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Eye to the Future Refocusing State Department Policy Planning

POLICY BRIEF



By Richard Fontaine and Brian M. Burton

“The State Department’s Policy Planning staff was launched just over 60 years ago, in May 1947. George Kennan was its first director. In many ways and with all due respect to more recent directors, it has been downhill ever since.”¹

Richard Haass, Director of Policy Planning, 2001-2003

“...[I]t is time I recognized that my Policy Planning staff, started nearly three years ago, has simply been a failure, like all previous attempts to bring order and foresight into the designing of foreign policy by special institutional arrangements within the Department.”²

George Kennan, Director of Policy Planning, 1947-1949

These reflections by two directors of the Policy Planning staff capture an enduring frustration with the State Department’s difficulty in planning foreign policy. Most would agree that the Department does not “do” planning – at least not in the same fashion as does the Pentagon, which consistently develops plans for an array of future scenarios and contingencies, or the private sector, in which firms often maintain a formal strategic planning process. Yet since 1947, the State Department has retained a full-time Policy Planning staff (S/P), regularly led by renowned foreign policy thinkers and operators. Charged with looking beyond the immediate time horizon and engaging in high-level thinking about future policy directions, the staff would seem to be positioned to play an important and even critical role.

Current and former foreign policy officials generally agree that proper policy planning is necessary to the making of American foreign policy. If it is true that, as the National Intelligence Council (NIC) concluded, “the international system – as constructed following the Second World War – will be almost unrecognizable by 2025,” a planning office that ties long-range strategic vision to current policies and operations may be more necessary now than ever.³ Given the pace of global change and the increasing salience of transnational issues that defy traditional categorization and cut across multiple bureaucratic jurisdictions (to include such examples as terrorism and crime, climate change and the spread of technologies that empower non-state actors), a staff that can identify multiple trends and tie them to policy decisions is

an imperative. With the acceleration of the media cycle and the proliferation of international actors, the “tyranny of the inbox” is perhaps more pressing today than ever before. Whereas senior-level foreign policymaking has never been a leisure activity, days are now chopped ever more finely into meetings and travel, phone calls and town halls, congressional testimony and media interviews. As time pressure increases and crises flare regularly, designating a staff to take the long view helps to harness opportunities and avoid problems that would otherwise be lost in the course of daily events.

But the work of such a staff must be relevant, and herein lies the conundrum that has faced policy planners for several decades. S/P must look beyond the inbox, but connect its long-term analysis to the decisions and actions the Department’s leadership takes today. Linking plans to actions and maintaining the office’s relevance in an era of rapid change constitute the key challenges to effective planning at the Department of State.

As the ongoing Quadrennial Diplomacy and Development Review (QDDR) process weighs whether State possesses the capabilities necessary to maximize American influence in the 21st-century diplomatic environment, S/P should also come under scrutiny. The Policy Planning staff has itself taken responsibility for coordinating the QDDR process, and it should take the opportunity to examine closely its own role during and after this review. This policy brief aims to offer several tentative conclusions and recommendations aimed at enhancing S/P’s effectiveness. The brief is based on author research and an April 2010 workshop on “The Future of State Department Policy Planning” at the Center for a New American Security (CNAS), which included current and former S/P directors, members of the Policy Planning staff, former policymakers, academics and others.

Policy Planning vs. S/P

Despite its moniker, the Policy Planning staff does not represent the only planning organ within the State Department. Indeed, other, more formalized planning functions distributed throughout the Department can hold greater sway, even though they often add up to less than the sum of their parts. Offices responsible for budgeting and resource management actively engage in medium- and long-term planning aimed at linking resource and budget decisions to broader foreign policy issues. Embassies produce their own plans, which do not always connect with the visions sketched out in the bureaus and higher ranks. Individual regional bureaus outline plans and programs aimed at managing policy beyond immediate day-to-day requirements; these are often adjudicated by the Bureau of Resource Management’s Office of Strategic and Performance Planning – which in turn contributes to the production of the Department’s legally mandated Strategic Plan.⁴ The Director of Foreign Assistance (F) has developed a new planning and budget process that aims to align foreign aid resources with foreign policy goals, and to give the secretary the ability to make “strategic decisions” about the ways in which disbursing foreign assistance can aid diplomacy.⁵ The Department’s top leadership routinely gathers to discuss both near-term issues and longer-term opportunities and challenges. And Department personnel participate in many interagency fora in order to build consensus behind decisions, a number of which will have medium- or long-term implications.

