-1425f4a060b2/?utm_term=.0f31abeed69f.

¹⁹⁸ U.S. Department of Defense, *National Defense Budget Estimates for FY 2000*, March 2000, 222, http://comptroller.defense.gov/Portals/45/Documents/defbudget/Docs/fy2001_greenbook.pdf.

¹⁹⁹ Suro, “Issue Guide: Gore, Bush Defense Plans Short of Military Demands.”

²⁰⁰ Rumsfeld, *Known and Unknown*, 294, 303.

²⁰¹ U.S. Department of Defense, *Quadrennial Defense Review Report*, 6.

spending.²⁰² According to the 2001 QDR, defense would “only become more expensive over time” and delay would “forfeit many of the opportunities available to the United States today.”²⁰³

Unlike the BUR and 1997 QDR, the 2001 QDR avoided defining a specific force structure despite its demand for “transforming the Armed Forces of the United States.”²⁰⁴ It rationalized the absence of a defined force structure as an attempt to prevent “equating risk mitigation with additional force structure,” instead addressing how capabilities reduce risk.²⁰⁵

Risk Assessment

Prior QDRs defined risk in terms of potential failure during operations; the 2001 QDR expanded this definition to better acknowledge the breadth of risk. Its risk framework contained the following four dimensions:

1. “Force management—the ability to recruit, retain, and equip sufficient numbers of quality personnel and sustain the readiness of the force while accomplishing its many operational tasks”;
2. “Operational—the ability to achieve military objectives in a near-term conflict or other contingency”;
3. “Future challenges—the ability to invest in new capabilities and develop new operational concepts needed to dissuade or defeat mid- to long-term military challenges”; and
4. “Institutional—the ability to develop management practices and controls that use resources efficiently and promote the effective operation of the Defense establishment.”²⁰⁶

The difficulty in identifying future adversaries or predicting future threats drove the capabilities-based approach. Instead, the 2001 QDR proposed to “adapt to surprise” as a component of risk planning.²⁰⁷ While the expansion of the risk framework theoretically allowed for a more comprehensive assessment, the QDR contained no metrics to assess risk.

Classification and Length of Process

The 2001 QDR, like its immediate predecessors, was unclassified, and there is no public evidence of a classified annex. The QDR’s Terms of Reference (TOR)—the guidance about what issues would be covered and how the process would run—was and remains classified.²⁰⁸

²⁰² Ibid.

²⁰³ Ibid., 16.

²⁰⁴ Aspin, “Report on the Bottom-Up Review”; Department of Defense, *Report of the Quadrennial Defense Review*, May 1997, <http://www.dod.gov/pubs/qdr/sec5.html>; U.S. Department of Defense, *Quadrennial Defense Review Report*, 68.

²⁰⁵ U.S. Department of Defense, *Quadrennial Defense Review Report*, 61.

²⁰⁶ Ibid., 57–58.

²⁰⁷ Ibid., 3.

²⁰⁸ Schrader et al., *Quadrennial Defense Review 2001: Lessons on Managing Change in the Department of Defense*, 20.

The report was completed by September 30, as required by the QDR statute. The short timeline, the late development of the September 11 attacks, and several procedural missteps meant that it felt rushed to senior officials. As a result, Congress changed the law to allow completion of future QDRs as late as the next budget submission (February).

Forecasting

The 2001 QDR is notably nonspecific with regard to its planning horizon. The only relevant language is an ambiguous goal to “increase measurably the tooth-to-tail ratio over the next five years,” although the meaning of “measurably” is also undefined.²⁰⁹

The phrase “over time” appears in the document 16 times.²¹⁰ For example, DoD “must prepare for future challenges over time, while meeting extant threats at any given time.”²¹¹ The QDR also states that “the Services must achieve higher than historic retention rates in order to properly man the force in the future,” without articulating how far into the future to consider.²¹² The QDR states that “DoD must overcome trends of the past to sustain a balanced defense program that maintains near-term readiness without mortgaging the long-term capabilities of the force,” but does not specify what “long-term” entails.²¹³ Similarly, the QDR states that “the United States will not face a peer competitor in the near future” without clearly defining what “near future” means.²¹⁴

Although not officially connected with the QDR process, a QDR working group, chaired by Michele Flournoy and based out of the National Defense University, used a period of 25 years as the basis for its planning.²¹⁵ Although this work was widely read, it is not clear whether it influenced the QDR’s thinking.

Alignment to Other Documents

The Bush administration produced the 2001 QDR before its other strategy documents. The 2001 QDR states that “protecting [U.S.] interests requires vigorous commitment and support. It entails effective diplomacy, a strong economy and a watchful and ready defense.” While the document recognized that effective implementation required interagency cooperation and collaboration, it describes no specific structure, saying only that “it is clear that the roles, missions and responsibilities of the many organizations and agencies must be clearly delineated through an integrated interagency process.”²¹⁶ It does not outline which external actors or agencies should be involved. There is also no reference to discussions with other agencies.

²⁰⁹ U.S. Department of Defense, *Quadrennial Defense Review Report*, 53.

²¹⁰ *Ibid.*, v, 3, 13, 14, 16 (3 times), 17, 20 (2 times), 42, 54, 62, 64, 67, 70.

²¹¹ *Ibid.*, 13.

²¹² *Ibid.*, 8.

²¹³ *Ibid.*, 48.

²¹⁴ *Ibid.*, 4.

²¹⁵ Katherine McIntire Peters, “Choices at Defense,” *Government Executive* 33 (January 2001): 16.

²¹⁶ U.S. Department of Defense, *Quadrennial Defense Review Report*, 19.

Conclusion

Most modern assessments of the 2001 QDR agree that it was problematic.²¹⁷ It made some important shifts, such as explicitly including homeland defense as a mission, acknowledging inefficiencies, opting for a capabilities-based model, and broadening the framework for risk. However, the document did not provide any specific guidance on implementation (the only force structure table described the then-current force structure), failed to offer solutions to certain problems that it identified (like shortfalls in capabilities and resources), and postponed some critical decisions for the future.²¹⁸ Many of its goals and recommendations—like “transformation”—remained vague and aspirational. Moreover, the impact of the wars in Iraq and Afghanistan superseded, and partly discredited, the notion of transformation because transformative technologies were of limited value and ground forces, which Rumsfeld considered lower priority, were of high value.

²¹⁷ For one example, see Schrader et al., *Quadrennial Defense Review 2001: Lessons on Managing Change in the Department of Defense*.

²¹⁸ U.S. Department of Defense, *Quadrennial Defense Review Report*.

Appendix E: 2012 Defense Strategic Guidance (DSG) Case Study

Among recent U.S. strategy review documents, the 2012 Defense Strategic Guidance (DSG) is a procedural outlier, the product of an ad hoc, off-cycle, and White House-driven strategy formulation process. The DSG was released in January 2012, between the statutorily required 2010 and 2014 Quadrennial Defense Reviews (QDR). The major impetus for the DSG lay in burgeoning budgetary pressures after the 2008–2009 financial crisis manifested in the 2011 Budget Control Act (BCA), though the expectation of drawdowns of U.S. combat missions in Iraq and Afghanistan and changes in the international security environment also played important roles. The document notably codified the administration’s rebalance to the Asia-Pacific along with rearticulating DoD’s force-sizing construct and deprioritizing large-scale stability operations.

“Just as important as the substance was the process,” recalls former Secretary of Defense Leon Panetta.²¹⁹ Although the document had its detractors, the DSG and the process by which it was devised is often regarded as a success. Christine Wormuth, former under secretary of defense for policy and chief architect of the 2014 QDR, notes that the DSG, “is an example of how a relatively small, very senior group of defense officials can set real priorities in a relatively short time.”²²⁰ Others have argued that the president’s direct involvement in the process and his imprimatur on the resulting document enabled it to have a more potent effect on DoD management than previous QDRs.²²¹ Although some commentators have criticized the rebalance and moves to reduce focus on stability operations, most criticism has been directed at the president and Congress for putting the department in the budgetary predicament that necessitated the DSG, not the strategy itself or its process.

Context

Two years after the largest recession since the Great Depression, U.S. national debt was the omnipresent concern in American politics. As the 2009 stimulus package failed to produce more than an anemic economic recovery, popular aversion to government spending rose along with fears regarding the long-term financial situation of the United States. Chairman of the Joint Chiefs of Staff Admiral Michael Mullen went as far to state, “The most significant threat to our national security is our debt.”²²² Fears over the long-term sustainability of federal spending, exhibited politically by the rise of the Tea Party, ushered in a period of significant fiscal restraint.

In the wake of the recession, Secretary of Defense Robert Gates set out to shape what he perceived as unavoidable defense spending cuts through self-imposed efficiencies and spending reductions within

²¹⁹ Leon Panetta, *Worthy Fights: A Memoir of Leadership in War and Peace* (New York: Penguin Press, 2014), 385.

²²⁰ Christine Wormuth, “Use a Strategic Review to Drive Change,” *Defense360*, Center for Strategic and International Studies, January 2017, <https://defense360.csis.org/use-strategic-review-to-drive-change/>.

²²¹ Jordan Tama, “Does Strategic Planning Matter? The Outcomes of U.S. National Security Reviews,” *Political Science Quarterly* 130 (Winter 2015), 759.

²²² “Mullen: Debt is top national security threat,” CNN, August 27, 2010, <http://www.cnn.com/2010/US/08/27/debt.security.mullen/>.

DoD totaling \$178 billion over the Future Years Defense Plan (FYDP).²²³ Gates intended to, “prepare our defense institutions . . . for the inevitable flattening and eventual decrease of the defense budget. This entailed creating as much ‘head room’ as possible under the existing defense top line to protect the size and fighting strength—the core capabilities—of the U.S. military.”²²⁴ Through agreements with President Obama and Office of Management and Budget (OMB) Director Peter Orszag, Gates ensured that savings from the efficiencies effort would be reinvested into DoD rather than spread across the federal budget.²²⁵ Nevertheless, political momentum propelled budget cuts well beyond what efficiencies alone could account for, and President Obama called for further defense spending cuts along with “a fundamental review of America’s missions, capabilities, and our role in a changing world” in April 2011.²²⁶

Before leaving office at the end of June 2011, Gates initiated a “comprehensive review” of DoD spending to satisfy the president’s request. Decrying “salami-slicing” cuts to the defense budget, Gates was determined to avoid arbitrary across-the-board reductions.²²⁷ In the spring of 2011, before leaving DoD, Gates tasked the Office of Cost Assessment and Program Evaluation (CAPE), led by Christine Fox, with developing recommendations for cuts by the end of the summer.²²⁸ The initial process focused on four areas: overhead and nonessential programs; low-priority, specialized capabilities and missions; force structure; and personnel compensation and benefits.²²⁹ Gates brought his soon-to-be-successor, Leon Panetta, into briefings on the process and was pleased to find that the two “saw eye to eye on the comprehensive review.”²³⁰

Panetta began his tenure as the secretary of defense in July 2011, one month before President Obama and House Republicans reached a complex budget agreement that included raising the debt ceiling and passing the Budget Control Act (BCA).²³¹ Republicans had used debt-ceiling negotiations to extract concessions on federal spending, ensuring the increase in the debt ceiling was matched with commensurate federal budget cuts. Among its many elements, the BCA established the Joint Select Committee on Deficit Reduction (the “super committee”), a bipartisan congressional committee tasked with developing a proposal to cut over a trillion dollars in government spending over 10 years. If at least \$1.2 trillion in cuts were not agreed to by December 2011, across-the-board cuts (“sequestration”) would be imposed on all discretionary and some mandatory government spending, starting in January

²²³ Erik Wasson, “Gates surprises lawmakers with plan to cut \$78 billion from defense budget,” *The Hill*, January 6, 2011, <http://thehill.com/news-by-subject/defense-homeland-security/136401-gates-surprises-lawmakers-with-plan-to-cut-78-billion-from-defense>.

²²⁴ Robert Gates, “Remarks at the American Enterprise Institute (Defense Spending)” (speech, Washington, DC, May 24, 2011), <http://archive.defense.gov/Speeches/Speech.aspx?SpeechID=1570>.

²²⁵ Gates, *Duty: Memoirs of a Secretary at War*, 464.

²²⁶ Barack Obama, “Remarks by the President on Fiscal Policy” (speech, The George Washington University, Washington, DC, April 13, 2011), <https://obamawhitehouse.archives.gov/the-press-office/2011/04/13/remarks-president-fiscal-policy>.

²²⁷ Gates, “Remarks at the American Enterprise Institute.”

²²⁸ Interviews with former DoD officials, 2017.

²²⁹ Gates, *Duty: Memoirs of a Secretary at War*, 549–50.

²³⁰ *Ibid.*, 550; Panetta, *Worthy Fights*, 340–41.

²³¹ Todd Harrison, “What Has the Budget Control Act of 2011 Meant for Defense?” (Washington, DC: CSIS, August 1, 2016, <https://www.csis.org/analysis/what-has-budget-control-act-2011-meant-defense>).

2013. This measure was intended as an incentive to reach a deficit-reduction agreement since the risks stemming from potential sequestration were perceived as catastrophic.

Taking over the comprehensive review process started by Gates, Panetta was quickly forced to grapple with overriding fiscal pressures. Jack Lew, Obama's new OMB director, called Panetta in July to preview the imminent passage of the BCA and request that DoD find \$500 billion in defense cuts over the next 10 years. In addition to continuing where Gates' internal effort left off, Panetta intended to publicly lobby against the one-size-fits-all cuts entailed by sequestration.²³² In a message to all DoD personnel in August 2011, Panetta committed to executing the "fundamental review" called for by President Obama in April.²³³

Neither President Obama's April nor Gates' May remarks explicitly called for a new strategy document to explain the rationale for how DoD would absorb the new cutbacks, although each implied that strategy would drive the fiscal decisions. As the comprehensive review process progressed, the need for the department to revamp its strategy became apparent. First, DoD leadership sought to overcome the overwhelming internal and external perception of a budget-drive "cut drill." National Security Advisor Tom Donilon noted that President Obama believed the comprehensive review "felt too much like a budget exercise."²³⁴ Second, and more importantly, it became apparent to Pentagon leaders that achieving the deep budget cuts that had been directed would require a significant recalibration of the nation's defense strategy. Third, developments in the strategic environment since the publishing of the 2010 QDR, such as the Arab Spring, the end of combat operations in Iraq, and the planned withdrawal from Afghanistan in 2014, warranted a strategic relook.

Process Leadership and Structure

Panetta established a top-down review process with relatively few key players. Expanding the review beyond the initial CAPE-led effort, Panetta empowered Ash Carter, the new deputy secretary of defense, and Admiral James Winnefeld, vice chairman of the Joint Chiefs of Staff, as the coheads of a Strategic Choices Group that would oversee the strategy formulation process. Day-to-day management of the strategic review process fell to Kathleen Hicks, deputy under secretary of defense for strategy, plans and forces, and Lieutenant General Robert Schmidle, USMC, who had led General Martin Dempsey's transition to chairman of the Joint Chiefs of Staff after serving as the deputy commander of Cyber Command. Each had participated in the development of several previous strategies, including the 2010 QDR, which Hicks managed and LtGen Schmidle contributed to as the head of the Marines Corps QDR office. On the White House side, Donilon was supported by Deputy National Security Advisor Denis McDonough and Christine Wormuth, special assistant to the president and senior director for defense at the National Security Council. The OSD-Joint Staff team, complemented by service participants and in consultation with the White House, largely drove the strategy formulation.²³⁵

²³² Panetta, *Worthy Fights*, 372–75.

²³³ Leon Panetta, "Meeting Our Fiscal & National Security Responsibility," *DoD Live*, August 3, 2011, <http://www.dodlive.mil/index.php/2011/08/from-defense-secretary-leon-panetta-meeting-our-fiscal-national-security-responsibility/>.

²³⁴ Scott Wilson and Greg Jaffe, "In Creating New Defense Strategy, Obama Attempts to Outflank Congress," *Washington Post*, January 7, 2012, https://www.washingtonpost.com/national/national-security/in-creating-new-defense-strategy-obama-attempts-to-outflank-congress/2012/01/06/gIQAIjrQhP_story.html?utm_term=.0104473a4b68.

²³⁵ Interviews with several former DoD officials.

The 2012 DSG process has been likened to a mini-QDR or even anti-QDR. Rather than employing numerous working groups, the process was primarily driven by the strategic choices groups before being vetted by Secretary Panetta, the joint chiefs and combatant commanders. The review entailed a two-tier consensus-building process with a two-star-level working group and the more senior Strategic Choices Group. Secretary Carter and Admiral Winnefeld used the Strategic Choices Group to garner input and buy-in from service chiefs. Both also played an integral role in the drafting process. For instance, Admiral Winnefeld directed the drafting of the strategy's language on the "defeat and deny" framing in the force-sizing construct. The seniority of the DSG's authors and the strong linkage to White House input and direction enabled the document to achieve logical coherence and avoid the "lowest common denominator" problem many have attributed to QDR processes.²³⁶

Top-Down vs. Bottom-Up, Time Horizon and Resources

President Obama's involvement in the strategy formulation process of the 2012 DSG was far more vigorous than presidential involvement in other defense strategy reviews. DoD leadership met with the president six times between September and December 2011 for consultation on the strategic review.²³⁷ The political and fiscal reality of the situation may have necessitated greater White House involvement. In addition, the NSC staff's defense acumen had grown after observing the 2010 QDR, allowing it to more confidently assert itself vis-à-vis the Pentagon. By 2011, President Obama had also articulated his own National Security Strategy, which had been released in May 2010, and had, therefore, more formally organized his administrations' foreign policy goals.²³⁸

Through the series of meetings, the White House provided input on key subjects. First, consistent with the BCA, the White House and OMB provided budgetary guidance that cut roughly \$500 billion over the next decade, which delimited feasible strategic choices. Parallel to the 10-year time horizon guiding budgeting decisions during the period, the DSG was structured to shape the Joint Force of 2020.²³⁹ Second, as outlined in the October 2011 *Foreign Policy* piece written by Secretary of State Hilary Clinton and in President Obama's November 2011 speech in Canberra, the United States would rebalance its strategic focus and resources to the Asia-Pacific.²⁴⁰ The rebalance would be supported through drawdowns in military presence in Europe and the end of U.S. force commitments in Iraq and Afghanistan. Third, DoD would achieve its budgetary goals by taking risk in force structure and capabilities for large-scale, long-term stability operations. President Obama felt strongly that political realities made fighting another counterinsurgency campaign unlikely over the next decade.²⁴¹ Although

²³⁶ Interviews with several former DoD officials.

²³⁷ Wilson and Jaffe, "In Creating New Defense Strategy, Obama Attempts to Outflank Congress"; Elizabeth Bumiller and Tom Shanker, "Obama Puts His Stamp on Strategy for a Leaner Military," *New York Times*, January 5, 2012, <http://www.nytimes.com/2012/01/06/us/obama-at-pentagon-to-outline-cuts-and-strategic-shifts.html>.

²³⁸ President of the United States of America, *National Security Strategy*, May 2010, https://obamawhitehouse.archives.gov/sites/default/files/rss_viewer/national_security_strategy.pdf.

²³⁹ U.S. Department of Defense, *Sustaining U.S. Global Leadership*, 6–8.

²⁴⁰ Hilary Clinton, "America's Pacific Century," *Foreign Policy*, October 11, 2011, <http://foreignpolicy.com/2011/10/11/americas-pacific-century/>; Barack Obama, "Remarks by President Obama to the Australian Parliament" (speech, Canberra, Australia, November 17, 2011), <https://obamawhitehouse.archives.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament>.

²⁴¹ Interview with former DoD official.

the White House provided overall direction in each of these areas, it was ultimately up to the strategic review team to translate the guidance into an executable defense strategy.

Rapidity

Though the “comprehensive review” had begun by May 2011, the process was initially confined to a budgetary exercise. The decision to broaden the effort to a strategy review was not made until the fall of 2011. Despite the failure of the “super committee” in November 2011 and imminent sequestration in January 2013 if Congress did not revisit the BCA, Panetta opted for completing the strategic review with the caveat that it would not be feasible under deeper budget cuts.²⁴² After receiving presidential guidance, the majority of the DSG drafting and vetting took only around a month. It produced a concise and clear strategy, though with more limited analytic backbone than a traditional QDR given time constraints.

Analysis and Risk Assessment

The review process utilized and extrapolated from analytic tools employed in the 2010 QDR, primarily through scenarios and campaign-based models.²⁴³ The scenarios employed were not declassified. However, as a potential indication of the type of scenarios DoD used, Panetta offered the following hypothetical at the DSG guidance briefing:

The nature of warfare today is that as you—as you engage, you have to look at how you do it, what forces do you use to be able to confront that enemy, what exactly is involved. I mean, the reality is you could face a land war in Korea, and at the same time face threats in the Straits of Hormuz. We have the capability, with this Joint Force, to deal with those kinds of threats, to be able to confront them, and to be able to win. That's what counts.²⁴⁴

Additionally, the public DSG document did not explicitly lay out how DoD characterized the risk within the strategy.

