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The Inheritance and the Way Forward

By Kurt M. Campbell and Michèle A. Flournoy



**Center for a
New American
Security**



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Cover Image

11 January 2007, Fort Benning, Georgia, USA — U.S. President George W. Bush greets military personnel before departing Fort Benning, Georgia.

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EXECUTIVE SUMMARY

This essay explores the complex nature of the contemporary foreign policy and national security inheritance and offers recommendations for how the next president should begin to chart a new course to restore America's credibility, influence, and power in the world and, in so doing, strengthen America's national security.

The United States faces a growing and daunting list of strategic challenges: reversing the decline in America's global standing; protecting America and its interests and allies from terrorist attacks; developing a more effective long-term strategy against violent Islamist extremists; constraining nuclear proliferation; finding a responsible way out of Iraq while maintaining American influence in the wider region; persevering in Afghanistan; dealing prudently with global climate change; working towards greater energy security; rebuilding the nation's armed forces; restoring the nation's fiscal health; and restoring public trust in all manner of government functions, just to name a few. The next president of the United States, no matter his or her political party or particular worldview, will confront a stark set of global challenges that defy easy characterization or remedy.

As daunting as these challenges are, an honest accounting will also reveal positive trends and powerful advantages that the United States continues to enjoy in international affairs. The armed forces, while under enormous strain, have demonstrated an enduring strength and resilience that will continue to serve the nation well in the years to come. The Bush administration has rightly focused on the long-term nature of the dangers posed by Islamist radicals. Through vigilance and hard work, the American homeland has been spared terrorist attacks since 9/11. President George Bush launched a major strategic engagement with India, the world's largest democracy. Relations with Japan are strong and with China relatively stable. There have been important new initiatives aimed at alleviating global poverty and stemming the spread of HIV/AIDS. The president has also demonstrated true leadership in trying to fashion a bipartisan and comprehensive approach to immigration reform.

The national security inheritance of the next president is, in fact, a complex mix of challenges and opportunities. In this piece, we explore nine

primary elements of the inheritance in depth: the costs of the Iraq War; military overextension; strategic preoccupation, confusion, and distraction; disregard for the rule of law; softening power and alienated allies; public disillusionment; financial indebtedness; a divided and fearful polity; and the enduring promise and potential of America. Managing this bequest must be the primary task for whoever occupies that lonely office in the West Wing. The stakes are high, and defining a way forward for American national security will be a consuming preoccupation for the next president and other presidents to follow.

Given this daunting inheritance, the next president of the United States will have a number of exceedingly difficult yet absolutely critical choices to make to chart a new way forward for America in the world. The next president must seek to restore U.S. moral authority and credibility, redefine U.S. leadership in the post-Cold War, post-9/11 era, and signal to the American people and the world that a fundamental course correction is taking place. This will require not only new rhetoric but, far more important, new deeds.

It will be imperative for the next president to demonstrate early and clearly that the United States is embracing a new national security strategy and adopting a new approach to wielding its power in the world—one that is strong, pragmatic, and principled. Such an approach must be rooted in the values upon which the Republic was founded, take into account the fundamental changes in the international security environment, and be able to win and sustain the support of the American people.

The next president will have to convince the American people and their representatives in Congress to reject the neo-isolationist impulses they may feel in the wake of Iraq in order to embrace a smarter and more selective form of engagement. Our nation's history and power—economic, military, and cultural—give the United

States a unique role in the world. The United States has been and will continue to be the preeminent leader in the international community, and we cannot protect or advance our interests in a globalized world if we do not continue to serve in that role.

But with this unique role come great responsibilities. And how we wield our power and influence matters—it either enhances or undermines our moral authority.

Moving forward, six principles should guide a new U.S. national security strategy:

- U.S. strategy must be grounded in pragmatism rather than ideology.
- The United States must remain engaged in critical regions around the world.
- U.S. engagement must be smarter and more selective.
- The United States must play by the rules, exemplifying respect for the rule of law.
- Allies and partners are now even more essential given the nature of the challenges we face.
- Military power is necessary but not sufficient to deal with 21st century challenges; complex problems demand solutions that integrate all of the instruments of our national power.

These principles must lead to concrete actions. While the next president must ultimately deal with the full range of inherited challenges, from nuclear proliferation to climate change, there are ten steps that he or she should take early on to restore U.S. credibility, influence, and power:

1. **Transition out of Iraq:** The only way to begin to limit and recover from the extraordinary damage that the Iraq War has done to U.S. credibility is to begin to end U.S. involvement in the war. But the United States must take great care to avoid a precipitous withdrawal that could

result in an even greater catastrophe for Iraq and the broader Middle East. The United States should adopt a new strategy and begin a phased transition calibrated to protect its most fundamental interests—no al Qaeda safe havens, no regional war, and no genocide—while drawing down the American troop presence over the next few years.