Taken together, these formalized processes and ad hoc efforts among different bureaus and offices represent not an integrated policy planning process so much as an uneasy, sometimes inconsistent amalgam of efforts to think through discrete issues and resourcing challenges. The key problem for State is that such plans are seldom linked to an overall set of

strategic objectives, and are not generally produced by any office responsible for stewardship of the Department's strategic vision. The result is a melding of different region-, country- and issue-specific plans focused on addressing near-term crises rather than planning for longer-term opportunities.

The Policy Planning staff provides the best venue to provide fresh strategic thinking, advise the secretary and other senior leaders on events over the horizon, lead efforts that either cut across bureaucratic stovepipes or are of top priority for the secretary, and serve as the Department's locus for engagement with planners across the government and thinkers outside it. The office possesses a unique and potentially quite valuable capacity to improve American foreign policy. In doing so, however, it also has to recognize its own limitations and live within them effectively.

The Fundamental Dilemmas of the Policy Planning staff

S/P occupies an odd institutional position: tasked with planning but without formal authority, a repository of strategic thought but with influence limited largely by the degree the secretary confers upon it. It is charged with coordinating medium- and longer-range policy alternatives without being directly tied to departmental resource management. Compounding these challenges is a fundamental issue built into the very fabric of the office itself.

S/P has faced a core challenge since its creation: Balancing the need to look beyond the crises of the day toward a long-term strategic vision while remaining relevant to the Department's current priorities. Secretary of State George Marshall established the Policy Planning staff in 1947, placing at the helm George Kennan, then already well-known for his "Long Telegram" that outlined a strategy of Soviet containment. The office's original mandate included four central functions: "1) to formulate long-term programs for the achievement of U.S.

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foreign policy objectives; 2) to anticipate problems for the Department of State; 3) to study and report on broad politico-military problems; [and] 4) to evaluate and advise on the adequacy of current policies."⁶ Despite S/P's early contributions to the shaping of the postwar order – and despite his unrivaled personal access to the secretary – Kennan left his post deeply frustrated. The fact that his office's work was not formally linked to "line of command" authority in the regional and functional bureaus, he believed, separated policy planning from policy implementation. This, as a result, weakened the authority and impact of the Policy Planning staff itself.⁷

The sources of Kennan's frustrations are inherent in the office's design. The very intent behind the creation of a Policy Planning staff was to establish an office that would be separated from day-to-day operations and crisis management in order to take the long view. As Dean Acheson described, its function was "to look ahead, not into the distant future, but beyond the vision of the operating officers caught in the smoke and crises of current battle; far enough ahead to see the emerging form of things to come and outline what should be done to meet or anticipate them ... [and] constantly reappraise what was being done."⁸ Yet even Acheson acknowledged that this balancing act was extremely difficult, noting the dual temptations of being "lured into operations" on the one hand and into useless "encyclopedism," a collection of detailed data and products disconnected from the departmental

leadership's priorities, on the other.⁹ It is a tension that S/P struggles to balance to this day. The staff's public mission statement is "to take a longer-term, strategic view of global trends and frame recommendations for the secretary of state to advance U.S. interests and American values." This mission "requires striking a fine balance between engagement in the day-to-day requirements of diplomacy and development of long-term, strategic plans."¹⁰

S/P currently divides its work into several broad categories, some analytical (e.g., providing issue analysis and recommendations, liaising with external thinkers and experts, and managing the Department's Dissent Channel) and others more operational (e.g., coordinating policy among the bureaus, speechwriting for the secretary, monitoring policy implementation, undertaking "special projects" and leading policy reviews, and conducting strategic dialogues with foreign counterparts).¹¹ In addition to producing their own papers, S/P staff routinely clear on memoranda, a function that links the Policy Planning staff to the bureaus but generally excludes the staff from fundamentally shaping and framing their key elements. Yet this does not represent the totality of the staff's work. Each director has established new initiatives aimed at increasing the office's relevance and utility. For example, S/P's current director, Dr. Anne-Marie Slaughter, employs the staff as a Department-wide collective asset that can work directly with bureaus to conceptualize and support new projects and programs. The current staff has also grown dramatically, doubling in size (to 41 people) since the previous administration.