Upon the DSG’s release, one controversy emerged over the new articulation of the military’s force-sizing construct. The 2012 DSG’s construct was coined as “defeat and deny.” Ambiguity surrounding interpretations of “deny” led some to perceive the DSG as a move away from the post–Cold War U.S. strategy of sizing the force to fight two major theater wars (MTWs) simultaneously or near-simultaneously.²⁴⁵ To some observers, “defeat and deny” implied a 1.5 MTW construct rather than two. However, this perception was not the intention of senior civilian DoD leadership or the White House. At several points in the DSG rollout briefing, Pentagon leadership signaled that the two-MTW construct would not be changing. Panetta contended, “make no mistake, we will have the capability to confront and defeat more than one adversary at a time.”²⁴⁶ What the Joint Staff’s senior leaders—who were the primary drafters of the framing—intended with the change was less clear, and DoD’s fumbled messaging both in its internal and external rollout strategy resulted in prolonged confusion as to its implications for force planning.

²⁴² Panetta, *Worthy Fights*, 382.

²⁴³ Interview with former DoD official.

²⁴⁴ Panetta, DSG Guidance Briefing.

²⁴⁵ The major theater war concept is synonymous with the 1993 BUR-era “major regional conflicts” (MRC) term.

²⁴⁶ Panetta, DSG Guidance Briefing.

Clear Priorities vs. Aspirational Goals

The resulting eight-page public document was released at a press conference on January 5, 2012. In an unprecedented demonstration of his involvement in the process and commitment to the strategy, President Obama led the briefing at the Pentagon. The 2012 DSG laid out four strategic themes:

1. *Rebalancing to the Asia-Pacific.* The DSG states that “we will of necessity rebalance toward the Asia-Pacific region.”²⁴⁷ Without much further specification, the statement is best read as a statement of prioritization of strategic focus and resources to the region. Resources freed up from drawdowns in U.S. military presence in Iraq and later Afghanistan would at worst be used to protect U.S. force posture in the Asia-Pacific from budget cuts and at best be shifted to the Asia-Pacific to bolster military presence in the region. The DSG further suggests that the U.S. “posture in Europe must also evolve,” euphemistically implying reductions in presence and greater reliance upon NATO allies to manage the security of MENA and Eastern Europe.²⁴⁸ Elsewhere in the world, the United States “will develop innovative, low-cost, and small-footprint approaches to achieve our security objects, relying on exercises, rotational presence, and advisory capabilities.”²⁴⁹
2. *Reducing capabilities for large-scale, long-term stability operations, while maintaining “reversibility.”*²⁵⁰ At the direction of President Obama, DoD accepted risk in its ability to conduct stability operations. The development of the concept of “reversibility” sought to capture the desire to retain institutional knowledge, scalable capabilities, appropriate military personnel, and the industrial base necessary for the nation to quickly prepare for future contingencies that require stability operation missions.
3. *Rearticulating the force-sizing construct.* The construct is summarized as, “Even when U.S. forces are committed to a large-scale operation in one region, they will be capable of denying the objectives of—or imposing unacceptable costs on—an opportunistic aggressor in a second region.”²⁵¹
4. *Increasing reliance on technological solutions and protecting investments in innovation.* As the force would grow smaller, it would become more technologically advanced. Further, DoD would resist eating its own “seed corn” of investments in basic science and technology funding in the face of short-term budgetary pressures.²⁵²

As only an eight-page document, the DSG was light on force structure details. However, since the review process had played a role in the development of DoD’s FY2013 budget, the budget release later in January 2012 provided greater clarity upon the tradeoff choices entailed in the DSG.

²⁴⁷ U.S. Department of Defense, *Sustaining U.S. Global Leadership*, 2.

²⁴⁸ *Ibid.*, 3.

²⁴⁹ *Ibid.*

²⁵⁰ *Ibid.*, 6–7.

²⁵¹ *Ibid.*, 4.

²⁵² *Ibid.*, 8.

In release of the president's FY2013 budget request, the total DoD spending cut through the end of the 10-year period was \$487 billion (around \$259 billion within the five-year FYDP).²⁵³ The Army's end strength would be reduced by over 70,000 soldiers to 490,000 by FY2017, and the Marines Corps would drop by 20,000 Marines to 182,100 by FY2017. Air Force and Navy modernization efforts were cut back, including the Joint Strike Fight and general shipbuilding budgets. The budget protected investments in Special Operations Forces (SOF), unmanned systems, missile defense, and cyber and space capabilities, reflecting the DSG's prioritization of these areas.

In addition to the confusion over the implications of the DSG's force-sizing construct, three primary criticisms of the DSG itself and its process emerged.

First, some observers felt the budget cuts went too deep and would insufficiently resource the military to meet the strategy, let alone retain commitment to U.S. national interests.²⁵⁴ General Dempsey rebutted this perspective:

I'm pleased with the outcome. It's not perfect. There will be people who think it goes too far. Others will say it didn't go nearly far enough. That probably makes it about right for today. It gives us what we need in this world and within this budget to provide the best possible defense for our nation at a time of great transition. It prepares us for what we anticipate we will need in 2020.²⁵⁵

Budgetary constraints were largely exogenous for DoD, as congressional politics eliminated the potential for obviating large cuts. Nonetheless, in this instance, there was strategic clarity behind the fiscal cuts.

Others contended that the preference for cutting back on force structure in favor of advanced technological solutions was flawed. Some equated the concept to the folly of former Secretary of Defense Donald Rumsfeld's Revolution in Military Affairs.²⁵⁶ Army advocates, in particular, argued that major ground combat operations might be forced on the United States and that technology cannot be a panacea for all of the nation's future security challenges. Even if the near-term political situation might prevent the United States from engaging in stability operations the previous 10 years should have clearly demonstrated the need to remain prepared for this style of war. Additionally, Clark Murdock and Sam Brannen noted, "there is broad agreement that DoD is 'talking the reversibility talk,' but not 'walking the walk.'"²⁵⁷

²⁵³ U.S. Department of Defense, Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, *Fiscal Year 2013 Budget Request Overview*, February 2012, 1–3, http://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2013/FY2013_Budget_Request_Overview_Book.pdf.

²⁵⁴ For instance, see Baker Spring, "Obama's Defense Budget Makes Protecting America Its Lowest Priority," Heritage Foundation, March 1, 2012, <http://www.heritage.org/defense/report/obamas-defense-budget-makes-protecting-america-its-lowest-priority>.

²⁵⁵ Dempsey, DSG Guidance Briefing.

²⁵⁶ Bumiller and Shanker, "Obama Puts His Stamp on Strategy for a Leaner Military"; Peter Feaver, "Quick reactions to the Obama strategy roll-out," *Foreign Policy*, January 5, 2012, <http://foreignpolicy.com/2012/01/05/quick-reactions-to-the-obama-strategy-roll-out/>.

²⁵⁷ Clark Murdock and Samuel J. Brannen, *Exploring New Ways to Provide Enduring Strategic Effects for the Department of Defense* (Washington, DC: CSIS, April 2014), V, https://csis-prod.s3.amazonaws.com/s3fs-public/legacy_files/files/publication/140422_Murdock_ExploringNewWays_Web.pdf.

Finally, observers criticized the lack of specifics regarding the Asia rebalance. Few mainstream policymakers and analysts contested the need for greater U.S. focus on the Asia-Pacific region. Rather, many felt the commitment made by President Obama, Secretary of State Clinton, and DoD, in the form of the DSG, overpromised because the DSG contained few details and the force structure cuts allowed few forces to move to the Pacific. The strategy may have been sound, but the follow-through left America's Asia allies wanting.²⁵⁸ Critics have claimed that the rising expectations of regional allies and partners coupled with heightened threat perceptions in Beijing have proven counterproductive.

Durability and Implementation of Strategy

A central premise of the 2012 DSG—that further BCA cuts would not be implemented—was compromised less than a year after its release. The Joint Committee failed to reach agreement and successive budget agreements cut funding below planned levels.

Nevertheless, the DSG remained a critical strategy document. The president's direct involvement in hashing out strategic choices through the process, including on subjects as granular as force sizing for stability operations, facilitated the clarity of the strategy and galvanized bureaucratic support across the Defense Department. Many observers regarded it a success in meeting BCA reductions quickly and in a strategically sound way with broad internal support. Its strategic frame guided Secretary Chuck Hagel's 2013 Strategic Choices and Management Review (SCMR, or "skimmer"), which sought to develop novel solutions for coping with deeper budget cuts. The DSG also set the baseline for U.S. defense strategy until the 2014 QDR. Whether the Obama administration was successful in implementing the Asia rebalance or not, it remained a core strategic concept through the end of its term and potentially into the Trump administration.²⁵⁹ The best explanation for the staying power of the 2012 DSG relative to traditional QDRs concerns the president's intense engagement in the process. By all accounts, the president's personal immersion in the process paved the way for DoD follow-through and extensive execution of the strategy.

²⁵⁸ Michael Green et al., *Asia-Pacific Rebalance 2025: Capabilities, Presence, and Partnerships* (Washington, DC: CSIS, January 2016), <https://www.csis.org/analysis/asia-pacific-rebalance-2025>.

²⁵⁹ Alexander Gray and Peter Navarro, "Donald Trump's Peace Through Strength Vision for the Asia-Pacific," *Foreign Policy*, November 7, 2016, <http://foreignpolicy.com/2016/11/07/donald-trumps-peace-through-strength-vision-for-the-asia-pacific/>.

Appendix F: 2013 French National Security Review Case Study

The French have demonstrated a viable process for developing national security and defense strategies, albeit one dissimilar to contemporary American practice. Since the end of World War II, France has produced four defense strategy white papers—in 1972, 1994, 2008, and 2013. The 1972 and 1994 white papers were statements of defense policy alone; the 2008 and 2013 documents expanded the scope to national security more broadly. The 2008 and 2013 documents were overseen by a presidential commission that included outside experts and legislators and was developed through a “relatively transparent, inclusive, and bottom-up process.”²⁶⁰ Compared to the multiplicity of U.S. security strategies, recent French white papers have served as an amalgam of the American National Security Strategy (NSS), Quadrennial Defense Review (QDR), and Quadrennial Homeland Security Review (QHSR) documents.

The process has resulted in meaningful shifts in French defense strategy and has been cited as one of the most successful strategy formulation approaches among European nations.²⁶¹ Eliot Cohen, a critic of the United States’ NSS process, has argued, “A much better system would be something like the White Papers produced by the Australian and French systems, not on a regular basis but in reaction to major international developments, and composed by small, special commissions that include outsiders as well as bureaucrats.”²⁶² Yet the relatively quick succession of recent white papers in 2008 and 2013 with the change of presidential administrations indicates a potential shift from away from a bipartisan strategy formulation model to one more clearly driven by politics. Given the apparent success of the French process coupled with analogous U.S.-French global interests and strategic context, including nuclear deterrence, expeditionary military operations, and declining budgets, the French approach is a promising area for comparative study.

This case study begins with an overview of the French political and defense context, then provides a short history of French defense strategy prior to 2008, and finally examines the processes involved in the crafting the 2008 and 2013 White Papers.

The French Political and Defense Context

Several characteristics differentiate the French political system from that of the United States. First, the French president directs the defense and foreign policy apparatus of the state over an elected term of five years, which can be renewed once upon reelection. Although the U.S. executive branch has broad privileges in the sphere of foreign policy, U.S. presidents have less latitude to pursue their prerogatives

²⁶⁰ Leo G. Michel, “Defense Transformation à la française and U.S. Interests,” *Strategic Forum* 233, National Defense University Institute for National Strategic Studies, September 2008, 1, <http://oai.dtic.mil/oai/oai?verb=getRecord&metadataPrefix=html&identifier=ADA487273>.

²⁶¹ Olivier de France and Nick Witney, “Europe’s Strategic Cacophony,” Policy Brief, European Council on Foreign Relations, April 2013, 4, http://www.ecfr.eu/page/-/ECFR77_SECURITY_BRIEF_AW.pdf.

²⁶² *Senate Committee on Armed Services Hearing on Global challenges, U.S. National Security Strategy, and Defense Organization* (October 22, 2015), (testimony of Eliot Cohen, 5), http://www.armed-services.senate.gov/imo/media/doc/Cohen_10-22-15.pdf.

relative to French counterparts. Since the establishment of the Fifth French Republic in 1958 and the influential leadership of President Charles de Gaulle, defense policy has become the so-called “reserved domain” (“domaine réservé”) of the executive.²⁶³ As with American practice, the French president is the commander-in-chief of the armed forces.²⁶⁴ In contrast with the U.S. Constitution, the French parliament need not declare war prior to the initiation of military hostilities by French armed forces; Article 35 of the constitution grants the French president unilateral authority to initiate the use of force, requiring notification of parliament only after the fact.²⁶⁵ Scholars have rated the French legislature as one of the “weakest” on foreign affairs and an “extreme example of the disempowerment of parliamentary institutions” relative to other European states.²⁶⁶ France has no statutory requirements for producing national security documents—their timing, content, or process—allowing French presidents to choose when and how to conduct strategy reviews, rather than executing legislatively imposed requirements as is the case in the United States. As a result, France has produced only four white papers in as many decades. Given its high degree of autonomy in the realm of defense policy, each administration has more political leverage to drive implementation of sweeping shifts in French force structure and strategy.²⁶⁷ Bruno Tertrais, member of the last two white paper commissions, described this mentality: “France has always been more revolutionary-minded than reform-minded.”²⁶⁸

Second, the French government sets Defense Planning Laws (“Loi de Programmation militaire,” or LPM) that establish the budget for the military over six-year periods. In the U.S. system, this would be roughly equivalent to locking in the Future Years Defense Program (FYDP) for six years, rather than readjusting the budget annually. French defense planners are usually unencumbered by the high levels of budget uncertainty that have plagued the U.S. defense community, especially since the 2011 Budget Control Act. Adjustments can of course be made in response to changes in the economic and security environment. For example, the French defense and homeland security budgets were significantly increased after several terrorist attacks in 2015.²⁶⁹ Given the long-term nature of the French defense budgeting process, white papers can drive major developments in the French national security strategy over the near and medium term.

²⁶³ Bastien Irondelle and Olivier Schmitt, “France,” in *Strategic Cultures in Europe: Security and Defence Policies Across the Continent*, ed. Heiko Biehl, Bastian Giegerich, and Alexandra Jonas (Potsdam: Springer, 2013), 128.

²⁶⁴ French Constitution of 1958, Article 15.

²⁶⁵ French Constitution of 1958, Article 35; Manuel Muniz, “France: The Frustrated Leader,” in *National Visions of EU Defence Policy: Common Denominators and Misunderstandings*, ed. Frederico Santopinto and Megan Price (Brussels: Center for European Policy Studies, 2013), 9, http://aei.pitt.edu/47675/1/CEPS-GRIP_book_Final.pdf.

²⁶⁶ Antony Forster, *Armed Forces and Society in Europe* (Basingstoke: Palgrave Macmillan, 2006), 28; Mathias Koenig-Archibugi, “International Governance as New Raison d’état? The Case of the EU Common Foreign and Security Policy,” *European Journal of International Relations* 10 (2004), 167.

²⁶⁷ Tom Dyson, *Neoclassical Realism and Defence Reform in Post-Cold War Europe* (Basingstoke: Palgrave Macmillan, 2010), 159.

²⁶⁸ Bruno Tertrais, *The French White Paper on Defence and National Security: Towards a Stronger and More Streamlined Force*, Real Instituto Elcano, July 8, 2008, 1, http://www.realinstitutoelcano.org/wps/wcm/connect/89a070004f018c1f856de53170baead1/ARI89-2008_Tetraais_French_White_Paper_National_Security.pdf?MOD=AJPERES&CACHEID=89a070004f018c1f856de53170baead1.

²⁶⁹ Liz Alderman, “Paris Attacks Have Many in France Eager to Join the Fight,” *New York Times*, November 26, 2015, <http://www.nytimes.com/2015/11/27/world/europe/paris-attacks-have-many-in-france-eager-to-join-the-fight.html>.

Two other major points of divergence between the U.S. and French militaries are force structure and budget. As shown in Figure F.1, the United States spends nearly 20 times as much as France on its defense budget and maintains 10 times as many military personnel than France. The United States is bound by dozens of treaties and partnerships around the world with troops stationed in over 150 foreign countries, whereas France has military presence in only around a dozen nations and territories.²⁷⁰ Although France has more a circumscribed international presence, its expeditionary capabilities, seat on the United Nations Security Council, and desire to maintain strategic autonomy allow the nation to “punch above its weight.”²⁷¹ French strategic planners are afforded fewer resources to allocate but also operate under fewer constraints when seeking to redefine national defense strategy.

Figure F.1: U.S. and France FY 2017 Defense Personnel and Budget Request

	Total Military Personnel (Requested)	Total Funding Requested (USD) in then-year dollars
United States ²⁷²	2,083,100	\$590.5B
France ²⁷³	209,901	\$34.2B

Cumulatively, these factors produce a different political environment for defense strategy-making than in the United States. French presidents have greater freedom to steer the defense enterprise without the level of congressional oversight and political constraints in the United States. Therefore, “What ultimately weighs on French defense spending and military capabilities will be the availability of resources and the political and strategic ambitions of its leaders, rather than public or party political pressure,” argues François Heisbourg, special adviser at the Fondation pour la Recherche Stratégique (Foundation for Strategic Research) and member of the 2008 White Paper Commission.²⁷⁴ Thus, French presidents have been more willing to delegate the processes of strategy formulation to commissions composed of both sitting government officials and outsiders.

²⁷⁰ Defense Manpower Data Center, “Total Military Personnel and Dependent End Strength by Service, Regional Area, and Country,” September 30, 2016, https://www.dmdc.osd.mil/appj/dwp/dwp_reports.jsp; Ministère de la Défense, “Carte des opérations et missions militaires,” June 28, 2016, http://www.defense.gouv.fr/english/operations/rubriques_complementaires/carte-des-operations-et-missions-militaires.

²⁷¹ Irondelle and Schmitt, “France,” 135.

²⁷² U.S. personnel estimates includes active-duty, reserve, and National Guard forces; U.S. defense budget estimate includes base and Overseas Contingency Operations Budget Authority requests. U.S. Department of Defense, Office of the Under Secretary of Defense (Comptroller), *National Defense Budget Estimates for FY 2017*, March 2016, 6, 45, http://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2017/FY17_Green_Book.pdf.

²⁷³ Ministère de la Défense, *Projet de loi de Finances 2017*, September 2016, 1, 42, <http://www.defense.gouv.fr/content/download/486259/7782653/file/Projet%20de%20loi%20de%20finances%202017.pdf>.

²⁷⁴ François Heisbourg, *Alliance at Risk: Strengthening European Defense in an Age of Turbulence and Competition* (Washington, DC: Atlantic Council, February 2016), 11–12, <http://publications.atlanticcouncil.org/nato-alliance-at-risk/alliance-at-risk.pdf>.

The White Paper Process

Just as the U.S. NSS and QDR have evolved over time, the French white paper process has evolved to meet desires for greater transparency and inclusivity as well as changes in the international security environment. The 1972 and 1994 white papers were both foundational documents, written out the public eye. Each drove French defense strategy for over a decade. As the first modern white paper, the 2008 edition and its process are widely viewed as more consequential than the 2013 revision. Whereas the 2008 white paper produced several key innovations in national security strategy, the 2013 white paper essentially adopted the same strategy but sought to implement it with fewer resources. Therefore, the analysis in this case study will focus primarily on the 2008 commission after discussion of the previous strategies and before noting adaptations made in 2013.

The History of French White Papers: 1972 and 1994

White papers have been the foremost means of leading systematic developments of French defense strategy since the 1970s. Before that, President Charles de Gaulle had set defense strategy through his own directives. Under him, France withdrew from the North Atlantic Treaty Organization (NATO) in 1966 to maintain “national independence.” The French had also built a nuclear deterrent as a mechanism for “national strategic autonomy.” With the departure of de Gaulle from office in 1969, the administration of President Georges Pompidou formulated the white paper mechanism as an opportunity for the French government to articulate the “raison d’être” of its military to the public.²⁷⁵ Rather than ushering in a departure from the strategy devised by de Gaulle, the white paper codified the existent French defense strategy of the Cold War period of preserving nuclear deterrence and strategic autonomy.