2. **Overhaul U.S. strategy for the long struggle against violent extremists:** Conceiving of the struggle against violent Islamist extremists as a “Global War on Terror” (GWOT) has been both misguided and damaging to U.S. international standing. While the threat of violent extremism is real and must be addressed as a top priority, the GWOT frame is counterproductive. Re-conceptualizing and reframing U.S. strategy in the “war on terror” early in the next term should be a top priority for the next president.
3. **Reinvigorate the Middle East peace process:** The United States has an indispensable and unique role to play in brokering peace between Israel and the Palestinians. Given the centrality of this issue to creating lasting peace and stability in such a critical region and its resonance with the broader Muslim world, it is imperative that the peace process once again rises to the level of a top priority for the next president.
4. **Affirm and vigorously enforce U.S. commitment to the rule of law:** The next president should take a number of concrete actions to demonstrate the United States’ renewed commitment to the rule of law. Specifically, the United States should: close the detainee facilities at the U.S. Naval Base in Guantanamo Bay, Cuba; renounce the practice of extraordinary renditions; abide by the four Geneva Conventions in the context of the so-called war on terror; begin a systematic program of bringing terror suspects into American and other national legal systems as comprehensively

as possible; and, where necessary, work with the Congress to ensure more legally expedient ways to detain and question suspected terrorists while still allowing them to remain inside the legal system, and convene the international community to address and correct any deficiencies in the international legal system.

5. **Reject preventive war:** In order to restore U.S. credibility, the next president must take pains to reverse the impression that the United States will use force on a unilateral and often preemptive basis, unconstrained by international law. While he or she should certainly reserve the traditional right to take preemptive action in self defense, it is imperative that the next president clarify that the United States intends to exercise this right only in extreme circumstances, such as in the face of an imminent attack.
6. **Identify and pursue a broader set of strategic priorities:** Since the invasion of Iraq, the United States has suffered from an extreme case of strategic myopia. The war in Iraq has consistently eclipsed every other issue of strategic import for the long-term interests of the United States. A concerted effort must be undertaken to ensure that important yet neglected challenges receive more high-level focus, attention, and resources.
7. **Revitalize U.S. alliances, partnerships, and international institutions:** The Bush administration’s “you are either with us or against us” approach to international relations in the wake of September 11th took a serious toll on a number of our bilateral relationships. Many U.S. allies were left wondering whether the shared interests, threat perceptions, and strategies that have underpinned their relationship with the United States for many decades still exist. The next president must confront this issue head on with each of the United States’ key allies and demonstrate that once again America is prepared to work with friends and allies to promote global interests.

8. Be proactive in the use of American soft power:

The next president must take pains to reverse the impression that the United States is insensitive to the problems that define the daily lives of the majority of the world's people: poverty, disease, lack of access to clean water, environmental degradation, lack of economic opportunity, and lack of avenues for political participation in their respective societies. The United States has an interest in addressing these conditions, not only because it is "the right thing to do" and doing so would certainly improve America's image abroad, but also because these are the very conditions that often give rise to instability and conflict. The next president should, therefore, be much more proactive in the use of non-military instruments like humanitarian assistance, development assistance to reduce poverty and build economic capacity, and civil society programs that promote democracy and good governance.

9. Restore fiscal discipline: For the past several years, the federal government has been borrowing against the country's future. The federal deficit has just begun to come down from record levels, and the rate of borrowing from foreign sources has increased markedly. The solutions to these problems will be difficult pills to swallow, but are vital to the future health of the nation's economy. The next president, working with Congress, will have to roll back at least parts of the Bush tax cuts and search the budget for areas where excess spending can be eliminated. Doing so will pave the way for greatly reducing our reliance on excessive foreign borrowing, strengthening the dollar, and easing our federal account deficit in the process.

10. Revitalize the U.S. military and ensure its prudent use: The next president must give priority to addressing the strains that have stretched the All-Volunteer Force close to the breaking point. Revitalizing the military will also require adapting it to meet future

challenges. Given that today's military was optimized to fight major theater wars against conventional armies, it will have to undergo some significant changes to be fully prepared to meet the irregular challenges of the future. Furthermore, because domestic and international skepticism about the use of military force in the wake of the Iraq War will make it exceedingly difficult for the next president to use the U.S. military as an instrument of U.S. policy, the next president should foster a broad dialogue with the American people and with America's allies on when it is appropriate — and not — to use force in the new security environment.