To uphold its worthwhile purpose, however, S/P will have to address these persistent dilemmas:

1. Connecting long-range planning to near-term actions: One former director of S/P remarked that the office has in the past produced "interesting memos" that are rarely read because they do not

connect long-range trends and plans to decisions policymakers can make *today*. In an environment in which day-to-day crisis and relationship management tend to drive policy priorities, there is little appetite for future-oriented analyses that lack actionable and concrete recommendations. S/P has worked around this constraint by assuming some operational functions, such as bilateral dialogues and special tasks at the secretary's direction, but these hold the potential to embroil the staff in the type of everyday concerns the office is designed to avoid.

2. Overcoming the Department's lack of a "planning culture:" Unlike the Department of Defense (DOD), there is little culture of planning at State, with fewer resources devoted to it and a much less prominent role for planning than that which exists at the Pentagon. In part, this is a result of the two agencies' fundamentally different approaches to making policy. DOD requires a rigorous planning process in order to guide long-term investments in weapons acquisition and force development that will address current and emerging threats. It can rely to a significant extent on quantitative measures of future requirements, develop scenarios that link to resource needs and offer a series of long-range options to senior policymakers. Pentagon planning can thus more easily link directly to decisions with tangible outcomes that are more fully under the control of policymakers than that which exist at State.

Planning foreign policy at the State Department is by necessity more amorphous: Diplomacy and other "soft power" concepts are more abstract than military capabilities, and the process of matching resources against current and anticipated challenges is less straightforward. A military planner, for example, would typically wish to maximize the resources devoted to the highest-priority problem; in diplomacy, it is less clear that more resources

translate into better outcomes. State's planning process relies to a much greater extent on judgment and foresight rather than quantitative analysis and specific resource projections. It is difficult to imagine an effective set of State Department "war plans" on the shelf that, for example, lay out operational specifics of what the Department should do to address emerging trends in the shifting global balance of power or address a crisis scenario, such as Iran testing a nuclear weapon. This fact feeds into an organizational culture that understandably values improvisation, flexibility and mobility above planning initiatives. Yet the benefit of a planning process can go well beyond producing a series of off-the-shelf diplomatic war plans for future contingencies. Among these is the cognitive benefit resulting from a planning process that engages the expertise of both planners and policymakers and that challenges assumptions underlying current policies. In this sense, then, working through potential scenarios can better attune policymakers to contingencies as they arise; to paraphrase President Dwight Eisenhower's famous remark, the plans themselves may be useless but the cognitive effect of planning is indispensable in preparing policymakers to deal with the unexpected. Taking full advantage of this and other benefits, however, will require a shift in the Department's culture toward greater appreciation for the role of S/P in the wider policy process – something that the QDDR process is designed to address.

3. Liaising and coordinating with interagency partners: S/P has relatively few institutionalized connections with its interagency counterparts, but it must work hard to retain them and make them useful. The staff has contact with the wide variety of planning offices embedded in a range of federal agencies through an interagency principals committee on strategic planning. Yet, other planning offices tend to be even more disconnected from day-to-day policymaking than S/P,

and so S/P's more significant interagency work is generally with regional and functional offices, rather than with its planning counterparts. For example, State's Policy Planning staff deal with National Security Council (NSC) directorates to a far greater extent than they do with the NSC strategic planning cell. The connections with these elements are seldom formalized; for example, the policy planning director is almost never the "plus one" official who joins the deputy secretary in deputies committee meetings.

Ensuring the effectiveness of interagency strategic planning has long been troublesome, but it is especially critical today given the increased demand for whole-of-government efforts to address complex issues ranging from stabilization and reconstruction operations to climate change.