After the collapse of the Soviet Union in 1991, French policymakers—like those in the United States and other NATO countries—recognized the need to revise the nation’s defense strategy. George Bloch, a former U.S. Marine Corps captain and Foreign Area Officer, wrote, “Gone was the focus on a single major threat, and in its place was a world of threats, none of which appeared to greatly endanger France.”²⁷⁶ Under a period of “cohabitation”—that is, left-right co-governance—between president and Socialist Party Leader François Mitterrand and conservative Prime Minister Édouard Balladur, a white paper process was initiated. The Ministry of Defense-led commission included 20 government officials and several nongovernmental experts with the goal of formulating post-Cold War French defense strategy.²⁷⁷ Released one year after the United States’ Bottom-Up Review (BUR), the 1994 White Paper conceptualized the strategic role of the French military in a parallel fashion. The strategy articulated the renewed importance of conventional forces and expeditionary operational capabilities to respond to threats posed by regional instability around the world. Mitterrand finished his second term as president in 1995, leaving implementation of the white paper to newly elected President Jacques Chirac. “Where de Gaulle brought home French forces from painful colonial adventures and gathered them under a nuclear umbrella, Chirac is about to lift this umbrella and send them beyond the national frontiers once again,” wrote Danish defense analyst Sten Rynning.²⁷⁸ Despite the white paper finding the system of

²⁷⁵ Pierre M. Gallois, “French Defense Planning—The Future in the Past,” *International Security* 1 (Fall 1976), 19.

²⁷⁶ George A. Bloch, “French Military Reform: Lessons for America’s Army?,” *Parameters* (Summer 2000), 36.

²⁷⁷ Robert Ranquet, “Think Tanks and the National Security Strategy Formulation Process: A Comparison of Current American and French Patterns,” *Acquisition Review Quarterly* (Winter 1997), 3–5, <http://www.dau.mil/pubscats/pubscats/AR%20Journal/arq97/ranque.pdf>.

²⁷⁸ Sten Rynning, “French Defence Reforms after Kosovo: On Track or Derailed?,” *European Security* 9 (2000), 61–80.

military conscription remaining a “necessary framework,” Chirac terminated the practice in 1996.²⁷⁹ French defense strategy persisted without major modification for the rest of Chirac’s term until 2007.

The 2008 White Paper Process

Thirteen years after the 1994 white paper, numerous changes to the international security environment necessitated an update to French defense strategy. Conflict in Kosovo, Iraq, and Afghanistan demonstrated the impact of advanced technologies, especially precision munitions, on modern military operations. The September 11, 2001, terrorist attacks in the United States and later the 2005 London bombings showed the devastating effects and global reach of international terrorism. Given the broad changes to the security environment, most observers predicted that a revision to the white paper was imminent after the 2007 French presidential elections.

Presidential Guidance: Scope, Time Horizon, and Resource Constraints

Four months after being elected, French President Nicholas Sarkozy initiated the creation of the white paper commission in August 2007. As the first strategy revision in nearly 15 years, the 2008 white paper was expected to propose significant changes in French defense policy. Sarkozy expanded the white paper’s scope beyond defense policy for the first time to function as a “White Paper on Defense and National Security.”²⁸⁰ In practice, this entailed a mandate to examine issues associated with the American concept of homeland security. The commission was charged with developing a 15-year defense and national security strategy.²⁸¹

Sarkozy encouraged the commission to reshape French military force structure and national security strategy as its commissioners saw fit while maintaining defense spending levels around the NATO 2 percent of GDP defense spending guideline.²⁸² Commissioner Olivier Debozy recalls that Sarkozy “was very clear: he said to us that the French defense and national security policy should be analyzed without regard to any taboos or preconceptions, and that our recommendations should be as bold as we thought necessary.”²⁸³ Although the method was intellectually liberating, the choice to “start from scratch” and the widened aperture to examine national security frustrated some commission members who believed it was an impractically broad approach.²⁸⁴

²⁷⁹ *Livre Blanc sur la Défense*, October 18, 1994, 155; J. Justin McKenna, “Towards an Army of the Future: Domestic Politics and the End of Conscription in France,” *West European Politics* 20 (1997), 125–45; and Sten Rynning, “Shaping Military Doctrine in France: Decisionmakers Between International Power and Domestic Interests,” *Security Studies* 11 (Winter 2002), 85–116.

²⁸⁰ French White Paper Commission, *The French White Paper on Defence and National Security*, 2008, <http://www.mocr.army.cz/images/Bilakniha/ZSD/French%20White%20Paper%20on%20Defence%20and%20National%20Security%202008.pdf>.

²⁸¹ Nicholas Sarkozy, “Letter to Chairman of Commission,” in *The French White Paper on Defence and National Security*, 2008, 322.

²⁸² *Ibid.*, 323.

²⁸³ Philippe Cothier and Olivier Debozy, “‘Without Taboos’: France’s New Defense Policy,” *McKinsey on Government* (Spring 2010), 65, http://www.mckinsey.com/~media/mckinsey/dotcom/client_service/Public%20Sector/PDFS/McK%20on%20Govt/Defense/MoG_Debozy_Interview.aspx.

²⁸⁴ Hélène Dieck, “Redefining Defense Strategy: France,” in *The Routledge Handbook of Civil-Military Relations*, ed. Thomas C. Bruneau and Florina Cristiana Matei (New York: Routledge, 2013), 233.

Commission Membership

Sarkozy established a 35-person commission comprising officials from the French government, academic community, think tanks, legal profession and industry. The commission was chaired by Jean Claude Mallet, who had played a major role in the 1994 defense white paper and was described by a fellow commission member as a “high-level, non-partisan and hard-working civil servant with wide experience of the defense and security bureaucracy.”²⁸⁵ In total, two-thirds of the commission membership were government officials, with the remaining third nongovernmental participants. Government members came not only from the Ministries of Defense (MoD) and Foreign Affairs (MFA), but also from the Ministries of Economy, Finance and Employment, Research and Higher Education, Budget, Public Accounts and Public Service, and the Interior. Only two members were military personnel: General Jean-Louis Georgelin, chief of the defense staff, and General Guy Parayre, director general of the national gendarmerie. To retain the influence of the core participants, commissioners were barred from sending representatives on their behalf to meetings.²⁸⁶

Two aspects of the commission’s membership are noteworthy. First, the Ministry of the Interior, which serves similar functions to the American Department of Homeland Security in addition to commanding French national police forces, had the second-highest number of official government representatives from a ministry, behind only the MoD. It was clear that the direction to broaden the white paper’s conception of national security to include homeland security would permeate its functions. Second, the commission included four parliamentarians, from the majority party and opposition. Both of these unprecedented moves sought to broaden the commission’s perspectives and enhance the credibility and acceptance of its recommendations.²⁸⁷

Analytic Process and Timeline

Chairman Mallet led a staff supporting the commission’s analytic process around several thematic working groups. The commission’s working groups began their study with 52 interviews of representatives across the French interagency at varying levels of seniority and of experts from 14 countries; commissioners took around 40 study trips to defense and police facilities in France and abroad.²⁸⁸ The commission met weekly over the 10-month period with additional meetings on occasion. After the working groups completed their papers on respective topical areas, the commission began reviewing the working papers and employing scenario-based analyses to test competing French force structure designs in a variety of contingencies.²⁸⁹ As an analytic tool, a hypothetical scenario entailing the engagement of French armed forces in a major regional conflict, “appear[ed] to be the key in determining the scale of resources as regards our force projection capabilities for complex major operations at long distances requiring rapid military action over an extended periods of time.”²⁹⁰ Analysis of the international security environment informed strategy development and key force planning decisions, which the Commission weighed against budget constraints.

²⁸⁵ Tertrais, *The French White Paper on Defence and National Security*, 1–2.

²⁸⁶ Interview with commission member; Dieck, “Redefining Defense Strategy: France,” 235.

²⁸⁷ Tertrais, *The French White Paper on Defence and National Security*, 1; Fred Tanner, Nayef R.F. Al-Rodhan, and Sunjay Chandiramani, *Security Strategies Today: Trends and Perspectives* (Geneva: Geneva Center for Security Policy, 2009), 13, <http://www.gcsp.ch/download/2726/71435>.

²⁸⁸ French White Paper Commission, *The French White Paper on Defense National Security*, 2008, 3, 15.

²⁸⁹ Tertrais, *The French White Paper on Defence and National Security*, 2–3.

²⁹⁰ French White Paper Commission, *The French White Paper on Defense and National Security*, 2008, 203.

The commission consulted with Sarkozy and the French Defense Council at several points throughout the process to receive guidance on options members were considering. The commission provided a set of interim recommendations in December 2007, only four months after the commission had begun its work. This included the consolidation of two organizations under the purview of the French presidency—the Defense Council and the Domestic Security Council—which was “an idea that had been around for several months already but to which the commission wholeheartedly subscribed to,” according to Tertrais.²⁹¹ It also included the first revision to the strategic defense missions since 1994. Building on the previous white paper’s conception of the role of the French military beyond nuclear deterrence, it established the following list: (1) knowledge and anticipation, (2) prevention, (3) nuclear deterrence, (4) protection, and (5) intervention.²⁹²

Released 10 months after the commission’s creation in June 2008, the resulting white paper was a 336-page behemoth.

Classification

While portions of the security environment analysis were informed by classified assessments, much of the contributing analysis and the document itself were unclassified. In fact, the process placed a high priority on transparency and public participation; the commission’s publicly accessible website solicited input from French citizens and received over 250,000 visits.²⁹³

Risk Analysis

The paper included a “hierarchy of risks and threat on French soil,” which assessed risks based on probability and impact. Risks included terrorist attacks, cyber-attacks, ballistic missile threats, pandemics, natural disasters, and organized crime.²⁹⁴ Elsewhere, the paper draws a distinction between two types of risk: intentional (e.g., terrorism, interstate war) and unintentional (e.g., natural disasters, public health threats).²⁹⁵

Clear Priorities versus Aspirational Goals.

Of its primary findings and “15 prescriptions,” several key themes were noteworthy:

1. *Broadening the Concept of National Security.* “The traditional distinction between internal and external security is no longer relevant. . . . This continuity has now acquired a strategic dimension and France and Europe must . . . define overarching strategies integrating all the different dimensions of security into a single approach.”²⁹⁶

²⁹¹ Tertrais *The French White Paper on Defence and National Security*, 1–2.

²⁹² French White Paper Commission, *The French White Paper on Defense and National Security*, 2008, 60–70; French Ministry of Defense, “The Five Strategic Functions of Defense,”

<http://www.defense.gouv.fr/english/portail-defense/ministry/missions/the-missions-of-national-defence>.

²⁹³ French White Paper Commission, *The French White Paper on Defense National Security*, 2008, 3; Claudia Major, “The French White Paper on Defense and National Security,” *CSS Analyses in Security Policies* 3 (2008): 1, <http://www.css.ethz.ch/content/dam/ethz/special-interest/gess/cis/center-for-securities-studies/pdfs/CSS-Analyses-46.pdf>.

²⁹⁴ French White Paper Commission, *The French White Paper on Defense and National Security*, 2008, 54.

²⁹⁵ *Ibid.*, 66.

²⁹⁶ *Ibid.*, 55–56.

2. *Cutting Defense Personnel.* The white paper called for cuts to the number of civilian and military personnel to increase the tooth-to-tail ratio. The General Review of Public Policies, a separate commission on federal spending running simultaneously to the White Paper Commission, expanded the personnel cuts to 54,000.²⁹⁷
3. *Reintegrating Fully into NATO.* The white paper called for France to reintegrate militarily into NATO. Ironically, despite reintegration, France has not met the NATO defense spending 2 percent of gross domestic product guideline since 2009.²⁹⁸
4. *Raising the Salience of Intelligence.* The prominence of intelligence rose in the hierarchy of French defense missions along with the establishment of a National Intelligence Council and other new positions.

The paper identified a variety of specific missions the French military should be sized to execute, including the ability to rapidly deploy 5,000 troops abroad for expeditionary operations, employing 10,000 troops for domestic defense quickly, and deploying up to 30,000 soldiers in a six-month timeframe for a year.²⁹⁹ The commission's security assessment predicted the majority of France's threats emanating from the "arc of crisis" in the Middle East and North Africa stretching from the Indian to Atlantic Oceans. The white paper also called for an updated strategic review prior to next French LPM, which would cover the period 2014–2019.³⁰⁰

Assessment

Observers criticized several elements of the white paper's process and content. First, some argued that the commission's overly inclusive approach unduly diminished the influence of military participants. A number of anonymous military officers cited the lack of military personnel on the commission as the reason for the ill-advised decisions on defense budget and personnel cuts.³⁰¹ In particular, French military members were disturbed by the dearth of granular operational and technical military knowledge possessed by several commissioners and a perception of insufficient consultation of lower-ranking military personnel. Others noted that the participation of the Chief of the Defense Staff General Georgelin compounded the problem by centralizing the military's voice on policy issues in commission deliberations, as military witnesses were informally discouraged from disagreeing with his positions.³⁰² Although most observers did not believe these concerns fully discounted the utility of the strategy, the criticisms did seem to affect commission membership selection for the next white paper in 2013.

A second strand of criticism focused on the scope of the white paper. The broad mandate to examine French defense and national security policy anew was both an opportunity and a challenge. First, the breadth of relevant issues made it difficult for the commission to sufficiently address all aspects of defense and national security policy in detail. On the other hand, General Georgelin felt the commission

²⁹⁷ Tertrais, *The French White Paper on Defence and National Security*, 5.

²⁹⁸ North Atlantic Treaty Organization, *Defence Expenditures of NATO Countries (2009–2016)*, PR/CP(2016)116, July 4, 2016, 5, http://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2016_07/20160704_160704-pr2016-116.pdf.

²⁹⁹ French White Paper Commission, *The French White Paper on Defense National Security*, 2008, 213.

³⁰⁰ *Ibid.*, 300.

³⁰¹ "Livres blancs sur la défense: une espérance déçue," *Le Figaro*, June 18, 2008, <http://www.lefigaro.fr/debats/2008/06/19/01005-20080619ARTFIG00011-livre-blanc-sur-la-defense-une-esperance-decue.php>.

³⁰² Dieck, "Redefining Defense Strategy: France," 236–37.

had “overstepped its powers and dealt with organizational issues and particular capabilities and processes” by delving too far into granular details with regard to its recommendations to the MoD.³⁰³ Finally, the expansive scope also diluted the comprehensive adoption of the commission’s recommendations. As the white paper process was historically a defense policy document, some officials outside of the MoD felt less compelled to implement the policy prescriptions.³⁰⁴

Finally, some experts questioned the intellectual freedom of the commission. Were members truly empowered to question politically charged programs, including the nuclear deterrent and proposals to develop a second aircraft carrier, or boxed in by Sarkozy’s preferences?³⁰⁵ These experts argued that the transparency of the commission served to legitimize Sarkozy’s preordained policies.³⁰⁶ Although these criticisms likely possess kernels of truth, the commission predictably reflected the informal consensus of the national security community. The criticisms also reflect a tension in any nonbinding commission: it must both serve the needs of its customer—in this case, Sarkozy—and develop recommendations that stand a chance of being implemented.

For the most part, however, the process employed by the white paper was judged to be successful. As noted by Cohen, the occasional, rather than annual or quadrennial, nature of French strategy-making supports innovation not generally exhibited in the contemporary U.S. system. The authors of the 2008 white paper were encouraged to challenge preconceptions and make bold recommendations in reconciling preexisting French defense strategy and force structure with a dramatically altered security environment. The intellectual freedom to address a critical national security question from a blank slate facilitated the commission producing quality results. Unlike some contemporary American defense strategy documents, observers praised the white paper for “provid[ing] a helpful model insofar as it establishes a clear link between high-level guidance and the allocation of defence resources further down the line.”³⁰⁷

Several other factors contributed to the commission’s success. First, the diversity of the commission’s membership both supported its credibility and broadened the intellectual basis for its recommendations. The commission was led by an experienced civil servant (as was the 2013 commission). German defense analyst Alexandra Jonas writes that such leadership, “due to their experience and the respect that is given to them, have the potential to contribute substantially to negotiating compromises and achieving agreements.”³⁰⁸ Second, from the beginning and throughout the process, the 2008 commission sought input from President Sarkozy. This guidance ensured the political relevance of the paper’s recommendations and ownership by the key official in French defense policy. Third, the concerted effort to receive inputs from the French public gave citizens a sense of participation and allowed the commission to test the broader political viability of its positions. Although achieving a

³⁰³ Ibid., 234.

³⁰⁴ Ibid., 238.

³⁰⁵ Leo G. Michel, “Cross-currents in French Defense and U.S. Interests,” *Strategic Perspectives* 10 (April 2012), 2, 11.

³⁰⁶ Major, “The French White Paper on Defense and National Security,” 3.

³⁰⁷ de France and Witney, “Europe’s Strategic Cacophony,” 4.

³⁰⁸ Alexandra Jonas, “Strategy Process: Opportunities, Challenges and Traps,” in *Stocktaking of EU Strategizing: Conference papers from the EGS conference organized by the Polish Institute of International Affairs*, ed. Roderick Parkes, Ryszarda Formuszewicz, and Sara Westerberg (Warsaw: Polish Institute of International Affairs, 2012), 34, http://www.pism.pl/files/?id_plik=12719.

complete consensus among the public and policymakers on national security policy was unlikely, the commission could avoid diverging too far from what the public would support.

Implementation and Durability

The majority of the recommendations were implemented in the LPM over 2009–2014.³⁰⁹ Nonetheless, the validity of the strategy and its recommendations was increasingly called into question in the aftermath of the 2008–2009 Great Recession and Eurozone financial crisis.

The 2013 White Paper Process

Both security and political impulses drove the push for the 2013 white paper. First, an assessment of the international security environment prepared before the 2012 presidential election argued that events after the completion of the last white paper, including the 2008–2009 global economic recession, the 2011 Arab Spring, the drawdown of the United States' Global War on Terror, and the evolution of terrorist threats, warranted an update to French strategy.³¹⁰ Second, the 2012 election brought President François Hollande and the socialists to power after nearly two decades in the “political wilderness.” Faced with a new strategic environment and attendant budgetary pressures after the recession, Hollande naturally wanted to put his own stamp on French national security strategy.³¹¹ He therefore established a White Paper Commission in July 2012.

Commission Membership

The 2013 White Paper Commission adopted an analytic process similar to the one employed by the 2008 commission, save for a few modifications. First, commission membership was expanded from 35 to 50; the enlargement was made through adding additional military and MFA representatives, two more parliamentarians, two foreign members—a British and a German representative—and others.³¹² This shifted the commission's composition further toward government officials. The increase in members of the military and from the MFA serving on the commission was likely in response to the criticism leveled at the 2008 commission. Broadening the backgrounds of commission members could also mitigate criticism from within the government and bolster the implementation of recommendations. The inclusion of foreign representatives was a “meaningful” choice of Hollande's to embrace European perspectives in the white paper's development.³¹³ The commission was led by Jean-Marie Guéhenno, a French diplomat with experience serving at the United Nations.

³⁰⁹ Tanner et al., *Security Strategies Today: Trends and Perspectives*, 14; Michel, “Cross-currents in French Defense and U.S. Interests,” 3–5.

³¹⁰ Secrétariat général de la défense et de la sécurité nationale, *The International and Strategic Evolutions Faced by France: Preparatory document for the update of the White paper on Defence and National Security*, March 12, 2012, http://www.defense.gouv.fr/english/content/download/160035/1649050/file/Doc_preparatoire_LBDSN_UK-2012-V2_WEB_Protected.pdf.

³¹¹ Jean-Marie Collin, “The French White Paper on Defence and National Security,” British American Security Information Council, May 14, 2013, <http://www.basicint.org/blogs/2013/05/french-white-paper-defence-and-national-security>.

³¹² *Livre blanc sur la défense et la sécurité nationale*, 2013, 151–53.

³¹³ *The French White Paper on Defence and National Security*, 2013, 7.

Analytic Process

Second, the primary intellectual task of the 2013 commission was to reevaluate the strategic framework developed by the 2008 white paper and reconcile the resulting strategy with greater fiscal constraints given the recession and Eurozone economic crisis. The commission adopted a similar methodological approach as the 2008 commission, including the use of working groups in several topical areas and interviews with experts inside and outside government to ground its analysis.

Assessment

After several delays, the white paper was released in April 2013. The 160-page document reiterated the strategic framework laid out in the 2008 strategy, but reduced the French defense budget and force structure in light of growing fiscal strain. Most criticism of the 2013 white paper centered on its conclusions rather than its process, including those who have criticized the cuts for risking French national interests and commitment to strategic autonomy.³¹⁴ Two commissioners summarized the basis for the strategic rationale in writing, “the new strategic equation proposed in the White Paper might be summed up as follows: less money, more instability and less U.S. involvement = a more European defence system.”³¹⁵ Over time, critics were borne out as Hollande sought an increase to the French defense budget for FY 2016.³¹⁶ Yet, the white paper’s process was generally seen as a sound means of generating productive debate on the strategic direction of the country.³¹⁷

³¹⁴ Dorothee Fouchaux, “French Hard Power: Living on the Strategic Edge,” American Enterprise Institute, *National Security Outlook* 1 (February 2014), https://www.aei.org/wp-content/uploads/2014/02/-french-hard-power-living-on-the-strategic-edge_162239575985.pdf.

³¹⁵ Nicole Gnesotto and Sophie-Caroline de Margerie, “Defence: The French Ambition for Europe,” Jacques Delors Institute, April 29, 2013, <http://www.institutdelors.eu/media/whitepaperdefence-gnesottodemargerie-ne-jdi-apri13.pdf?pdf=ok>.

³¹⁶ Alderman, “Paris Attacks Have Many in France Eager to Join the Fight.”

³¹⁷ Luis Simón, “The 2013 French Defence White Paper: Do Not Write France Off Just Yet,” *European Geostrategy* 5 (2013), <http://www.europeangeostrategy.org/2013/05/2013-french-defence-white-paper-write-france-just-yet/>; Olivier de France, “Assessing the French White Paper,” European Council on Foreign Relations, May 3, 2013, http://www.ecfr.eu/blog/entry/assessing_the_french_white_paper.

Appendix G: 2015 Australian Defense White Paper Case Study

Australia published its most recent Defence White Paper (DWP) in February 2016. Australia had six prior defense white papers, but many experts believed that another DWP was needed to move the strategy from the 1980s and 1990s focus on regional issues to a more global approach.³¹⁸ Prime Minister Malcolm Turnbull and Defence Minister Marise Payne retained some initiatives of predecessors Prime Minister Tony Abbott and Defence Minister Kevin Andrews, including the outreach program to support domestic industry partners. However, Turnbull and Payne used the 2016 DWP to shift from Abbott government's strategic posture, most notably by weakening the link between defense spending and GDP and delaying the arrival years of Australia's submarine fleet by a decade.³¹⁹ Through its two leadership groups and the wide range of experts consulted during the 30-month process, Payne claimed the 2016 DWP was the "most rigorous and comprehensive" defense review "in Australia's history" and "the culmination of a thorough process of review and assessment of Australia's security environment spanning the next 20 years."³²⁰

The 2016 DWP begins by analyzing Australia's overall geopolitical and security environment. It examines a variety of global threats such as competitive tension between the United States and China, the rise and spread of the Islamic State of Iraq and Syria (ISIS), rogue nations with nuclear weapons, military escalation in the East China Sea, and cyberattacks. It also considers regional issues such as reliance on sea trade routes, military modernization of Southeast Asian nations, the return of ISIS fighters to the region, territorial and economic disputes in the South China Sea, and other tensions related to population growth, political instability, and climate change.³²¹ It names the United States and New Zealand as Australia's main allies, which comes as no surprise given the longstanding relations between the three nations. The 2016 DWP also describes growing relationships with Japan, South Korea, and the other Association of Southeast Asian Nations (ASEAN) members. The DWP's discussion of China describes its importance as a main trading partner but also a need to resist China's increasingly assertive behavior.

The strategy formulation process was unusual in that an expert panel of nongovernmental actors conducted analysis throughout the course of the 2016 DWP process. The expert panel also included the opinions of the public in its findings, leading to a government report about civilian defense opinions preceding the release of the DWP. In addition, the government used private-sector experts to validate cost estimates.

Context

Australia has only published seven defense white papers in its history, the first released in 1976. Prior to that, Australian defense planning centered on Australia's role as a member of the British

³¹⁸ Australian Strategic Policy Institute, "Defence White Paper 2016," <https://www.aspi.org.au/in-focus/defence-white-paper-2016>.

³¹⁹ Andrew Carr, "The Politics of the 2016 Defence White Paper," *Security Challenges* 12 (2016), 1–17.

³²⁰ Australian Department of Defence, *2016 Defence White Paper*, 9.

³²¹ Taken from Deloitte, "Defence White Paper 2016: A Quick Glance," infographic, <https://www2.deloitte.com/au/en/pages/public-sector/articles/defence-white-paper-2016.html>.

Commonwealth. Australia assumed it would provide forces as part of a larger Commonwealth expeditionary force as it had done in World War I, World War II, and the Korean War. The DWPs symbolized Australia's break with its colonial past. The 1976 DWP emphasized self-reliance and sought to limit Australian defense activities to regional concerns. Subsequent white papers—in 1987, 1994, 2000, 2009, and 2013—addressed force structure requirements (occasionally scaling personnel up or down), pegging the defense budget to a precise measurement of GDP (3 percent in 1987, 2 percent in 1994, and holding at 2 percent or below thereafter).

The emphasis on self-reliance continued through later DWPs; the 1994 document did not differ substantially from the 1987 one, despite its release after the end of the Cold War. It did, however, include the first call for a public consultation process, which was not implemented until the 2000 white paper. The 2000 white paper notably provided the first mention of cybersecurity, as well as a commitment to rebuild an expeditionary force that could engage in more proactive operations—debate about Australia's intervention in East Timor prompted the government to reassess its primarily defensive posture, and induced the public to seek a greater role in defense planning.

The next white paper did not occur until 2009. In 2009, the Australian government mandated that a white paper be released every five years and advocated a “whole of enterprise approach” in the planning process, which included extensive public consultations.³²² The 2009 DWP shifted strategy to focus more closely on China, promising upgrades to the Australian Defence Force. However, its bungled rollout led to “a drumbeat of political mistrust” between China and Australia, accompanied by budgetary shortfalls that did not deliver promised capabilities. Rory Medcalf (head of the National Security College at the Australian National University) described Australian policy during this time as “speaking loudly whilst carrying a small stick,” a “cardinal sin of statecraft.”³²³ Others agreed, saying that the 2009 DWP “promised big and delivered little.”³²⁴

The 2013 white paper came about a year early, largely due to the lingering effects of the global financial crisis and the unpredictability of those effects on the Australian economy.³²⁵ The DWP carefully recast China as a military partner, defining the Indo–Pacific as Australia's region of primary strategic interest. The 2013 DWP supported an “Asian Century,” and placed a great deal of emphasis on diplomacy and alliances. Critiques of the document warned that deficit spending hindered sustaining modernized military capabilities and participating in shared missions, both priorities of the 2013 DWP. Other critics cautioned that China might not perceive the strategy as conciliatory since the document's focus on alliances could be interpreted as an attempt to dilute Chinese influence.³²⁶ Another analysis called it “more an exercise in treading water for political purposes than a serious attempt at matching defence resources with current strategic challenges.”³²⁷

The 2016 DWP attempted to address this mismatch among goals, challenges, and resources. Coming at a time of strategic shift, the document sought to “enhance Australia's defence capability, deepen our

³²² Australian Department of Defence, *2009 Defence White Paper*.

³²³ Rory Medcalf, “Breaking Down Australia's Defense White Paper 2013,” *The Diplomat*, May 7, 2013, <http://thediplomat.com/2013/05/breaking-down-australias-defense-white-paper-2013/>.

³²⁴ Australian Strategic Policy Institute, “Defence White Paper 2016”

³²⁵ Nicole Brangwin, Nathan Church, Steve Dyer, and David Watt, “Defending Australia: A History of Defense White Papers,” Parliamentary Library Research Paper Series 2015–16, August 20, 2015, 73.

³²⁶ Australian Strategic Policy Institute, “Defence White Paper 2016.”

³²⁷ *Ibid.*

international security partnerships and collaborate with defence industry and science and technology research partners in support of our nation's security."³²⁸

Process Leadership and Team Structure

The defence minister was the central figure in the development of the 2016 DWP. A writing team of seven people were responsible for drafting the strategy, with one person unofficially acting as lead pen; the writing team coordinated with a secretariat of 15 people (the staff of the minister, equivalent to the U.S. version of OSD policy) and an expert panel of outsiders (who are former insiders) in order to determine the main issues. The expert panel included "Mr Peter Jennings, Executive Director of the Australian Strategic Policy Institute (ASPI); Rear Admiral James Goldrick (Ret'd); Dr Stephan Fruhling, from the Strategic & Defence Studies Centre (SDSC) at the Australian National University (ANU); Rory Medcalf, who worked at the Lowy Institute for International Policy for most of the period before taking a professorship at ANU; Dr Andrew Davies also from ASPI; and Mr Mike Kalms a partner from KPMG."³²⁹

Australian planners also involved the public in the formation of the strategy. Public consultations occurred in two ways: (1) Individuals from the expert panel assisted the federal government in holding a series of meetings in each state and territory to hear opinions from the public and (2) the public also had the opportunity to submit written statements online.³³⁰

The government administration provided guidance on broad themes for the meetings and the submissions, and a team later collected the findings into a report titled *Guarding against Uncertainty: Australian Attitudes to Defence*.³³¹ The 2016 DWP received 269 public submissions.³³² Public consultation found support for bolstering the domestic defense industry, leading to a civilian-driven 2016 DWP attempting to "match our [the Department of Defence's] strategy and capability plans with appropriate resources," in order to satisfy strong domestic defense industry support.³³³

Although input from the public is heard on a number of issues, it is unclear to what extent the public consultation process influenced broader defense priorities, beyond domestic industry issues, in the final DWPs.³³⁴ At times since the 2000 DWP process, the first DWP to include public consultations, clear divisions existed between public opinion and government preference. For example, the public wanted to continue the 2009 DWP's antagonistic stance toward China in the 2013 DWP, but the government

³²⁸ Australian Department of Defence, *2016 Defence White Paper*, 9.

³²⁹ Interview with Australian Government Official

³³⁰ Prior to the advent of the Internet, the Australian government engaged the public by releasing a public discussion paper, also called a "green paper," accompanied by a public discussion program. For an example, see Australian Department of Defense, *Defence Review 2000 – Our Future Defence Force: A Public Discussion Paper*, June 2000, v.

³³¹ Australian Department of Defence, "Defence Public Consultation information sheet," <http://www.defence.gov.au/Whitepaper/docs/WhitePaperFactSheet.pdf>; Australian Department of Defence, "Expert Panel and Community Consultation," <http://www.defence.gov.au/whitepaper/ExpertPanel.asp>.

³³² Chapman, "Geopolitics of the 2016 Australian Defense White Paper and Its Predecessors," 42.

³³³ Australian Department of Defence, *2016 Defence White Paper*, 9.

³³⁴ Brangwin et al., "Defending Australia: A History of Defense White Papers," 74.

preferred and implemented more nuanced language to downplay aggression, explaining its position to the public in a series of speeches and documents.³³⁵

Top-Down vs. Bottom-Up

The 2016 DWP process was a top-down process led by Abbott and Andrews, the prime minister and defence minister for the first 24 months, before being taken up by their replacements, Turnbull and Payne. These leaders coordinated the process, allowing a number of stakeholders to contribute to the review while the “top” (the writing team, the secretariat, and the expert panel) coordinated information into the 2016 DWP and its supporting documents.

Outside influence and commentary informed pieces of the review, particularly the supporting documents, and leaders integrated this information in order to give the 2016 DWP relevance to a number of stakeholders. The expert panel was composed of outsiders, who had been former insiders; they provided their own thoughts and coordinated public outreach events to gain a wider perspective. While outsiders led these events, the government leadership provided general themes and questions about the information it sought from outside contributors, a form of guidance not seen in all efforts to include outsider opinions.³³⁶

Resources

The review began with an expectation that additional resources would be needed. The Australian Defence Force had underinvested in new capabilities and suffered from aging equipment and infrastructure during the period between the 2009–10 budget and the 2013–14 budget. The modernization program in the 2016 DWP focused more on enhancing anti-access/area denial (A2/AD) capabilities than on force projection, although certain acquisitions will augment the latter, and mostly will occur within the naval and aerial realms. As a whole, “the defense acquisitions definitely have a closer-to-home edge, in that they are mainly meant to operate in the Indo–Pacific and primarily against a state opponent.”³³⁷

To improve defense financial planning, the White Paper introduced a 10-year funding “model”—actually a plan—with the goal of increasing Australia’s defense funding to 2 percent of GDP by the 2020–21 budget cycle. (Military spending hovered around 1.9 percent of GDP from 2000–2010, and then dipped to 1.69 percent in 2013.)³³⁸ To develop the 10-year funding model, private-sector cost experts validated

³³⁵ Andrew O’Neil, “Defence White Paper Pulls its Punches on China,” Lowy Institute for International Policy, May 6, 2013, <https://www.lowyinstitute.org/the-interpreter/defence-white-paper-pulls-its-punches-china>; Benjamin Schreer, “Introducing Nuance: The White Paper and Great Power Competition,” Australian Strategic Policy Institute, May 3, 2013, <https://www.aspistrategist.org.au/introducing-nuance-the-white-paper-and-great-power-competition/>; Rory Medcalf, “Sweet and Sour in Defence Take on China,” *Australian Financial Review*, May 6, 2013, 47; Australian Ministry of Defense, *2013 Defence White Paper*, 11.

³³⁶ Carr, “The Politics of the 2016 Defence White Paper.”

³³⁷ Benjamin David Baker, “What Does Australia’s Defense White Paper Actually Say?,” *The Diplomat*, March 5, 2016, <http://thediplomat.com/2016/03/what-does-australias-defense-white-paper-actually-say/>.

³³⁸ Andrew Carr and Daniel Baldino, “The End of 2%: Australia Gets Serious about Its Defence Budget,” *The Conversation*, February 26, 2016, <http://theconversation.com/the-end-of-2-australia-gets-serious-about-its-defence-budget-53554>.

cost projections in an accompanying report, the *Integrated Investment Program*.³³⁹ The report represented the government's first "detailed capability investment plan for the future force" conducted by the private sector to provide external validation.³⁴⁰ The 2020–21 budget should reach \$42.4 billion in order to meet its goal, and the Department of Defence will receive a \$29.9 billion total increase in funds by 2025–26. It is worth noting that "the ten-year funding model will not be subject to any further adjustments as a result of changes in Australia's GDP growth estimates"—which means that even if the country's economic growth slows, the Department of Defence's share of spending will not.³⁴¹

The funding model aligned "defence strategy, capability and resources," working under the assumption that a long-term plan allowed more confident investment in capabilities and infrastructure.³⁴² The 2016 DWP addresses some acquisition plans beyond the 10-year funding window, such as when it plans to begin a rolling acquisition program during the 2030s to maintain a fleet of 12 submarines after adding 6 submarines to the fleet in earlier years to get up to a fleet of 12.

Analysis and Risk Assessment

The white paper notes the need to manage "strategic risk," though it does not explicitly define the term or provide metrics, and assesses that "there is no more than a remote chance of a military attack on Australian territory by another country."³⁴³ However, the assessment expects uncertainty to increase during the next two decades, requiring the Department of Defence to "be better prepared to meet a broader range of security challenges in the coming years."³⁴⁴

The white paper's methodology involves providing as much certainty as possible to factors that can be controlled, including budget and planning with industry and international partners. Capabilities are set as standards needing to be fulfilled given a rapidly changing environment. While potential threats are discussed—including redistribution of power in the Indo–Pacific region or terrorism threats from ISIS—forces and investments are not assessed in accordance with threats but discussed in a completely independent manner. The long-term plan has a capabilities-based justification that does not attempt to predict future threats and does not use the anticipated threats to determine force structure or investment.

Classification and Length of Process

The development of the 2016 defense white paper process took a total of 30 months, a year longer than the original plan of 18 months. The delay owed a lot to changing domestic politics in Australia—the process began under Prime Minister Tony Abbott, but Abbott's popularity declined, eventually allowing

³³⁹ According to the DWP: "This 10-year funding model is based on a fully costed future force structure, with external validation of these costs by experts in cost assurance from private sector companies which are globally recognized for their cost analysis and assessment services. This is the most comprehensive cost assurance that has been undertaken for a Defense White Paper." Australian Department of Defence, *2016 Defence White Paper*, 180.

³⁴⁰ *Ibid.*, 20.

³⁴¹ *Ibid.*, 36.

³⁴² *Ibid.*, 177.

³⁴³ *Ibid.*, 32.

³⁴⁴ *Ibid.*, 34.

Turnbull to defeat and replace Abbott as party leader. Abbott oversaw the first 24 months of the DWP's formulation while Turnbull oversaw the final six months of the process.³⁴⁵

Interviews confirmed the existence of a classified version of the document.³⁴⁶

Forecasting

The 2016 DWP is explicit in its planning horizon: the DWP “looks out to 2035 to identify where and what sorts of security challenges are likely to arise and what capabilities Defence—the Australian Defence Force (ADF) and the Department of Defence—will need to meet them.”³⁴⁷ This timeframe is based on a number of factors, including the rise of China, deteriorating India–Pakistan relations, the proliferation of submarines in the Indo–Pacific, and technological developments over the next two decades. Previous DWPs, such as 2009, also used a planning horizon of 20 years.³⁴⁸ Others, like the 2013 DWP, did not include an explicit time horizon. Like the 2009 DWP, the 2013 DWP lacked bipartisan support.³⁴⁹

Role of External Actors

The 2016 DWP included actors external to the Department of Defence in its development. The process included “an Expert Panel [see discussion earlier] which supported the development of the 2016 DWP together with a comprehensive consultative process which incorporated input from across Government, Australian defence industry, the Australian public, the United States, New Zealand and our other international partners.”³⁵⁰ The panel, composed of experts working outside the government [listed by name above], conducted analysis throughout the entire process, facilitated meetings with the public, and passed the resultant information to government officials, who produced a report conveying key findings. Furthermore, the 2016 DWP is the first of its kind to be “fully costed, with external private sector assurance of the White Paper’s investment plans.”³⁵¹

Regarding the role of actors outside the Department of Defence in executing the strategy, the 2016 DWP also explains “how the Government will ensure that Australia has the critical industrial, scientific, technological and innovation capabilities outside of Defence necessary to underpin Australia’s security.”³⁵²

Frequency of Review Process

The 2016 DWP does not offer explicit guidance on the prescribed frequency of reviews. Earlier White Papers had stated a cycle of five years, but global events and domestic circumstances have often shifted that timeframe longer or shorter.

The 2003 Australian defense update states that “the Government undertook to review our defence posture periodically to ensure Australia continues to have the appropriate mix of concepts, capabilities,

³⁴⁵ For more on this, see Carr, “The Politics of the 2016 Defence White Paper.”

³⁴⁶ Interview with Pat Buchan.

³⁴⁷ Australian Department of Defence, *2016 Defence White Paper*, 13.

³⁴⁸ Brangwin et al., “Defending Australia: A History of Defense White Papers,” 53.

³⁴⁹ *Ibid.*, 68.

³⁵⁰ Australian Department of Defence, *2016 Defence White Paper*, 14.

³⁵¹ *Ibid.*, 9.

³⁵² *Ibid.*, 29.

and forces to meet new challenges as they arise,” allowing for flexibility to conduct reviews as required by the evolving security environment.³⁵³ The 2016 DWP similarly states that “The Government will periodically review our capability and funding plans to ensure that they remain appropriate to our strategic circumstances and objectives.”³⁵⁴

Alignment with Other Strategy Documents

In the *Integrated Investment Program*, published alongside the 2016 DWP, the government described specific investments that the government would make over the decade FY 2016–26 “to build the future force and Defence capability goals of the Defence White Paper. . . . The Integrated Investment Program will be reviewed annually as part of the development of the budget; the Program will evolve in response to changes in Australia’s strategic circumstances, including capability priorities, and developments in technology.”³⁵⁵

The *Defence Industry Policy Statement* accompanied the *Integrated Investment Program* and the 2016 DWP. It sought to reset the relationship between defense policy and defense industry in order to achieve “improved delivery of Defence capability, to ensure we are maximizing opportunities for competitive Australian businesses and streamline the delivery of Defence industry programs.”³⁵⁶ The three documents together articulated defense goals (the 2016 DWP), linked those goals to the annual budget process in specific ways (the *Integrated Investment Program*), and brought the goals and budget to the defense industry for development in specific capabilities (the *Defense Industry Policy Statement*).

Conclusion

The significance of Australia’s broad strategy formulation process—and specifically the 2016 DWP—is the fresh emphasis on the connections between goals, resources, and (current and future) capabilities, largely driven by input from individuals outside the government, particularly civilian nonexperts. The strategy seeks to provide guidance on *how* to move from planning to implementation. In that regard, the Integrated Investment Program and the Defense Industry Policy Statement are critical companions for how to realistically match goals to the available financial resources (described by the former document), as well as how to articulate to the private defense industry what specific acquisitions and technologies will be required (described by the latter document).

Additionally, the Australian strategy process is noteworthy for its commitment to public engagement; even if the opinions collected do not substantively alter the final strategy beyond the domestic front, public engagement can help to increase buy-in.

³⁵³ Australian Department of Defence, *Australia’s National Security: A Defense Update*, 2003, 7.

³⁵⁴ Australian Department of Defence, *2016 Defence White Paper*, 183.

³⁵⁵ Australian Department of Defence, *2016 Integrated Investment Program*, <http://www.defence.gov.au/WhitePaper/Docs/2016-Defence-Integrated-Investment-Program.pdf>.

³⁵⁶ Australian Department of Defence, *2016 Defense Industry Policy Statement*, <http://www.defence.gov.au/WhitePaper/Docs/2016-Defence-Industry-Policy-Statement.pdf>.