Effective planning for future contingencies would be greatly enhanced by improving coordination among offices across government that could synchronize responses and leverage capabilities beyond what any one department could muster. Ensuring the effectiveness of interagency strategic planning has long been troublesome, but it is especially critical today given the increased demand for whole-of-government efforts to address complex issues ranging from stabilization and reconstruction operations to climate change. Lack of effective coordination can lead to duplicated or contradictory efforts and a counterproductive "stovepiping" of planning efforts.

The natural temptation is to try to address this challenge through organizational rewiring. In the last years of the Bush administration, an

interagency planning process was formalized at the NSC that includes S/P and its counterpart offices. Yet organizational solutions provide only a platform through which an enhanced planning process can work. The use of an interagency planning cell or principals committee is not necessarily a panacea, particularly if other department or agency planning offices are more disconnected from their respective leadership or operational realities. Clearly some enhanced coordination in policy planning is desirable, but this effort might take any of several different forms, including informal liaising between S/P and organizations engaged in like efforts. A number of current and former officials have, for example, cited a disjunction between strategic intelligence and analysis bodies such as the NIC and the S/P staff. This particular disjunction is problematic because both the NIC and S/P are charged with looking at emerging trends and their implications for foreign policy; the NIC is certainly less operational and less prescriptive in its work, but the two organizations could work more productively together to identify key future issues that require immediate action.

Four Recommendations

Current and former officials, as well as other thinkers outside of government, have offered worthwhile recommendations for improving the role of S/P.¹² During our working group deliberations, four less frequently proffered recommendations emerged which hold the potential to maximize the value of S/P. These recommendations are neither exhaustive nor do they address the entirety of S/P's work. They do, however, comprise a set of recommendations that should inform the Policy Planning staff's role as the QDDR process reaches a conclusion.

1. Build and maintain a close relationship with the secretary. It is often noted, correctly, the Policy

Planning staff must focus intently on the director's relationship with the secretary. The staff's success ultimately hinges on that relationship and on the way in which others in the Department perceive it. Yet the implications of this insight are not always fully drawn.

Clearly an S/P director who enjoys a close, preexisting relationship with a secretary of state will enter office with considerable advantages over one who does not, but there exist conditions that would render S/P more relevant regardless of that preexisting connection. The first step is to ensure that the Policy Planning staff does not act simply as though it is another bureau or as though its role is merely to represent the bureaus to the secretary. On the contrary, it should strive to fulfill its traditional role first and foremost as the secretary's eyes and ears in the Department.

When necessary, S/P needs to voice dissent against existing plans or programs that do not match up to national strategic priorities. Effectively performing this function requires that the S/P director or members of the staff be constantly "in the room" by attending key meetings of Department leaders and traveling with the secretary on overseas trips. The director should be included in the secretary's regular "kitchen cabinet" meetings: smaller gatherings of senior staff that are more restricted than the secretary's traditional morning staff meetings (which generally include all undersecretaries and assistant secretaries). In the course of these activities, S/P should serve as a constant internal "red team" for the Department's policy development and implementation, maintaining a constructive relationship with the bureaus but retaining the boldness to challenge questionable assumptions and policies. The staff should always recall that while working well with the Department's leadership is important, their first priority is to improve

the secretary's understanding of current trends and the policy options on his or her desk.

2. Connect future developments to present actions.

The key to S/P's relevance is managing the tension between the frenetic, action-oriented Department and its traditional mission to look beyond the "trivia" of day-to-day foreign policy conduct. Focusing too much on daily operations undermines the unique value S/P offers to assess and recommend policy options for future opportunities and challenges. Overly emphasizing future scenarios divorced from present-day political and policy realities undermines S/P's relevance to policymakers.

The means of addressing this conundrum is to bring the future into the present; that is, to outline mid- to long-term strategies for seizing future opportunities or avoiding future problems, and then connecting those strategies to decisions policymakers must make today.¹³ By looking out 12 to 36 months, S/P can work in a timeframe long enough to move beyond everyday crisis management, but still close enough to the present to require concrete action within the policymaking process and the current presidential administration's term. This timeframe keeps S/P synchronized with the political incentives for action (or inaction) of an administration as its term progresses. Surveying the foreign policy landscape, S/P must be able to identify future scenarios that require some immediate, tangible policy action either to take advantage of a potential opportunity, such as Southeast Asian nations' evident desire to balance against China's rising military power,¹⁴ or to avert a possible crisis, such as a potential Indo-Pakistani conflict that could undermine U.S. relationships with both nations.