Appendix H: Strategy Formulation Literature Review

Overview

Although the origins of strategic studies lie in military history, Lawrence Freedman notes in his authoritative work on the subject that the concept of strategy has influenced and increasingly been influenced by the business realm, a field that “has been the recipient of more strategic advice than any other group, including generals.”³⁵⁷ Thus today both the public and private sector—including the realms of business, government, and military—have produced a vast literature on strategy formulation. This review does not seek to comprehensively outline the voluminous literature on strategy development; it attempts to introduce the animating debates in the fields of business and national security strategy-making. Whether process should be driven from the top-down or proceed from the bottom-up, be formally led by a team of analysts or informally devised by a dominant leader, or trend toward more deliberate approaches premised on sustained forecasting or more flexible, adaptive concepts are just some of the considerations the literature suggests managers should consider when approaching strategy formulation. Appreciating existing scholarship can illuminate the tradeoffs policymakers should weigh when developing and assessing strategy processes.

Business Strategy: Modern Schools of Thought and Trends in Corporate Strategy Formulation

The field of business strategy analysis blossomed during the second half of the twentieth century. Business literature on process reflects the tension between formal, structured strategy formulation methods and more irregular, flexible, and intuitive approaches. Both have strengths and weaknesses and have experienced swings in popularity in recent decades. As a litany of philosophies on strategy development have emerged, scholars have advanced helpful typologies for classifying the broad streams of thought in the field. Henry Mintzberg summarized key analytical trends in his seminal *The Rise and Fall of Strategic Planning* in 1994; in 1998, he went on to delineate 10 major schools of thought in *Strategy Safari*, alongside coauthors Bruce Ahlstrand and Joseph Lampel. Although these strategy formulation philosophies do not necessarily make up the totality of thought in the field on strategy formulation, the schools do illustrate some of the important choices managers must consider when developed strategy. The schools of thought outlined in *Strategy Safari* appear in Table H.1.³⁵⁸

³⁵⁷ Lawrence Freedman, *Strategy: A History* (New York: Oxford University Press, 2013), 460. For more on corporate strategy, see the section “Strategy from Above.”

³⁵⁸ Adapted from Henry Mintzberg, Bruce Ahlstrand, and Joseph Lampel, *Strategy Safari: A Guided Tour through the Wilds of Strategic Management* (New York: The Free Press, 1998), 5; For alternative typologies of the major strategy formulation philosophies, see Edward H. Bowman, “Strategic History: Through Different Mirrors,” *Advances in Strategic Management*, 1995, 11: 25–45; Robert F. Grattan, *The Strategy Formulation Process: A military-business comparison* (Basingstoke, UK: Palgrave Macmillan, 2002).

Table H.1: Schools of Thought in Mintzberg’s *Strategy Safari*

Grouping	School	View on Strategy Process
Prescriptive	The Design School	Strategy formation as a process of <i>conception</i>
	The Planning School	Strategy formation as a <i>formal</i> process
	The Positioning School	Strategy formation as an <i>analytical</i> process
Descriptive	The Entrepreneurial School	Strategy formation as a <i>visionary</i> process
	The Cognitive School	Strategy formation as a <i>mental</i> process
	The Learning School	Strategy formation as an <i>emergent</i> process
	The Power School	Strategy formation as a process of <i>negotiation</i>
	The Cultural School	Strategy formation as a <i>collective</i> process
	The Environmental School	Strategy formation as a <i>reactive</i> process
Other	The Configuration School	Strategy formation as a process of <i>transformation</i>

In the early 1960s, successful business strategy was predominantly viewed as the result of a “process of conception—the use of a few basic ideas to design strategy. Of these, the most essential is that of congruence, or *fit*, between external and organizational factors.”³⁵⁹ The **design school** was the predominant method of policy formulation during this time, with the thoughtful and engaging, yet informal, process of creating strategy.³⁶⁰ According to Mintzberg, the design school is “a loose conceptual framework,” highly cerebral in its guidelines for strategy formulation, but lacking a structured, formalized process.³⁶¹ The design school relies on the “SWOT” method of assessment—identifying Strengths, Weaknesses, Opportunities, and Threats—which remains a staple of business education and practice to this day.

The design school places a greater emphasis on the free-form discussion of ideas and creativity of approach in creating strategy over formalized processes. The design school is exemplified by seven basic premises summarized by Mintzberg:

1. Strategy formation should be a controlled, conscious process of thought.

³⁵⁹ Mintzberg, *The Rise and Fall of Strategic Planning*, 36.

³⁶⁰ Learned Christensen, Kenneth Andrews, Joseph Bower, Richard Hamermesh, and Michael Porter, *Business Policy: Text and Cases* (Homewood, IL: Richard D. Irwin, 1982); Philip Selznick, *Leadership in Administration* (California: University of California Press, 1984).

³⁶¹ Mintzberg, *The Rise and Fall of Strategic Planning*, 40.

2. Responsibility for the process must rest with the chief executive officer: that person is the primary strategist.
3. The model of strategy formation must be kept simple and informal.
4. Strategies should be unique: the best ones result from a process of creative design.
5. Strategies must come out of the design process fully developed.
6. The strategies should be made explicit and, if possible, articulated, which means they have to be kept simple.
7. Finally, once these unique, full-blown, explicit, and simple strategies are fully formulated, they must then be implemented.³⁶²

Seeking to formalize strategy processes contrary to the design school, the **planning school** gained popularity in the late 1960s and flourished in the 1970s.³⁶³ Building upon the design school's simple process fashioned to respond to a particular environment, the planning school adds structure and formality to the process, while maintaining most of the premises of the design school. Mintzberg illustrates the formulaic rigidity of the planning school by highlighting the popular Ansoff model, which consists of 57 boxes in its planning flowchart.³⁶⁴ For Mintzberg, the planning school's more formalized process can undermine creativity and promote generic strategies. Additionally, this school shifts the role of the chief planner from being the architect of plans to being merely an adviser or approver of plans made by other people.

The planning school was exemplified by "a highly formalized procedure, decomposed into an elaborate sequence of steps supported by techniques, at the limit executed almost mechanically."³⁶⁵ The basic premises of the planning school of thought as follows:

1. Strategy formation should be controlled and conscious as well as a formalized and elaborated process, decomposed into distinct steps, each delineated by checklists and supported by techniques.
2. Responsibility for the overall process rests with the chief executive in principle; responsibility for its execution rests with the staff planners in practice.
3. Strategies come out of this process fully developed, typically as generic positions, to be explicated so that they can then be implemented through detailed attention to objectives, budgets, programs, and operating plans of various kinds.³⁶⁶

³⁶² Ibid., 29–32.

³⁶³ Mark E. Mendenhall, "Strategic Planning Failure," <http://www.referenceforbusiness.com/management/Sc-Str/Strategic-Planning-Failure.html>; H. Igor Ansoff, *Corporate Strategy* (New York: McGraw-Hill Inc., 1965); and George A. Steiner, *Top Management Planning* (Toronto: Macmillan Company, 1969).

³⁶⁴ Mintzberg, *The Rise and Fall of Strategic Planning*, 41; Ansoff, *Corporate Strategy*, 202–203; Also see, Kenneth R. Andrews, *Concepts of Corporate Strategy* (Homewood, IL: Irwin, 1971).

³⁶⁵ Mintzberg, *The Rise and Fall of Strategic Planning*, 40.

³⁶⁶ Ibid., 42..

By the mid-1970s, many companies had initially embraced strategic planning only to grow disappointed in its results.³⁶⁷ By the 1980s, private-sector executives “began to feel that the return on their investment in the development of large strategic planning departments had been a disappointment.”³⁶⁸ Mark Mendenhall describes a shift to less structured strategy formulation, which he attributes to the increasingly complex technological and globalized environment. The **positioning school** emerged during this time period as an answer to the deficiencies of the design and planning schools.³⁶⁹

Even though the positioning school progressed out of its predecessor schools and therefore preserves some of underlying premises, the positioning school differed from its predecessors in that it primarily focuses on the *substance* of strategy rather than on the *process* of crafting a strategy.³⁷⁰ The position school also “create[s] and hone[s] a set of analytical tools dedicated to matching the right strategy to the conditions at hand” as opposed to specifically tailoring unique strategies to each organization.³⁷¹ Analysis is at the core of this school of thought, and the role of analysts is of paramount importance as those formulating the strategy. Additionally, the positioning school introduced the idea of selective strategies being desirable and successful—those that are inherently competitive.³⁷² The premises of the positioning school are:

1. Strategies are generic, specifically common, identifiable positions in the marketplace.
2. That marketplace (the context) is economic and competitive.
3. The strategy formulation process is therefore one of selection of these generic positions based on an analytical calculation.
4. Analysts play a major role in this process, feeding the results of their calculations to managers who officially control the choices.
5. Strategies thus emerge full blown from this process and are then articulated and implemented; in effect, market structure derives deliberate positional strategies that drive organizational structure.³⁷³

As the positioning school grew out of the field of economics, so did its successor, the **entrepreneurial school**.³⁷⁴ The most salient principle of this school of strategic thought is that it holds leadership paramount in strategy development.³⁷⁵ The most crucial role within the strategy formulation process, in this approach, is that of the lead executive. The lead executive should drive the vision that eventually shapes an organization’s strategy. The lead executive’s insights require an extensive understanding of

³⁶⁷ Lou V. Gerstner, Jr., “Can strategic planning pay off?,” *McKinsey Quarterly* (December 1973), <http://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/can-strategic-planning-pay-off>.

³⁶⁸ Mendenhall, “Strategic Planning Failure.”

³⁶⁹ Michael E. Porter, *Competitive Strategy: Techniques for Analyzing Industries and Competitors* (New York: Free Press, 1998).

³⁷⁰ Mintzberg et al., *Strategy Safari*, 82–83.

³⁷¹ *Ibid.*, 83.

³⁷² *Ibid.*

³⁷³ *Ibid.*, 85.

³⁷⁴ Orvis Collins and David Moore, *The Organization Makers* (New York: Appleton-Century-Crofts, 1970).

³⁷⁵ *Ibid.*, 124.

the organization itself to shape and push the organization's strategic direction, as well as the authority and trust to take advantage of opportunities.³⁷⁶

In his influential book *Good Strategy/Bad Strategy*, Richard P. Rumelt described Steve Jobs as a visionary who "was actually focused on the sources of and barriers to success in his industry—recognizing the next window of opportunity, the next set of forces he could harness to his advantage, and then having the quickness and cleverness to pounce on it quickly like a perfect predator."³⁷⁷ Under the entrepreneurial school, the lead executive requires a force of personality, a charisma that can transform the organization from one thing into another.³⁷⁸ Whether charismatic leaders with the skills necessary to drive successful strategy formulation are developed naturally or can be taught through formal schools remains an area of debate.³⁷⁹

The entrepreneurial school's top-down philosophy emerged in response to the more decentralized, team-based approaches that had been employed by firms beholden to the early strategy schools. Employing teams of executives can mobilize an organization to overcome barriers to strategy implementation and address issues that can't be handled appropriately at lower levels.³⁸⁰ Teams can also be composed entirely of people from outside the organization to provide fresh perspectives, as well as adding to the public credibility of proposed solutions; the deficiency in teams of exclusively outsiders is that the external nature of the panel may prompt internal resistance to its recommendations because the organization lacks a degree of ownership. Processes can also be inclusive of voices from the bottom-up, leveraging the experiences of lower-level employees, whose perspectives may normally be overlooked by executives and can yield helpful insights toward improving strategic management. Scholars now generally agree that approach has merit based on a particular organization's circumstances.

The 1990s further transitioned from focused to differentiated business strategies; that is, from tightly controlled plans to more flexible, organizational innovations. For instance, Michael Porter embodies the transition as he embraces high levels of differentiation for specific companies based on production costs and the nature of target markets.³⁸¹ There was a shift also to more eclectic and novel ways of approaching strategy formulation, one of which connected cognitive psychology with the creation of strategy.

³⁷⁶ Michael E. Porter, "How Competitive Forces Shape Strategy," in Henry Mintzberg, *The Strategy Process* (Prentice Hall Europe, 1998), 68; Mintzberg, *The Strategy Process*, 111.

³⁷⁷ Richard Rumelt, *Good Strategy, Bad Strategy: The Difference and Why It Matters* (New York: Crown Publishing, 2011), 14.

³⁷⁸ *Ibid.*, 65.

³⁷⁹ Warren Bennis and Bert Nanus, *Leaders: The Strategies for Taking Charge and Bernard Bass's influential Transformational Leadership: Industrial, Military, and Educational Impact* (New York: Harper and Row, 1985); Wendy A. Kopp, *Chance to Make History: What Works and What Doesn't in Providing an Excellent Education* (New York: Public Affairs, 2011); Marlane C. Steinwart and Jennifer A. Ziegler, "Remembering Apple CEO Steve Jobs as a 'Transformational Leader Implications for Pedagogy,'" *Journal of Leadership Education* (Spring 2014), <http://www.journalofleadershiped.org/attachments/article/340/V13I2steinwart.pdf>.

³⁸⁰ Cornelius A. De Kluyver and John A. Pearce, *Strategy: A View from the Top*, 4th Edition (New York: Prentice Hall, 2012), 125–26.

³⁸¹ Michael Porter, "What Is Strategy?," *Harvard Business Review* (November-December 1996), 61–78.

The **cognitive school** gained prominence in the early 1990s as more of a “loose collection of research” than a formalized, structured school of thought, where researchers “probe into the mind of the strategist.”³⁸² Tackling both objective and subjective perspectives of the strategic environment, the cognitive school focuses on how the human mind reacts to events and data to conceptualize a strategy in response. The school looks at cognitive biases in decisionmaking and analyze how they can impact strategy formulation.³⁸³ The cognitive school is premised upon the idea that “Strategy formulation is a cognitive process that takes place in the mind of the strategist.”³⁸⁴ The emergence of strategy as the leader’s perspective, filtered through a series of cognitive biases, thus shapes strategic responses and adaption to changes in the operating environment.³⁸⁵

As a response to the highly formalized, deliberate strategies dominant in the decades prior, the concept of more flexible, emergent strategy formulation gained popularity in the 1990s.³⁸⁶ Some critics had challenged the methodological dichotomy between formulation and implementation, while others questioned the approach of adhering to preexisting strategies in the face of radical developments in the business environment.³⁸⁷ The concept of emergent strategies developed in response to these critiques.

While the aforementioned deliberate strategies emphasize concrete plans for the advancement of a firm’s goals, emergent strategies emphasize adaptation to a strategic environment through learning and experimentation over time.³⁸⁸ *Deliberate* approaches strive to craft and then implement a methodized strategy. Purely deliberate strategy formulation leaves little room for adaption to changing circumstances if, for instance, core assumptions of a strategy are proven false; *emergent* strategy formulation emphasizes less rigidity in implementation, which may lead to more haphazard and inconsistent strategies.³⁸⁹ Mintzberg rejects a formulaic interpretation of the relationship between formulation and implementation and complains that “virtually everything that has been written about strategy-making depicts it as a deliberate process.”³⁹⁰ The separate sequential process suggests, “First we think, then we act. We formulate, then we implement.” Instead, the two pieces should continually interact, merging “into a fluid process of learning through which creative strategies evolve.” This reflects Mintzberg’s argument for a balance between an emergent and a deliberate strategy—he points out how “strategies can form as well as be formulated. A realized strategy can *emerge* in response to an evolving situation, or it can be brought about *deliberately*, through a process of formulation followed by

³⁸² Mintzberg et al., *Strategy Safari*, 150; Rhonda Reger and Anne Huff, “Strategic groups: A cognitive perspective,” *Strategic Management Journal* 14, (1993): 103–24; Irene Duhaime and Charles Schwenk, “Conjectures on Cognitive Simplification in Acquisition and Divestment Decision Making,” *Academy of Management Review*, (1985): 287–95.

³⁸³ Mintzberg et al., *Strategy Safari*, 153.

³⁸⁴ *Ibid.*, 170.

³⁸⁵ *Ibid.*

³⁸⁶ Robert F. Grattan, *Strategic Review: The Process of Strategy Formulation in Complex Organisations* (Burlington, VA: Ashgate Publishing, 2011), 26.

³⁸⁷ Andrew M. Pettigrew, “The character and significance of strategy process research,” *Strategic Management Journal* 13, no. 52 (Winter 1992), 5–16.

³⁸⁸ *Ibid.*, 189; Henry Mintzberg and James A. Waters, “Of Strategies, Deliberate and Emergent,” *Strategic Management Journal* 6, no. 3 (Jul-Sep 1985), 257–72.

³⁸⁹ Mintzberg, *The Strategy Process*, 113.

³⁹⁰ *Ibid.*, 112.

implementation.”³⁹¹ Though measuring success after implementation to decide whether altering a strategy may be necessary can be difficult for public and private organizations alike.³⁹²

In addition to the implementation process concern, dynamic global markets and disruptive change in economic systems gradually undermined trust in the forecasts many corporate strategies were built upon. In the deliberate models, managers tend toward being too reliant on accurate predictions upon which strategies are based. Mintzberg concludes that “the fallacies of predetermination”—the belief that the future is predictable—can lead to strategic failure if planners do not acknowledge that unpredictability.³⁹³ Yet avoiding decisions because of an unpredictable environment is one path to a bad strategy.³⁹⁴ Thus, Mintzberg draws historical military planning to defend a need to anticipate external forces while acknowledging their unpredictability.³⁹⁵ Rather than rejecting deliberate strategy formulation outright due to the difficulty of precise forecasting, many strategists now realize successful deliberate strategies do not necessitate accurate predictions, but rather that planners should seek to “increase the odds of success,” rather than eliminate risk.³⁹⁶ Most strategies rest somewhere along a continuum between purely deliberate and purely emergent strategy formulation.

The **learning** and **environmental schools** are developed as varieties of emergent strategies.³⁹⁷ As the name suggests, the learning school is premised upon the formulation of strategy as a result of lessons learned—about the organization, the environment, or even the strategist—a process enabled by observation and trial-and-error.³⁹⁸ Much of this approach was built upon the influential notion of “muddling through,” developed in 1959 by Charles Lindblom, who sought to describe the evolutionary approach to strategy formation in organizations.³⁹⁹ The concept was later refined in 1980 by James Brian Quinn with the inception of “logical incrementalism.”⁴⁰⁰ In summarizing his description of how strategies tend to be form, Quinn argued:

When well-managed major organizations make significant changes in strategy, the approaches they use frequently bear little resemblance to the rational-analytical systems so often touted in the planning literature. The full strategy is rarely written down in any one place. The processes used to arrive at the total strategy are typically fragmented, evolutionary, and largely intuitive.

³⁹¹ Ibid., 110, 113.

³⁹² Kopp, *Chance to Make History*; John Sawhill and David Williamson, “Measuring what matters in nonprofits,” *McKinsey Quarterly* (May 2001), <http://www.mckinsey.com/industries/social-sector/our-insights/measuring-what-matters-in-nonprofits>.

³⁹³ Mintzberg, *The Rise and Fall of Strategic Planning*.

³⁹⁴ Rumelt, *Good Strategy, Bad Strategy*, 58.

³⁹⁵ Andrews, *The Concept of a Corporate Strategy*, 54.

³⁹⁶ Michael Mankins and Richard Steele, “Turning Great Strategy into Great Performance,” *Harvard Business Review*, July 1, 2005, <https://hbr.org/2005/07/turning-great-strategy-into-great-performance>.; Rodger L. Martin, “The Big Lie of Strategic Planning,” *Harvard Business Review* (January-February 2014), 79–84.

³⁹⁷ Charles Lindblom, “The Science of Muddling Through,” *Public Administration Review*, (1959): 79–88; James Quinn, *Strategies for Change: Logical Incrementalism* (Homewood, IL: Irwin, 1980); Michael Hannan and John Freeman, “The Population Ecology of Organizations,” *American Journal of Sociology* (1977): 929–64.

³⁹⁸ Mintzberg et al., *Strategy Safari*, 176.

³⁹⁹ Charles E. Lindblom, “The Science of ‘Muddling Through,’” *Public Administration Review*, Vol 19, No 2, Spring 1959, 79-88.

⁴⁰⁰ James Brian Quinn, *Strategies for Change: Logical Incrementalism* (Homewood, IL: Irwin, 1980); See also, James Brian Quinn and John Voyer, “Logical Incrementalism: Managing Strategy Formation,” in Henry Mintzberg, *The Strategy Process* (Prentice Hall Europe, 1998).