3. Identify "emergent strategies." Literature on private-sector planning suggests an increasing awareness that strategy formulation cannot truly be separated from day-to-day operations. Rather than adhering to

strategies developed in a cyclical process by planners isolated from implementation, operators (from senior executives to field employees) make decisions with strategic implications during the course of everyday acts of initiative and reaction. These decisions add up to an "emergent strategy," which often looks very different from that which a dedicated planner might develop, but that nevertheless consists of actual *actions taken* rather than simply *actions planned*. This fact suggests, at a minimum, another way to think about strategy and planning beyond attempts simply to centralize a mechanistic policy-planning process controlled by a specialized staff.¹⁵

S/P should recognize that emergent strategy exists in the course of foreign policymaking. As the recent National Security Strategy demonstrates, many strategy documents attempt to discern patterns in discrete actions and beliefs as much as they lay out a course of action toward an attainable future goal. Emergent strategy does not make S/P irrelevant; it simply means that it must focus on ways in which it can assist the Department's leadership in identifying strategic trends and setting the conditions under which desired strategy can emerge. For example, strategy may develop organically as a result of the way in which an ambassador interacts with the foreign minister of a given country, which in turn shapes broader U.S. relations with that state.

S/P could add value by identifying the critical decision points in shaping that relationship, enabling the secretary and senior Department leadership to understand how the process is proceeding, articulating options for intervening and providing further guidance at the right inflection points. In addition, S/P can monitor and keep up a continual dialogue with Department leadership on a small number of priority cross-cutting issues in order to reduce the likelihood that an emerging strategy begins to trend along an undesirable path.

4. Liaise with interagency counterparts and external experts. A constant danger for foreign policy agencies, and governments as a whole, is that they talk only to themselves, focusing on internal processes and viewing the world through the lens of standard operating procedures and bureaucratic politics. It is an essential function for an office focused on thinking beyond the horizon to act as a liaison to experts both across and outside of government. S/P will never have formal interagency policy coordination responsibilities, but it has a distinctive position in the State Department to define and then shape the agenda intellectually. In doing so, it should focus on cultivating stronger informal relationships and liaisons with counterparts in relevant agencies, such as the NIC, OSD-Policy, the Joint Staff's J-5 Strategic Plans and Policy, Treasury Department planners and the Department of Homeland Security (DHS) Office of Policy.¹⁶ Periodically exchanging personnel with these offices can help enhance perspective and understanding, and perhaps help improve interagency policy coordination, complementing and enhancing a formalized process of interagency strategy making at the NSC. S/P should also convene and engage with outsiders, helping to translate their insights into decision-support materials of use to offices and bureaus caught up in day-to-day activity. Currently the Bureau of Intelligence and Research (INR) conducts outreach to experts outside of government, but S/P could perform this task on a more flexible basis tailored to bring in thought leaders who can focus on the secretary's top priorities and future strategic challenges.

Conclusions

The State Department's Policy Planning staff continues to attract some of the most capable and dynamic foreign policy thinkers from within and outside government. Despite its limitations, S/P can and should play an integral and enhanced role in the policymaking process. It can do so,

however, only by differentiating itself from all of the other bureaus and offices that comprise the Department's sprawling world. Neither a center of operations nor merely an internal think tank, S/P can, at its best, leverage its unique role to improve policy and stop bad policy from proceeding. Such a role will, however, require additional thinking within State and across the government about the ways in which S/P should add real value. Given the dire need to place the very best strategic thinking in the hands of senior policymakers, now is the time to take a fresh approach to S/P's potential future role. The QDDR process offers a unique window of opportunity to take a new look and to initiate a broader conversation about the role of strategic planning in the making of foreign policy across the U.S. government.

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ENDNOTES

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15. For a thorough discussion of emergent strategy in the planning process, see Andrew P.N. Erdmann, "Foreign Policy Planning through a Private-Sector Lens," in Drezner, ed., *Avoiding Trivia*: 137-150. We are indebted to Mr. Erdmann for his insights into the connections between emergent strategy and State Department policy planning.
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