Although one can usually find embedded in these fragments some very refined *pieces* of formal strategic analysis, the real strategy tends to *evolve* as internal decisions and external events flow together to create a new, widely shared consensus for action among key members of the top management team.⁴⁰¹

Thus, the learning school is premised upon “the complex and unpredictable nature of the organization’s environment,” a long process of trial and error over time.⁴⁰² Strategy is an evolutionary process, where “patterns out of the past” inform “plans for the future.”⁴⁰³

The environmental school similarly falls within the category of emergent strategy, focusing on external “environmental” factors impacting the organization in question, elevating the importance of the environment as tantamount to the role of leadership and the organization in strategy formulation.⁴⁰⁴ Indeed, the environment is “the central actor” in a strategy under this school, with its “stability,” “complexity,” “market diversity,” and “hostility” shaping and molding strategy.⁴⁰⁵ The environmental school is premised on the idea that the environment itself is “the central actor in the strategy making process.”⁴⁰⁶ This subordinates the role of the leader as secondary, responsible for “reading the environment and ensuring proper adaptation by the organization.”⁴⁰⁷

Various other spins on the concept of emergent strategy have gained popularity over the last few decades. Recently, a growing trend in business and consulting practices has been premised on better developing emergent or adaptive strategies for coping with disruptive change and the attendant difficulties associated with pursuing strategies based on elaborate forecasts.⁴⁰⁸

The **power** and **cultural schools** focus on individual and organizational power dynamics, and collective dynamics, respectively, in strategy formulation.⁴⁰⁹ The power school analyzes political dynamics within

⁴⁰¹ James Brian Quinn, “Strategic Change: ‘Logical Incrementalism,’” *Sloan Management Review*, Fall 1978, Vol. 20, No. 1, 7–19; emphasis in original.

⁴⁰² Mintzberg et al., *Strategy Safari*, 208.

⁴⁰³ *Ibid.*, 209.

⁴⁰⁴ *Ibid.*, 286.

⁴⁰⁵ *Ibid.*, 288–91.

⁴⁰⁶ *Ibid.*, 288.

⁴⁰⁷ *Ibid.*

⁴⁰⁸ Craig Baker, James Purnell, and Martin Reeves, “Adaptive Strategy in Government,” *BCG*, May 2012, https://www.bcgperspectives.com/content/articles/public_sector_future_strategy_adaptive_strategy_in_government/#chapter1; Martin Reeves and Mike Deimler, “Adaptability: The New Competitive Advantage,” *Harvard Business Review*, July-August 2011, <https://hbr.org/2011/07/adaptability-the-new-competitive-advantage>; Martin Reeves, Claire Love, and Philipp Tillmanns, “Your Strategy Needs a Strategy,” *Harvard Business Review*, September 2012, <https://hbr.org/2012/09/your-strategy-needs-a-strategy>; Clayton M. Christensen and Michael Overdorf, “Meeting the Challenge of Disruptive Change,” March-April 2000, <https://hbr.org/2000/03/meeting-the-challenge-of-disruptive-change>; and Christopher M. McDermott and Gina Colarelli O’Connor, “Managing radical innovation: an overview of emergent strategy issues,” *The Journal of Product Innovation Management*, 19 (2002), 424–38.

⁴⁰⁹ Ian MacMillan, *Strategy Formulation: Political Concepts* (St. Paul, West: 1978); Joseph Bower and Yves Doz, “Strategy Formulation: A Social and Political Process,” in D.E. Schendel and C.H. Hofer (eds.), *Strategic Management: A New View of Business and Planning* (Boston: Little, Brown, 1979); John Edwards, “Strategy Formulation as a Stylistic Process,” *International Studies of Management & Organizations* (1977): 13–27; Peter Grinyer and J.C. Spencer, *Turnaround—Managerial Recipes for Strategic Success* (London: Associated Business Press, 1979).

an organization—micro power—and an organization’s leveraging of power externally—macro power.⁴¹⁰ A process of “bargaining and compromise among conflicting individuals, groups, and coalitions,” strategy formulation under the power school raises individuals within an organization—not just the leader—as important actors.⁴¹¹ Mintzberg uses the term “external coalition” to describe outsiders—such as owners, unions, employee associations, suppliers, clients, allies, partners, and competitors—seeking to influence strategy.⁴¹² The main premise of the power school is that “strategy formulation is shaped by power and politics,” both internal and external to the organization.⁴¹³

The cultural school, on the other hand, focuses on collective strategy-making. “Power takes that entity called organization and fragments it; culture knits a collection of individuals into an integrated entity called organization.”⁴¹⁴ Embraced by the Japanese business experience and discovered by U.S. authors in the 1980s and 90s, the cultural school analyzes the impact of beliefs, values, and even “ideologies” within organizations on strategy formulation.⁴¹⁵ The main premise of the cultural school is, “strategy formulation is a process of social interaction, based on the beliefs and understandings shared by the members of an organization.”⁴¹⁶

The 10th of Mintzberg’s schools of thought is the **configuration school**, an amalgamation of all the theories above, sequenced such that “each school at its own time, in its own place” can play a role in successful strategy formulation.⁴¹⁷ The configuration school thus incorporates premises from the remaining nine strategic schools of thought. Despite describing strategy-making as “transformative” in nature, this school of thought posits that “strategy itself is not about change at all, but about continuity.”⁴¹⁸ In essence, sustainability and stability is the main objective of the configuration school, and in order to main some form of stability, strategy-formulation needs to be adaptive to its environment and take on the relevant school of strategic thought as the environment allows or even dictates.

National Security Strategy Formulation: Key Considerations for Policymakers

National security strategy practitioners grapple with many similar challenges to those faced by their counterparts in the business world. A large body of work has proffered analysis and recommendations on similar subjects for the formulation of national security strategy. Several major considerations highlighted in the literature include competing impulses for deliberate and grand strategy, who should lead the process, how risk and unpredictability in forecasting should be account for, and how to handle competing bureaucratic and strategic influences on the process.

⁴¹⁰ Mintzberg et al., *Strategy Safari*, 235.

⁴¹¹ *Ibid.*, 236.

⁴¹² Mintzberg, *The Strategy Process*, 334, 345–46.

⁴¹³ Mintzberg et al., *Strategy Safari*, 260.

⁴¹⁴ *Ibid.*, 264.

⁴¹⁵ *Ibid.*, 267.

⁴¹⁶ *Ibid.*

⁴¹⁷ *Ibid.*, 302; Alfred Chandler, *Strategy and Structure: Chapters in the History of the Industrial Enterprise* (Cambridge, MA: MIT Press, 1962); Danny Miller, *The Icarus Paradox* (New York: Harper Business, 1990).

⁴¹⁸ Mintzberg et al., *Strategy Safari*, 302.

Grand Strategy and Emergent Strategy

Ionut Popescu divides the field of literature of national security strategy development into two broad areas: grand and emergent strategy.⁴¹⁹ For those allegiant to the grand strategy school of thought, states should develop and adhere to durable strategic concepts over long periods of time. Within this broad literature set, many scholars debate the formality, regularity, and other process characteristics associated with strategy development. At the other end of the spectrum, and influenced by trends in the business world, an increasing number of scholars have argued for more loosely held strategies, adjusted over time through improvisation and in relation to the security environment. Each side has mobilized historical examples as evidence of the logic of either grand (deliberate) or emergent strategy. The Solarium Project led by President Eisenhower is heralded as a model by grand strategy advocates.⁴²⁰ Others cite the successes of the Truman and Reagan administrations' foreign policies as evidence of emergent strategy triumphs.⁴²¹

For some, the implementation of a grand strategy is essentially a two-step process. First, and critically, the strategy must be designed and planned. It should be long term, and consider both future threats and the means available to achieve the desired ends. This is a top-down process and as described by Terry Deibel's "linear design model," the formulation of a grand strategy should involve three principles: "(1) Assess the international and domestic environments, (2) Analyze threats, opportunities, national interests, and the means of power and influence, and (3) Plan on how to use the available instruments of power to achieve the objectives."⁴²² Second, the strategy must be implemented. This will depend on the leadership's ability to "impose its strategic priorities on the bureaucracy."⁴²³ Doing so will, according to Frank Hoffman, achieve a "coherence" and ensure that "policy and strategic machinery are aligned and in good working order."⁴²⁴

Hal Brands describes grand strategy as "an integrated scheme of interests, threats, resources, and polices. It is the conceptual framework that helps nations determine where they want to go and how they ought to get there; it is the theory, or logic, that guides leaders seeking security in a complex and insecure world."⁴²⁵ Brands, assessing the balance of strategy formulation and implementation within the defense community, favors the continuous interaction of formulation and implementation outlined by Mintzberg rather than a more formulaic approach. He suggests that planning and implementation

⁴¹⁹ Ionut C. Popescu, "Grand Strategy vs. Emergent Strategy in the conduct of foreign policy," *The Journal of Strategic Studies*, 2017; adapted from the forthcoming book, Ionut C. Popescu, *Emergent Strategy and Grand Strategy: How American Presidents Succeed in Foreign Policy* (Baltimore, MD: Johns Hopkins Press, 2017).

⁴²⁰ Michele A. Flournoy and Shawn W. Brimley, *Strategic Planning for U.S. National Security: A Project Solarium for the 21st Century*, The Princeton Project Papers (Princeton, NJ: Princeton University, 2006); Andrew F. Krepinevich and Barry D. Watts, *Regaining Strategic Competence* (Washington, DC: Center for Strategic and Budgetary Assessments, 2009).

⁴²¹ Popescu, "Grand Strategy vs. Emergent Strategy."

⁴²² *Ibid.*; Terry Deibel, *Foreign Affairs Strategy: Logic for American Statecraft* (New York: Cambridge University Press, 2007), 24–32.

⁴²³ Popescu, "Grand Strategy vs. Emergent Strategy."

⁴²⁴ *Ibid.*, 6; Frank G. Hoffman, "Grand Strategy: The Fundamental Considerations," *Orbis* 58, no. 4 (2014): 472–85.

⁴²⁵ Hal Brands, *What Good Is Grand Strategy? Power and Purpose in American Statecraft from Harry S. Truman to George W. Bush* (Ithaca, NY: Cornell University Press, 2014), 3.

should be seen as “two interrelated aspects of a continuing, reciprocal dialogue” rather than sequential or distinct parts of a process.⁴²⁶

Other experts make a distinction between the planning process itself and the implementation of the plan. Colin Gray states, “War planning and strategy are different concepts. . . . War planning essentially is a technical exercise conducted by uniformed staff officers guided by agreed strategy.” He finishes the thought: “[I]n principle at least, the distinction is clear between strategy and contingency planning for its implementation.”⁴²⁷ This distinction parallels the discussion of planning, with structural approaches contrasted with organic, emergent approaches.

Over the past several years, the grand strategy field has been under increasing scrutiny from proponents of emergent strategy approaches, mirroring trends in the business literature. Richard Betts lays out the basic problem when he criticizes scholars for overlooking the gap between government leaders’ decisions and “what government organizations implementing those decisions actually *do*” [emphasis in original].⁴²⁸ By omitting consideration of how strategy will be implemented from the formulation process, planners avoid facing the hard question of whether a strategy can function. David Edelstein and Ronald Krebs doubt that American policymakers can design and implement a grand strategy. Edelstein and Krebs favor a more radical emergent strategy approach by arguing that the United States should abandon strategy-making entirely and resort to case-by-case decisionmaking.⁴²⁹ In a 2008 report on U.S. defense organization and reform, Kathleen Hicks offered several recommendations for improving the strategy execution and assessment loops, building on emergent strategy concepts. She contended, “Strategy development and execution should never be fire-and-forget activities. Although its foundational tenets may be constant, strategy cannot succeed unless it is constantly adjusting to environmental stimuli. Adjustment relies on feedback. Strategy processes must provide ample and timely means for injecting customer and other stakeholder input, execution data, new trend or wild-card assessments, or lessons learned analyses to allow for timely and effective adaptation.”⁴³⁰ Popescu notes Lawrence Freedman’s conclusion in *Strategy* that the “common view of strategy as *grand design* should change in favor of strategy as *process*” as support for the emergent strategy approach.⁴³¹

Process Leadership and Execution

As highlighted previously in relation to business strategy, leadership is an important consideration for national security strategy formulation. According to former Defense Secretary Bob Gates, good leadership should also consider potential pitfalls.⁴³² First, strategy takes time: it is easy for the minutiae of a company’s details—meetings, travel, fundraising—to control an agenda, but leaders need to safeguard their schedule to consider strategic direction. Second, it is tempting for a new leader to

⁴²⁶ Brands, *What Good Is Grand Strategy?*, 200.

⁴²⁷ Colin S. Gray, “National Style in Strategy: The American Example,” *International Security* 6, no. 2 (Fall 1981): 21–47.

⁴²⁸ Richard Betts, “Is Strategy an Illusion?,” *International Security* 25, no. 2 (Fall 2000), 7.

⁴²⁹ David Edelstein and Ronald Krebs, “Delusions of Grand Strategy,” *Foreign Affairs*, 94/6, Nov-Dec 2015, 109–16.

⁴³⁰ Kathleen H. Hicks, *Invigorating Defense Governance: A Beyond Goldwater-Nichols Phase 4 Report* (Washington, DC: CSIS, 2008), 18.

⁴³¹ *Ibid.*, 11.

⁴³² Robert M. Gates, *A Passion for Leadership: Lessons on Change and Reform from Fifty Years of Public Service* (New York: Knopf, 2016).

implement bureaucratic reforms to drive efficiency, but more often “they confuse organizational and name changes with real change.”⁴³³ Thus the efforts become pointless, or even counterproductive.

Too much centralization can spark other criticisms. Though not contained to the strategy formulation context, the National Security Council (NSC) in the Obama administration, for instance, came under fire for its very tight control of government activities and other decisionmaking.⁴³⁴ Critics argue that today’s problems are too complex, and often unfold too rapidly, for a slow, bureaucratic system to address, especially when each decision requires presidential approval.⁴³⁵ Many proposed solutions involve creating a “strategy board” or “planning board” comprised of “cross-functional experts” that could devise big-picture, longer-range plans than the NSC, modeled somewhat after a planning board used in the Eisenhower era.⁴³⁶

Strategy formulation by a team of top managers constitutes an alternative approach to a single visionary leader. Brands, for example, argues that the centralization implied by a single visionary leader is appealing because policymakers often perceive the bureaucracy as an obstacle to creative policymaking. Despite recalling some centralized decisions made by presidents and key cabinet members, Brands nevertheless supports an inclusive process because it is equipped with mechanisms for “systemic planning and reassessment” and can mediate internal disputes and facilitate “buy-in from various governmental constituencies.” A closed and centralized approach, according to Brands, creates ambiguity and confusion that inclusiveness minimizes.⁴³⁷

Any discussion about national security strategy process leadership should take into account the civil-military relationship.⁴³⁸ The conventional wisdom holds that in times of war, political leaders must set clear objectives for the military to meet, and then get out of the way while the military meets them—civilian control is important in the political sphere, but less so in the military sphere. Eliot Cohen challenges this idea, arguing that this model does not play out well in times of actual war; instead, strong civilian leaders should meddle in the military in certain ways, immersing themselves in the culture and providing an overarching political framework and strategic management that can ensure the meeting of goals beyond the purely tactical.⁴³⁹

Forecasting Challenges

Effectively managing risk is another key element in successful national security strategy development. Richard Danzig notes that government and especially the Department of Defense have a particularly

⁴³³ Gates, *A Passion for Leadership*, 58.

⁴³⁴ Robert Gates, *Duty: A Memoir of a Secretary at War* (New York: Knopf, 2014), 566; and Leon Panetta with Jim Newton, *Worthy Fights, a Memoir of Leadership in War and Peace* (New York: Penguin Books, 2014).

⁴³⁵ Shawn Brimley, Julianne Smith, and Jacob Stokes, “Reforming the NSC: What the Next President Needs to Know,” *War on the Rocks*, July 1, 2015.

⁴³⁶ Hoffman, “A Presidential Strategy Board”; Friedberg, “Strengthening U.S. Strategic Planning.”

⁴³⁷ Brands, *What Good Is Grand Strategy?*

⁴³⁸ Risa A. Brooks, *Shaping Strategy: The Civil-Military Politics of Strategic Assessment* (Princeton, NJ: Princeton University Press, 2008).

⁴³⁹ For more on this argument, see Lawrence D. Freedman, “Calling the Shots: Should Politicians or Generals Run Our Wars?,” *Foreign Affairs* (September/October 2002), <https://www.foreignaffairs.com/reviews/review-essay/2002-09-01/calling-shots-should-politicians-or-generals-run-our-wars>; and Eliot A. Cohen, *Supreme Command: Soldiers, Statesmen and Leadership in Wartime* (Free Press, 2002).

strong propensity for forecasting, embedded at the highest levels. This occurs because “[t]he U.S. military relies on prediction to forecast needs and influence the design of major equipment. A future or futures are envisioned, requirements are deduced and acquisition and design decisions are made and justified accordingly.”⁴⁴⁰ Gray agrees, arguing that “Strategists seek predictability, especially in the deterrent effect of threats and even just existentially from military capabilities.”⁴⁴¹

Further, Danzig describes how “the requirements for prediction will consistently exceed the ability to predict and cautions that the uncertainty of long-term national security challenges in particular is an “immovable object.” The defense community should therefore “prepare to be unprepared.”⁴⁴² Gates reflects on his career to come to a similar conclusion when he remarks, “In the forty years since Vietnam, our record in predicting where we will be militarily engaged next, even six months out, is perfect: we have never once gotten it right.”⁴⁴³

Importantly, however, times of uncertainty in international affairs are actually the most critical times to make forecasts. Daniel W. Drezner explains: “Ideas matter most when actors are operating in uncharted waters. They can function as cognitive beacons, guiding countries to safety. During normal times, decision-makers will extrapolate from current capabilities or past actions to predict the behavior of others. In novel times, however, grand strategies can signal to outsiders the future intentions of a country’s policymakers, reassuring or repulsing important audiences.”⁴⁴⁴ This tension drives strategists to find ways to balance forecasting with uncertainty.

The consensus remains that assessments of the future must be made to formulate strategy, but strategy planners must consistently recognize unpredictability and prepare to adapt. Authors reconcile this tension in different ways, but all reflect similar themes: be flexible, continually update, and delay irrevocable decisions where possible.

Danzig recommends that strategists be prepared to experience failure on some level, and should take steps to minimize its effects. Therefore, defense departments should:

1. Accelerate decision tempo and delay some decisions.
2. Increase the agility of our production processes.
3. Prioritize adaptability.
4. Build more for the short term.
5. Nurture diversity and create competition.

⁴⁴⁰ Richard Danzig, “Driving in the Dark: Ten Propositions about Prediction and National Security,” Center for New American Security, October 2011,

https://s3.amazonaws.com/files.cnas.org/documents/CNAS_Prediction_Danzig.pdf.

⁴⁴¹ Colin S. Gray, *National Security Dilemmas, Challenges and Opportunities* (Washington, DC: Potomac Books, 2009), 89.

⁴⁴² Danzig, “Driving in the Dark.”

⁴⁴³ Gates, *Duty: Memoirs of a Secretary at War*, 590.

⁴⁴⁴ Daniel W. Drezner, “Does Obama Have a Grand Strategy?,” *Foreign Affairs* (July/August 2011), <https://www.foreignaffairs.com/articles/2011-06-17/does-obama-have-grand-strategy>.

Competing Influences

Strategy formulation does not occur in a vacuum. Gray notes, “The strategist must operate in in ‘bandit country,’ and that country has both domestic and foreign processes. The enemy is apt to be the single largest factor among the problems that can frustrate the strategist with his preferred strategy. But a policymaking process at home and among allies that is more than marginally dysfunctional and a military that is something less than tailored and razor-sharp will come a close second.”⁴⁴⁵ Rose and Cray point out that a “thorough understanding of the stakeholders involved and their views on a particular initiative is crucial to formulating a strategy that will receive sufficient support.”⁴⁴⁶ However, bringing multiple actors into the process can introduce dissent and produce incoherence or stalemate. The literature reflects this tension about how and when to introduce outside concerns, and recommends making conscious decisions about which ones to accommodate and which ones to disappoint.

Many authors reference Clausewitz’s famous connection between war and politics, building on that to emphasize the connection between defense planning and politics. “What needs to be appreciated more fully,” Gray says, “is the quality of the relationship between defense planning and policy, with particular reference to the salience of domestic political context.”⁴⁴⁷ Additionally, Murray and Grimsley list numerous outside factors that influence strategy formulation including, geography, “[i]deology (or religion depending on the polity and period), cultural attitudes, organizational and administrative arrangements, the impact and influence of military and political institutions, the ability of the state to mobilize its economic resources, and the individual choices and idiosyncratic behavior of statesmen and military leaders.”⁴⁴⁸ Varying circumstances will prompt varying end goals of a strategy.

When stakeholders are more likely to agree on a particular strategy, Gray proposes that defense strategies are easier to crystallize and galvanize support when an obvious, dominant adversary exists. Absent an adversary, strategies lose their sharpness and shift toward amorphous goals involving hope and goodwill—principles difficult to carry toward a clear benchmark of success. Politicians and their constituents lack the same interest in strategy when “the evidence of menace is lacking.”⁴⁴⁹ This is particularly apparent when considering the role of various government agencies in strategy formulation. Operational control of resources becomes a deciding factor: Drezner remarks that whichever agency commands the most resources and staff is most likely to get its way in the policy implementation process.⁴⁵⁰ Aaron Friedberg builds on this to suggest that bureaucratic interests and political pressures can also sway how a strategy moves from process to implementation.⁴⁵¹

All these stakeholders have a different idea about what constitutes success, and can push and pull an organization in contradictory ways. As a result, strategies may contain compromises meant to assuage opposing groups without adding value to, or even detracting from, the overall effectiveness of the strategy. Some incoherence may be inevitable because “conflicting policy objectives are the norm in

⁴⁴⁵ Colin S. Gray, “The Strategist as Hero,” *Joint Forces Quarterly*, no. 62 (Quarter 2011): 37–45.

⁴⁴⁶ Rose and Cray, “Public-sector strategy formulation,” 459.

⁴⁴⁷ Gray, *Strategy and Defence Planning*, 138.

⁴⁴⁸ Williamson Murray, MacGregor Knox, and Alvin Bernstein, eds., *The Making of Strategy: States, Rulers, and War* (New York: Cambridge University Press, 1994), 7, 12.

⁴⁴⁹ Gray, *Strategy and Defence Planning*, 23.

⁴⁵⁰ Drezner, “The Challenging Future of Strategic Planning,” 19.

⁴⁵¹ Friedberg, “Strengthening U.S. Strategic Planning.”

public-sector strategy formulation.”⁴⁵² These conflicting policy objectives come from differing goals among political factions and a polarized political climate, which Brands describes as an additional challenge in the global environment.⁴⁵³ Part of a successful strategy formulation process, then, is recognizing outside perspectives and building a coalition such that the strategy can be accepted and adopted.

Conclusion

*“Ultimately, makers of strategy must narrow their focus; too much complexity makes the mind seize. At a minimum they must see clearly both themselves and potential adversaries, their strengths, weaknesses, preconceptions, and limits—through humility, relentless and historically informed critical analysis, and restless dissatisfaction even in victory. They must weigh imponderables through structured debates that pare away personal, organization, and national illusion and conceits. They must squarely address issues that are bureaucratic orphans. They must unerringly discern and prepare to strike the enemy’s jugular—whether by surprise attack or by attrition, in war or in political and economic struggle. And in the end, makers of strategy must cheerfully face the uncertainties of decision and the dangers of action.”*⁴⁵⁴—MacGregor Knox, in *The Making of Strategy*

As the preceding literature review and above quote make abundantly clear, a good strategy formulation process involves a series of considerations, which should inform how any organization, including in the U.S. government, designs its own strategy development process. The process must provide leaders the information and options necessary to establish priorities, encourage creativity, allocate scarce resources, and understand the risks and consequences involved.

These considerations include, but are not limited to:

- Institute enough structure for a complex process to operate without introducing inflexibility and bureaucratic, lowest-common-denominator thinking;
- Determine how much to rely on a centralized, visionary leader, be decentralized among teams of executives, or employ a combination of both, while ensuring dialogue among senior leaders to shape policies and build organizational commitment;
- Identify future challenges, opportunities, and risks, and prioritize organizational goals;
- Align ends, ways, and means to match resources to goals;
- Balance the need to make forecasts with the inherent uncertainty of the future;
- Communicate and build support within the organization for the set of actions driven by the strategy to facilitate implementation;

⁴⁵² Rose and Cray, “Public-sector strategy formulation.”

⁴⁵³ Brands, *What Good Is Grand Strategy*, 191.

⁴⁵⁴ MacGregor Knox, “Conclusion: Continuity and revolution in the making of strategy,” in *The Making of Strategy: States, Rulers, and War*, Williamson Murray, MacGregor Knox, and Alvin Bernstein, eds. (New York: Cambridge University Press, 1994), 645.

- Leverage outside perspectives and stakeholders in the process without creating stalemate or incoherence; and
- Explain and build support with multiple external audiences.

Appendix I: The Strategy Workforce

*“We need strategists. In the Army and across the services. At all levels. We need senior generals and admirals who can provide solid military advice to our political leadership, and we need young officers who can provide solid military advice—options, details, the results of analysis—to the generals and admirals. . . . We need young strategists because we need senior strategists, and we need a lot because when the time comes we need enough.”*⁴⁵⁵—General John R. Galvin

General Galvin, then-supreme allied commander, Europe (SACEUR), issued his clarion call during a period of seismic strategic shift as the Cold War was ending. Three decades later DoD has made some progress toward answering General Galvin’s call for professionals who practice strategic thinking. Nevertheless, Congress and others remain concerned that the formulation of good strategy is inhibited by the lack of qualified strategists.

Therefore, this chapter examines the workforce that specializes in strategy formulation. It identifies the qualifications required of strategists, acknowledges the multifaceted challenges that strategists face, analyzes the current status of OSD, Army, Air Force, Marine Corps, and Navy efforts to cultivate professional strategists, and concludes with recommendations for improving the processes of recruiting, developing, and retaining DoD strategists.

Strategists and Their Challenges

Strategists do strategy. This simple declaration belies the unique skill set required to navigate the extraordinarily complex interaction among ends, ways, and means. Colin Gray depicts the strategist as a bridge between national policy and the armed forces. In Gray’s image, policy aligns with national security objectives, or ends; the armed forces constitute a means to achieve those ends, and the strategist attempts to bridge ends and means by formulating, implementing, and assessing ways for the armed forces to help achieve national security objectives.⁴⁵⁶ According to General Galvin, the strategist is “an individual uniquely qualified by aptitude, experience, and education in the formulation and articulation of strategy.”⁴⁵⁷ To excel at strategy, apprentice strategists should be “gifted generalists”⁴⁵⁸ who strive to become cognizant of ends, ways, and means and adept at the theory and practice of strategy. A 2016 Center for Naval Analyses study concluded that core competencies for DoD strategists include “qualitative, quantitative, and experimental analysis of patterns, trends, structure and outcomes . . . program management and planning, rhetorical skills, and broad knowledge.” More specifically, these polymaths should be conversant in “history, current affairs, and relevant policies, processes, systems, stocks, and flows related to budgeting, programming, force planning, and capital investments; global politics, economics, business, finance, and governance; diplomacy, development, intelligence, and law

⁴⁵⁵ John R. Galvin, “What’s the Matter with Being a Strategist?,” *Parameters*, 19 (March 1989) 2, 4.

⁴⁵⁶ Colin S. Gray, “The Strategist as Hero,” *Joint Forces Quarterly*, 62 (July 2011), 38.

⁴⁵⁷ Galvin, “What’s the Matter with Being a Strategist?,” 3.

⁴⁵⁸ Nathan Freier, *DOD Leaders, Strategists, and Operators in an Era of Persistent Unconventional Change* (Washington, DC: CSIS, June 2009), 33.

enforcement; and science and technology.”⁴⁵⁹ With such high requirements, only a few military officers and DoD civilians actually have the aptitude and intellectual breadth and talent to be good strategists.

Gray designates strategists as heroes because, even if they have the requisite mental agility, they still face formidable obstacles, both internal and external, to “practice the theory of strategy”:⁴⁶⁰ “The enemy is apt to be the single largest factor among the problems that can frustrate the strategist with his preferred strategy. But a policy-making process at home and among allies that is more than marginally dysfunctional and a military that is something less than tailored and razor-sharp will come in a close second.”⁴⁶¹ According to Gray, the strategist’s life is further complicated by a range of daunting challenges, including an “existential misunderstanding of the nature and purpose of strategy” and “dysfunctional asymmetries among soldiers, politicians, and civil servants.”⁴⁶²

In this multifaceted and hostile context, strategists strive to think strategically, that is, to take the long view and challenge conventional wisdom. In doing this, strategic thinkers are bound to face organizational resistance. As one practicing military strategist notes, “the strategist pursues individuality of thought in an organization that values uniformity of action.” In a context that rewards unified and decisive action in the present, “the strategist plots azimuth by looking rearward to history and forward to the future.” Among colleagues who consider themselves winners devoted to achieving victories, “the strategist knows catastrophic success and triumphant failure.”⁴⁶³ Thus, even for the select few who have the requisite qualifications and are willing to confront intimidating institutional challenges, being a strategist is not for the faint of heart.

Just as doing strategy is hard, but not impossible, so too is cultivating DoD strategists to accomplish this critical mission. Theoretically, any officer or DoD civilian from OSD, the joint community, or any service could build upon his or her previous schooling, assignments, and self-development at the tactical and operational levels to function effectively at the strategic level. In reality, however, without the requisite aptitude and a clearly defined and carefully managed career path, prior assignments and study rarely equip a strategist to do strategy well. In 1995, General Chilcoat argued that the twenty-first-century “master strategist” is required to integrate the functions of the strategic leader, strategic practitioner, and strategic theorist.⁴⁶⁴ It’s no wonder, then, that OSD, the Joint Staff, and the military services struggle to access, develop, and retain professionals with requisite qualifications to serve successfully in all these challenging roles.

A 2010 House Armed Services Committee (HASC) study of professional military education (PME) updated the findings of the 1989 Skelton Panel, which identified the need to cultivate military strategists across DoD. The congressional report concluded that “joint and service efforts” to cultivate strategists and foster strategic thinking “are relatively disassociated from one another” and recommended that

⁴⁵⁹ Margaret M. Polski, “Strategy 2.0: The Next Generation,” *Joint Forces Quarterly* 81 (2nd Quarter, 2016), 23. Also see Richard A. Chilcoat, *Strategic Art: The New Discipline for 21st Century Leaders* (Carlisle, PA: U.S. Army War College, Strategic Studies Institute, October 10, 1995), 8–10.

⁴⁶⁰ Gray, “The Strategist as Hero,” 41.

⁴⁶¹ *Ibid.*, 38.

⁴⁶² *Ibid.*, 42. Also see William E. Rapp, “Civil-Military Relations: The Role of Military Leaders in Strategy Making,” *Parameters*, Autumn 2015, 14–15 and 19–20.

⁴⁶³ Matt Cavanaugh, “The 45 Paradoxical Qualities of the Strategist,” *ML Cavanaugh’s Personal Site on Life, Strategy, and Running*, February 5, 2017, <https://mlcavanaugh.com>, accessed April 12, 2017.

⁴⁶⁴ Chilcoat, *Strategic Art*, 6.

“the Joint Staff and each of the services carefully review and coordinate their PME efforts with the goal of educating qualified strategic decision-makers (in addition to strategic analysts and advisors) for service in positions of senior command authority.”⁴⁶⁵ In a recent article about the lack of strategic genius in the military, General Scales echoed the HASC findings by noting that, while the services (specifically the Army, in his experience) do a great job developing tactical leaders, “no service has a parallel system for selecting, educating, and rewarding officers for strategic leadership.”⁴⁶⁶

U.S. Army Strategists

The U.S. Army has the most mature military strategist program in DoD. The Strategist Functional Area 59 (FA 59) traces its roots to the Army’s reform of its officer management system, called Officer Personnel Management System XXI, which was launched 20 years ago. In 1997, under this reform, FA 50A focused on force management and FA 50B on strategy. Later, Army strategists gained their own functional-area designation, 59, an important recognition of the field’s importance and distinct nature. The first cohort of FA 59 officers was accessed in 2001. Soon thereafter, in 2003, the U.S. Army War College (USAWC) began to offer the Basic Strategic Art Program (BSAP), the foundational qualification course for Army strategists. Implementing documents described the duties and functions of strategists at various levels of command.⁴⁶⁷

The primary contribution of the approximately 400 currently serving FA 59 officers is the formulation and implementation of strategic plans and policies. Through a careful combination of training, education, and assignments, FA 59 officers strive to develop the following five functional competencies: “assess strategic environment, options, and risk, operationally and institutionally; translate national priorities into military strategy and plans; lead multidisciplinary groups to develop policy, strategy, and plans; integrate joint, interagency, intergovernmental, and multinational (JIIM) capabilities; and facilitate strategic education and perspective across the force.”⁴⁶⁸ Army strategists exercise these core competencies primarily at the Army Command level and above. Sixty-four percent of active component strategist positions are in Army organizations and the remaining 36 percent are in joint organizations. Washington, D.C., headquarters—the Office of the Secretary of Defense, the Joint Staff, and the Department of the Army—host 52 percent of the FA 59 force structure.

The FA 59 officer development model emphasizes quality and diversity of experiences with special focus on joint, interagency, intergovernmental, and multinational experience and exposure. Initial entry officers, a total of about 25 captains per annum in their seventh year of service, should have already developed tactical and technical proficiency, attended their captains’ career course, and completed their key developmental (KD) assignment, company command in their basic branch. The functional area prefers applicants with academic backgrounds in history, policy, business, and economics. FA 59

⁴⁶⁵ U.S. House of Representatives, *Another Crossroads? PME Two Decades after the Goldwater-Nichols Act and the Skelton Panel* (Committee on Armed Services, Subcommittee on Oversight and Investigations, April 2010), xiii.

⁴⁶⁶ Robert H. Scales, “Are You a Strategic Genius?: Not likely Given Army’s System for Selecting, Educating Leaders,” Thursday, October 13, 2016, <https://warontherocks.com>, accessed April 12, 2017.

⁴⁶⁷ Department of the Army Pamphlet (DA PAM) 600-3, *Commissioned Officer Professional Development*, (Washington, DC: Headquarters, Department of the Army, December 3, 2014), Chapter 28 (currently undergoing revision), provides details on FA 59 duties and functions at various levels of command (pages 284–85); required characteristics (pages 285–86), and career development (pages 286–91).

⁴⁶⁸ *Ibid.*, 286.

proponent management favors applicants whose evaluations document strength in concept development, communication, planning, decisionmaking, and lifelong learning.

All 59 majors must complete the Defense Strategy Course, a four-month distance education program provided by the U.S. Army War College. Then, they must finish appropriate intermediate-level education, which includes BSAP. Some FA 59 officers attend other services' command and staff colleges. All FA 59 officers must secure a master's degree in an appropriate discipline, and select officers pursue advanced civil schooling through programs such as the Harvard Strategist Program, the Johns Hopkins School of Advanced International Studies, or the National Defense Intelligence College. Some FA 59 officers attend the Army's School of Advanced Military Studies and complete the graduate-level Advanced Military Studies Program, which qualifies them in the art and science of planning at the tactical and operational levels. There are also various fellowship and PhD opportunities available to qualified Army strategists. Ideally, by the time they are senior majors, FA 59 officers will have exposure to all five functional competencies and experience in at least three.

Before entering the primary zone for consideration of promotion to lieutenant colonel, Army strategists should have completed all educational requirements and at least one 24- to 36-month 59 assignment. FA 59 lieutenant colonels and colonels who qualify for attendance at a Senior Staff College—SSCs, or “war college”-level education—usually attend the Advanced Strategic Art Program or the National Security Policy Program at the Army War College. Army strategists aim to master all five functional core competencies by the time they are senior lieutenant colonels. FA 59 colonels usually serve in national-level plans and policy assignments or as senior faculty at SSCs. Army strategists' promotion levels to major, lieutenant colonel, and colonel routinely exceed Army promotion rates.

Upon retirement from the Army, a select few former FA 59 officers choose to continue their service as Army civilian strategic planners in Career Program 60 (CP 60). The 2011 National Defense Authorization Act directed development of a competency-based civilian workforce. A year later, the Army introduced Civilian Workforce Transformation, established 31 Career Programs, and mapped all Army civilian positions to those programs. Currently, there are about 400 DA Civilians in CP 60 Series 0301, Strategic Planning.⁴⁶⁹ Civilian strategic planners must develop the following core competencies: Strategic Planning; Analysis; Planning, Programming, Budgeting, and Execution System; Strategic Evaluations and Assessments, and Risk Assessment, Management, and Mitigation. CP 60 Series 0301 DA Civilians, unlike their FA 59 colleagues, are not required to earn a graduate degree; however, both the CP 60 and FA 59 programs promote diversity in education and assignments. The U.S. Army is the only service that has codified comprehensive career paths for civilian strategists (CP 60, Series 0301).

A master training plan specifies sequential and progressive assignments and training and educational opportunities designed to develop these core competencies in DA civilians by grade.⁴⁷⁰

- Army civilian strategic planners in GS grades 7–9 are considered developing specialists or interns. Typical assignments at this level are assistant-level positions. Recommended training for

⁴⁶⁹ The 2013 *Army Civilian Training, Education and Development System Plan for CP 60, Foreign Affairs and Strategic Planning*, documents career guidance for the DA Civilian workforce of strategic planners in the same way DA PAM 600-3, Chapter 29 does so for the military workforce of strategists. The most applicable and informative section of the ACTEDS is the “Strategic Planning Master Training Plan (MTP) for Career Program 60, Series 0301.”

⁴⁷⁰ Headquarters, Department of the Army, *Career Program 60 – Foreign Affairs and Strategic Planning – Army Civilian Training, Education and Development System Plan* (Washington, DC: Headquarters, Department of the Army, July 2013), Tab H.

GS 7–9 includes BSAP and DSC.

- GS 9–11 strategic planners are deemed specialists and assigned as plans or policy officers or analysts. A wide variety of training opportunities are available for this and higher seniority levels.
- GS 12–13 strategic planners, the intermediate level senior specialists, usually serve as strategic plans or policy officers.
- GS 14–15, senior experts at the managerial level, are usually assigned as director of the Strategic Initiatives Group or as senior strategic planning analysts.

The 21-year-old military strategists' program and its nascent civilian counterpart answer General Galvin's clarion call to cultivate professional strategists with diverse talent sets across the force.⁴⁷¹ However, Army strategists usually serve as practitioners and advisers who rarely rise to the rank of general officer or Senior Executive Service (SES), which is the level at which most strategic decisions are made. General Scales laments the "painful dichotomy that those officers best prepared intellectually to become strategic decisionmakers [FA 59 officers] are least likely to rise to positions where they can exercise their decisionmaking talents." Similarly, there are currently no SES positions coded for Army civilian strategic planners.

U.S. Navy Strategists

Traditionally, officers with subspecialty code 2000, National Security Studies, have been responsible for the formulation and articulation of naval strategy; however, in January 2015, the chief of naval operations (CNO) restructured the naval strategy program by establishing the U.S. Navy's strategic enterprise.⁴⁷² All Navy strategists are expected to leverage their talents to:

1. "lead the strategic dialogue within the Navy to achieve alignment, strategic development, message synchronization, budget integration;
2. challenge assumptions and provide rigorous analysis of options and alternatives;
3. shape and influence a national vision through expert influence within the interagency and joint arena;
4. inform leadership using a consistent and aligned set of strategic principles, concepts, and tenets;
5. share . . . ideas through discussion and writing to create [the Navy's] strategic way forward, and
6. commit to the challenges inherent in the strategy community and contribute throughout [a naval] career and while ashore or at sea."⁴⁷³

⁴⁷¹ See Charles B. Moore, "What's the Matter with Being a Strategist (Now)?," *Parameters*, Winter 2009-2010, 5–19.

⁴⁷² Chief of Naval Operations (CNO) message, "Establishment of the Naval Strategy Subspecialty" (Washington, DC: Headquarters, Department of the Navy, 141554Z January 2015), 1.

⁴⁷³ *Ibid.*, 2.

Navy strategists, initially numbering approximately 300, earn subspecialty designators based on their levels of education and experience. Strategists with the 2300 subspecialty designator complete the Advanced Studies in Naval Strategy (ASNS) curriculum at the Naval War College (NWC) or the Pol-Mil Master's (PMM), while others (2301 subspecialty designator) complete the Strategic Studies curriculum at the Naval Postgraduate School. Other educational opportunities include the Federal Executive Fellowship (FEF), and the Arthur S. Moreau post-master's study program. Strategists receive additional designations for master's, post-master's, and doctoral degrees, as well as relevant experience.⁴⁷⁴

Billet opportunities for Navy strategists range from naval operational commands, to joint headquarters, Pentagon staffs, and the White House. Naval personnel with strategy subspecialties are unrestricted line officers, not staff specialists, who remain within their operational fields and are, thus, eligible for command, flag rank, and assignment to executive strategic billets. In this they are unlike the Army strategists, who leave their operational branches and become solely specialists. The tradeoff is that the Navy program, by maintaining officer qualifications in two communities, offers less depth in education and diversity of experience than the Army's military and civilian strategist programs.

U.S. Air Force Strategists

The Air Force relies primarily on its existing personnel and PME systems to produce senior officers for assignment at the strategic level. There is no cadre of professionalized military or civilian strategists and, consequently, no strategist designator or career path; however, the School of Advanced Air and Space Studies, billed as the U.S. Air Force's school for strategists, offers a master's of philosophy in military strategy and Air University offers a doctorate of philosophy in military strategy. Recent assessments of the Air Force's ad hoc approach have argued that its personnel and PME systems rarely produce enough qualified officers with the requisite mental agility and diverse operational experience to succeed as strategists.⁴⁷⁵

One proposal for creating an Air Force strategy program came from Rondall Rice in a 2011 Air War College thesis. Rice made the case for a bifurcated approach to cultivating Air Force strategists. Rice proposed that command strategists, who would secure their certification through a designated combination of schooling and assignments, would also, like Navy officers with strategy subspecialties, remain eligible for command and senior leadership positions. Professional strategists, on the other hand, would, like Army FA 59s, eventually leave their operational career fields to pursue only strategy-related education and assignments.⁴⁷⁶ In fact, the existing ad hoc program has a proven track record of producing command and professional strategists. Specifically, one-third of School of Advanced Air and Space Studies (SAASS) graduates are promoted to general officer rank. Additionally, the Air War College's PhD in military strategy, extant for only six years, just produced its first two general officers.

⁴⁷⁴ Strategists who have completed a master's degree and billets requiring strategists with a master's degree are identified with the letter "P" (2300P); the post-master's with the letter "N" (2300N) and a doctoral degree with the letter "D" (2300D). There are no billets currently coded for strategists with PhDs. The letter "S" (2300S) connotes significant experience and is awarded for completion of the FEF or a designated strategist billet. A strategist qualified both in education (2300P or 2300D) and experience (2300S) earns the alphanumeric identifier 2300Q.

⁴⁷⁵ See, for example, Scott A. Bethel, Aaron Prupas, Tomislav Z. Ruby, and Michael V. Smith, "Developing Air Force Strategists: Change Culture, Reverse Careerism," *Joint Forces Quarterly* 58 (3d quarter 2010), 83–88; and Rondall R. Rice, *Developing Air Force Strategists: A Plan instead of Ad Hoc Hopes* (Montgomery, AL: Air War College, 16 February 2011).

⁴⁷⁶ Rice, *Developing Air Force Strategists*, 11–19.

SAASS graduates and AWC PhDs who are not promoted to flag rank, but remain on active duty, may serve as strategic advisers. The Air Force may, in fact, be close to combining the advantages of the other services' approaches and to resolving the command/staff dichotomy among strategists.

U.S. Marine Corps Strategists

The Marine Corps recently took to heart the 2010 HASC study recommendation to “consider, in addition to PME, sponsoring additional junior officers for civilian masters’ and doctoral degrees in strategy-related disciplines (e.g., history, political science, economics, international relations) at top-tier universities.”⁴⁷⁷ On August 29, 2016, Marine Corps Headquarters released a message announcing a six-year pilot commandant of the Marine Corps doctor of philosophy strategist program. This initiative is designed to create a cadre of highly qualified officers to fill strategist billets in the Marine Corps and throughout DoD. Qualified officers receive a specialty designator in addition to their primary designator.⁴⁷⁸ “The end state is the creation of experts in strategic affairs within the Marine Corps.”⁴⁷⁹

Candidates eligible for the program are captains through lieutenant colonels who have completed a successful company command (or equivalent assignment) and earned a master’s degree, preferably in history, political science, economics, or international relations. The Marine Corps has partnered with American University’s School of International Service and School of Public Affairs and George Mason University’s School of Public Policy and Government to offer two-year programs with courses in strategy, national security, military history, and related subjects. After candidates complete two years of coursework at George Mason or American, they will be assigned to Marine Corps University (MCU) at Quantico, VA, for two years to complete doctoral degree requirements. Then, officers who have completed their PhDs will serve two-year utilization tours as strategists.

The pilot program may reveal ways to bridge the command/staff strategist dichotomy by creating a hybrid professionalized cohort of flag officers who serve as strategic leaders and colonels who serve as strategic advisers. The guidance specifies that the utilization tour “may be delayed or curtailed in the event of selection to command.”⁴⁸⁰ Nonetheless, it will be extraordinarily challenging for Marine Corps officers to divert from their operational career paths for a total of six years—two years of coursework at a civilian university plus two years for PhD completion at MCU plus two years of utilization—without jeopardizing their eligibility for command and eventual promotion to flag officer in their tactical-command-centric service culture.

Office of the Secretary of Defense (OSD) Civilian Strategists

OSD civilians play a key role in the development of DoD strategy. The national defense strategy, guidance for the employment of the force, and defense planning guidance have traditionally all been drafted primarily by OSD (Policy) civilians in collaboration and coordination with military counterparts within OSD and across DoD components. DoD political leadership typically provides guidance and framing for these strategy efforts but largely depends upon OSD (Policy) career civilians to assist in

⁴⁷⁷ *Another Crossroads? PME Two Decades After the Goldwater-Nichols Act and the Skelton Panel*, p. xiii.

⁴⁷⁸ Additional Military Occupational Specialty (AMOS) 05XX (specific designation still to be determined), Marine Corps Strategist.

⁴⁷⁹ Commandant, U.S. Marine Corps, “Announcement of and Solicitation for the Commandant of the Marine Corps Doctor of Philosophy (PHD) Strategist Program (Washington, DC: Headquarters, U.S. Marine Corps, 292025Z August 2016), 2.

⁴⁸⁰ *Ibid.*, 4.

crafting these documents. Political leadership within OSD often are drawn from careers in academia, think tanks, or the private sector and, oftentimes, bring with them significant exposure to strategy and strategy formulation efforts.

However, because OSD lacks structured career pathways for its permanent civilian personnel, beyond rising through the General Schedule (GS) and Senior Executive Service (SES) ranks, OSD civilians often rely upon experience gained on the job, which is valuable but not sufficient for growing a strategy workforce.

Recommendations

As summarized in Table I.1, the DoD components have taken different approaches to developing their strategy workforces because cultures vary, and strategists must survive in their own unique institutional cultures.⁴⁸¹ Therefore, it would be inappropriate to specify a “one-size-fits-all” approach to developing a strategy workforce. Instead, the study recommends four initiatives to leverage best practices.

⁴⁸¹ Because OSD does not have a strategy workforce program, it is not included in the table.

Table I.1: DoD Component Approaches to Developing Strategic Workforce

	Army	Navy	Marine Corps	Air Force
Official military program?	Yes	Yes	Yes	No, informal
Civilian program?	Yes	No	No`	No
Community size	Military: 400 Civilian: TBD	300	TBD	—
Strategist Program begun	Military: 1997 Civilian: 2013	2015	2016	—
Training and Education available	Extensive, military and civilian, through PhD	Military and civilian, potentially through PhD	Military and civilian, through PhD	Military graduate-level
Strategy Designator in Personnel System?	Military: Yes Civilian: Yes	Yes	Yes	No
Career Path: staff or staff/line?	Staff	Staff/Line	Staff/Line	—
Promotion competitive?	Yes, but no designated General Officer or SES billets	TBD	TBD	—

Recommendation 1: OSD should establish a formal forum for DoD, Joint Staff, and service strategists, military and civilian, to share best practices.

There are common challenges associated with recruiting, developing, and retaining strategists. For example, all services attempt to identify officers who have an aptitude for strategic thinking. The Army is now working with scientists from the Army Research Lab (ARL) to develop a strategic thinking aptitude test, which might be usable by other services. All four services are trying to find the right balance between military and civilian education for strategists. The Navy and Marine Corps are attempting to produce “command strategists”—strategists who are also eligible for command—and who will eventually apply their experience, education, and strategic thinking to strategic decisionmaking. In short, the services have much to learn from each other about making better strategists.

Recommendation 2: The forum should leverage commercial-sector efforts to cultivate strategic leadership, thinking, and planning.

The second recommendation acknowledges the increasing focus on strategy in the commercial sector. Strategy, once the purview of the chief executive officer alone, is now spearheaded by the chief strategy officer (CSO) or vice president for strategy in many companies (e.g., IBM, Microsoft, AT&T).⁴⁸² CSOs

⁴⁸² See R. Timothy S. Breene, Paul Nunes, and Walter E. Shill, “The Chief Strategy Officer,” *Harvard Business Review*, October 2007, hbr.org, accessed May 27, 2017, for a discussion of expanding the C-suite to include the CSO.

participate in strategy summits and sponsor institutes for strategic thinking.⁴⁸³ Although military services and corporations have very different missions and personnel systems, commercial experience, at the very least, could enrich forum discussions about best practices.

Recommendation 3: The forum should review the Army’s program for developing civilian strategists as a potential department-wide framework.

Currently, only the Army has a program for developing and assigning civilian strategists yet OSD, the joint community, and all of the services have civilians who perform strategy functions. The Army’s experience might be adapted to the culture of each different institution.

Recommendation 4: In addition to sponsoring a department-wide forum, the Office of the Secretary of Defense should take several concrete actions to promote the development of its own civilian strategist workforce. OSD should:

- Utilize existing opportunities to send permanent personnel in the GS-14/15/SES grades for educational programs on strategy formulation at the National War College. OSD should also expand the available training and education on strategy formulation for career personnel earlier in their careers, including through seminars, exercises, and exchanges with private-sector experts.
- Pair lead writers and analysts for strategy formulation processes with more junior civilian personnel to mentor and grow next-generation strategists.
- Establish more short-term rotation programs within OSD(Policy)—and across OSD—to provide exposure for a wider range of civil servants into the strategy and planning realms (and vice versa).
- Create incentives for OSD personnel to spend a tour in strategy offices as part of their career development.
- Develop a “best practices” guide for OSD civilian strategists, laying out a rough blueprint/template for thinking about—and developing—strategies.
- Consider developing low-cost, high-return efforts to build strategy development expertise on the margins of everyday work. For instance, a series of structured “strategy seminar sessions”—put on for free by distinguished former civilian and military strategists—could build intellectual capital.
- Enable rotational opportunities for OSD civilians to strategy and planning offices in the Joint Staff, services, and combatant commands, as well across the interagency and to the private sector, to increase exposure to different strategy processes and lenses of strategy formulation.

⁴⁸³ Such a position has been suggested for DoD also. See Kathleen H. Hicks, *Invigorating Defense Governance* (Washington, DC: CSIS, March 2008), 43

Appendix J: Related and Derivative Documents and Processes

Although this study primarily considered the broad, statutory strategy documents, many other mechanisms exist through which strategy is articulated and disseminated. These “complementary” documents, sometimes characterized as “planning” or “execution” guidance, fall into four often overlapping categories:

- Ad hoc documents, which respond to changes in the strategic environment.
- Supplementary documents, which cover a specific element of strategy.
- Force employment documents, which guide military operational planning based on an implied or explicit statement of strategy.
- Budget documents, which often contain a strategy front end and can drive strategy by determining what is implemented.

In addition, other departments besides defense produce national security strategies, which are also outlined below.

Major Ad Hoc Reviews/Reports

The Department of Defense in recent years has produced a few major ad hoc strategy documents, which were not required by law but instead developed in response to major changes in resources or the global security environment. These documents were often preceded by internal reviews, as well.

A notable and recent example of a major ad hoc review/report is the **2011 Comprehensive Review** and the **2012 Defense Strategic Guidance**, which were spurred by large reductions to the Department of Defense’s projected budgets as a result of the 2011 Budget Control Act, and the prospect of more, presidentially mandated cuts. The Comprehensive Review and Defense Strategic Guidance occurred outside of the regular strategy formulation cycle. (See case study in Appendix E, “2012 Defense Strategic Guidance.”)

Twice in the 2000s (2005 and 2008), secretaries of defense elected to develop unclassified **National Defense Strategy (NDS)** documents that described how DoD would support NSS objectives and provided linkage between the NSS and the National Military Strategy (NMS). In both cases, the NDS reports did not respond to statutory requirement but were instead produced at the behest of senior leadership. The 2005 and 2008 NDSs described the United States’ overarching goals and strategy and established planning objectives for military force structure, force modernization, business processes, supporting infrastructure, and required resources (funding and manpower).

The 2008 NDS, for instance, reflected frustration within OSD that the sequencing of the 2006–2007 process was not optimal. Furthermore, the Joint Staff was poised to release a new NMS in June 2008. Therefore, the 2008 NDS was an attempt by OSD to align the process by providing guidance prior to the release of the NMS.

Supplementary Documents

Supplementary documents might describe the strategies of organizational subcomponents, cross-departmental strategies, or address topics closely related to strategy. Supplementary documents can be required by permanent or one-off statutory requirements. Examples of statutorily defined supplementary documents include many tasked to CJCS such as the classified **Chairman’s Risk Assessment (CRA)** and the **Chairman’s Assessment of the QDR**. Other relevant examples of this type of document include a range of functional strategy reviews including the **Nuclear Posture Review (NPR)**, the **Ballistic Missile Defense Review (BMDR)**, and the **Space Policy Review**.

They can also be driven by changes to the geostrategic environment. Both the Asia-Pacific Maritime Strategy, colloquially referred to as the “Pivot” or “Rebalance,” and the European Reassurance Initiative (ERI) are good examples of supplementary strategy processes designed to address key challenges with a global, yet discrete, nature.⁴⁸⁴ While both efforts took a whole of government approach to these problems, DoD played a major role in their formation and execution.

The most prolific category of supplementary documents is those produced by the individual services. This study identified 47 different documents across the four services that could be described as a strategy.⁴⁸⁵ The Air Force had the most documents, with 19 separate strategies including one for each of its major components. While it is understandable that the services may release a capstone strategy document and a small number of functional guidance documents, the scale of “strategy proliferation” is somewhat startling.

The proliferation of supplementary strategy documents can create confusion among the Department’s various elements. Some have expressed concerns that the wide range of documents supports “strategy shopping” whereby supporters of a specific program or initiative cherry-pick guidance that supports their issues and ignore potentially higher-level documents that oppose their preferred option.

Force Development and Acquisition Documents

Major defense strategies—whether the QDR, DSG, or NDS—directly inform three key decision support structures in the Department, guiding (1) force development (the Planning Programming, Budgeting, and Execution (PPBE) system; (2) acquisition (the Joint Capabilities Integration and Development System (JCIDS) and the Defense Acquisition System); and (3) the Guidance for the Employment of the Force (GEF).

⁴⁸⁴ U.S. Department of Defense, *Asia-Pacific Maritime Security Strategy*, August 14, 2015, https://www.defense.gov/Portals/1/Documents/pubs/NDAA%20A-P_Maritime_Security_Strategy-08142015-1300-FINALFORMAT.PDF; Barack Obama, “Remarks by President Obama at 25th Anniversary of Freedom Day” (speech, Castle Square, Warsaw, Poland, June 4, 2014), <https://obamawhitehouse.archives.gov/the-press-office/2014/06/04/remarks-president-obama-25th-anniversary-freedom-day>; Barack Obama, “Remarks by the President at the United States Military Academy Commencement Ceremony” (speech, U.S. Military Academy – West Point, New York, May 28, 2014), <https://obamawhitehouse.archives.gov/the-press-office/2014/05/28/remarks-president-united-states-military-academy-commencement-ceremony>

⁴⁸⁵ Joe Federici and Nick Conlon, Unpublished analysis, Center for Strategic and International Studies, April 14, 2017.

PPBES

PPBES is the primary resource management system for DoD, articulating strategy, identifying the size, structure, and capabilities for military forces, setting programming priorities, allocating resources, and evaluating actual output against planned performance. PPBE is where strategic rhetoric meets programmatic and budgetary reality. Many in the programming community respond to questions of strategy with the response, “Show me your budget and I’ll tell you your strategy.”

The secretary of defense has a statutory requirement under Title 10 of the U.S. code to provide classified annual defense planning guidance (DPG) to DoD components, articulating priorities for investment and key capabilities to emphasize.⁴⁸⁶ It is also frequently used to task DoD components to develop and test scenarios and conduct studies to deepen the analytic basis for making future defense investment choices. The DPG provides front-end guidance to DoD components to inform the development of their program objectives memoranda (POMs). Decisions from the PPBES are codified in a database called the Future Years Defense Plan (FYDP). The annual and structured nature of the PPBES system provides numerous points that are directly linked to implementation so that a secretary can rapidly shape a wide array of initiatives.

Although final decisions reside with the secretary, the bottom-up nature of the PPBE system creates mechanisms through which services and agencies can advocate for their individual, sometimes parochial, interests. For example, it took direct and pointed intervention from Secretary Gates to force the Air Force to procure more unmanned aircraft in 2007–2008 even though these assets provided a high-demand capability to ongoing operations.⁴⁸⁷ Secretary Gates also had to work outside of the existing budgeting and programmatic structure to push for the rapid development and fielding of mine-resistant vehicles beginning in 2007.

JCIDS and the Defense Acquisition System

The Joint Capabilities Integration and Development System (JCIDS) is a Joint staff-driven process that identifies, defines, and manages requirements for urgent, emergent, and deliberate future programs.⁴⁸⁸ It is not specifically a strategy process, but its starting point is the defense strategy. It focuses on addressing capability shortfalls identified by combatant commanders and assessing them in a joint context to harmonize capabilities across DoD components and avoid duplication and overlap.

All DoD acquisition programs flow from capability requirements identified through the JCIDS process, assessed and validated by the chairman of the joint chiefs of staff and with the advice of the Joint Requirements Oversight Council (JROC). Milestones guide the acquisition process, seeking to balance resources against priorities and to ensure appropriate cost, schedule, feasibility, and performance tradeoffs are evaluated and implemented. Throughout an acquisition product’s life cycle, adjustments

⁴⁸⁶ Secretary of Defense, 10 USC §113 (2016).

⁴⁸⁷ “Air Force must do more for war, Gates says,” NBC News, April 12, 2008, http://www.nbcnews.com/id/24238978/ns/world_news-mideast_n_africa/t/air-force-must-do-more-war-gates-says/#.WUP_HOvyvcs.

⁴⁸⁸ Chairman of the Joint Chiefs of Staff, *Joint Capabilities Integration and Development System (JCIDS)*, CJCS 3170.01I, January 23, 2015, https://dap.dau.mil/policy/Documents/2015/CJCSI_3170_01I.pdf.

can be made to reflect changing capability requirements and fiscal reality; however, relatively stable funding and capability requirements enable successful program execution.⁴⁸⁹

Force Employment Documents

The defense strategy directly informs the assumptions and priorities of the Guidance for the Employment of the Force (GEF). This is the capstone force employment document for DoD. The secretary of defense has a statutory requirement under Title 10 of the U.S. Code to prepare the GEF every two years, as the principal document to provide strategic guidance to combatant commanders.⁴⁹⁰ It directs combatant commanders to create theater or functional strategies and campaign plans to achieve the strategic end states in the defense strategy. It provides global posture, force management, and security cooperation priorities, as well as overarching nuclear policy. The GEF is also informed by the Unified Command Plan (UCP), a classified document prepared every two years by the CJCS, as required by Title 10 of the U.S. Code, that assigns geographic areas, missions, and planning and operational responsibilities to combatant commands (COCOMs).⁴⁹¹ The GEF is normally developed in parallel with the Joint Strategic Capabilities Plan (JSCP) to synchronize guidance from the secretary of defense and the CJCS. The JSCP implements the GEF's strategic guidance, formally tasking COCOMs campaign, contingency, and posture planning requirements, seam and coordination guidance, and direction on apportioning forces worldwide.

Non-DoD Strategy Documents

Several non-Department of Defense strategy documents also guide and inform U.S. national security policy and resourcing.

- The *Quadrennial Homeland Security Review* (QHSR) is the overarching strategy document of the Department of Homeland Security.⁴⁹² The QHSR has been conducted twice: first in 2010 and then in 2014. The QHSR is codified in statute.⁴⁹³
- The *Quadrennial Development and Diplomacy Review* (QDDR) is the overarching strategy document of the Department of State. It was first conducted in 2009–2010 and subsequently in 2014–2015. The QDDR is not codified in statute, and it is unclear whether it will continue under subsequent administrations.⁴⁹⁴
- The *Quadrennial Energy Review* (QER) was created by a presidential memorandum in 2015. Two QER documents have been released to date. Due to the executive nature of this review, it is unclear whether it will continue in subsequent administrations.

⁴⁸⁹ U.S. Department of Defense, *Operation of the Defense Acquisition System*, January 26, 2017, <http://www.acqnotes.com/wp-content/uploads/2014/09/DoD-Instruction-5000.02-The-Defense-Acquisition-System-2-Feb-17-Change-2.pdf>.

⁴⁹⁰ Secretary of Defense, 10 USC § 113 (2016).

⁴⁹¹ Combatant Commands: establishment, 10 USC § 161 (1986).

⁴⁹² Nathan J. Lucas and Kathleen J. McInnis, *The 2015 National Security Strategy: Authorities, Changes, Issues for Congress*, R44023 (Washington, DC: Congressional Research Service, 2016), <https://fas.org/sgp/crs/natsec/R44023.pdf>.

⁴⁹³ Quadrennial Homeland Security Review, 6 USC § 347 (2007).

⁴⁹⁴ Lucas and McInnis, *The 2015 National Security Strategy: Authorities, Changes, Issues for Congress*.

- The *National Intelligence Strategy* (NIS) is both a new and old product. It has been produced by the director of national intelligence (DNI) since 2005 but was recently codified in statute by the Intelligence Authorization Act for FY2015. The first NIS under the statutory requirement is due in 2017.⁴⁹⁵ This is likely to be a classified product.

It is important to note that many U.S. government strategy processes have very little to do with national security. For example, the Obama administration released a National HIV/AIDS Strategy in 2015 that outlines the range of steps the U.S. government is undertaking to control and hopefully cure HIV/AIDS. Such strategies are relatively common in the biomedical research and public health sectors of the U.S. government. In addition, strategies or strategy-like documents have become prevalent on a range of climate, environmental, and energy issues.

⁴⁹⁵ Ibid., 10.

About the Authors

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