Addressing the inheritance will require nothing less than a fundamental reframing of the U.S. role in the world and the development of a much more integrated approach to national security, one that fully resources and employs all of the instruments of national power. The next president will need to restore public and international confidence in the United States' ability to use its power in ways that are prudent, responsible, and for the greater good. He or she will also need to demonstrate a renewed appreciation of the necessity of alliances, partnerships, and coalitions to address global problems and transnational threats. This will require a more integrated national security strategy that fully utilizes non-military tools that have gathered dust in recent years, such as multilateral diplomacy, economic persuasion, and responsible stewardship of national and international law. Perhaps the most consequential thing the next president can do is to take visible, concrete steps to begin to restore U.S. credibility abroad.

In the face of skeptical publics at home and overseas, a deeply divided nation and Congress, disillusioned and wary allies, and tenacious and vicious adversaries, charting this new way forward for America will likely be the most difficult, vexing, and time consuming challenge the next president will face. It will also be the most important. It will

likely determine his or her place in history. Most importantly, how he or she manages the inheritance will in large part determine whether U.S. security and influence will wax or wane still further in the years to come.

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The Inheritance and the Way Forward



INTRODUCTION

THE WORLD WE INHERIT

The United States faces a mounting list of strategic challenges. This list is daunting. Reversing the decline in America's global standing; protecting America and its interests and allies from terrorist attacks; developing a more effective long-term strategy against violent Islamist extremists; constraining nuclear proliferation; finding a responsible way out of Iraq while maintaining American influence in the wider region; persevering in Afghanistan; dealing prudently with global climate change; working towards greater energy security; rebuilding the nation's armed forces; restoring the nation's fiscal health; and restoring public trust in all manner of government functions, just to name a few.

In the face of this inheritance, it is remarkable and indeed inspiring that such a talented and diverse group of Americans is running for president in 2008. Yet the strength of the field does not diminish the magnitude of the challenge. The enormity of these myriad concerns is already spurring extensive commentary about what the next president must do to restore America's place in the world. "We must begin to think about life after Bush—a cheering prospect for his foes, a dismaying one for his fans," noted one observer.¹

As daunting as these challenges are, an honest accounting will also reveal positive trends and powerful advantages that the United States continues to enjoy in international affairs. The armed forces, while under enormous strain, have demonstrated an enduring strength and resilience that will continue to serve the nation well in the years to come. The Bush administration has rightly focused on the long-term nature of the dangers posed by Islamist radicals. Through vigilance and hard work, the American homeland has been

spared terrorist attacks since 9/11. President Bush launched a major strategic engagement with India, the world's largest democracy. Relations with Japan are strong and with China relatively stable. There have been important new initiatives aimed at alleviating global poverty and stemming the spread of HIV/AIDS. The president has also demonstrated true leadership in trying to fashion a bipartisan and comprehensive approach to immigration reform.

The national security inheritance of the next president is, in fact, a complex mix of challenges and opportunities. In this piece, we explore nine primary elements of the inheritance in depth: the costs of the Iraq War; military overextension; strategic preoccupation, confusion, and distraction; disregard for the rule of law; softening power and alienated allies; public disillusionment; financial indebtedness; a divided and fearful polity; and the enduring promise and potential of America. Managing this bequest must be the primary task for whoever occupies that lonely office in the West Wing. The stakes are high, and defining a way forward for American national security will be a consuming preoccupation for the next and subsequent presidents.

But history provides few guideposts for the next American president to follow. Not since the early days of the Cold War has the international strategic environment been so uncertain and in flux. Not since the dawn of the nuclear age and the high stakes brinkmanship during the Cuban Missile Crisis has fear so permeated the American body politic. Not since the end of the Vietnam War has the United States confronted the prospect of a searing failure on the international scene. Not since the Carter administration have anxieties over energy insecurity risen to the level of national policy. And not since the end of the Reagan administration has the issue of an exploding federal

¹ See Fareed Zakaria, "After Bush: How to Restore America's Place in the World," *Newsweek* (11 June 2007): 22-29.

deficit, runaway spending, and deficit-raising tax policies consumed the attention of leaders in both political parties.

The next president of the United States, no matter his or her political party or particular worldview, will confront a stark set of global challenges that defy easy characterization or remedy. She or he will face an unfriendly environment of international frictions, U.S. involvement in two hot wars, and an enormous national debt. He or she will need to recognize that the United States in recent years has undermined decades of international goodwill, alienated popular opinion amongst our closest allies, and intensified hostility amongst our adversaries. Understanding the totality of this global inheritance is among the most important requirements for an effective transition to a new governing team and hopefully for finding a new way forward.

The next president must offer the beginnings of a plan to restore our global balance and in the process help us to reach higher ground. This essay explores the complex nature of the national security inheritance of the next president and makes recommendations for how she or he should begin to chart a new course to restore America's credibility, influence, and power and, in so doing, strengthen our national security. While it is beyond the scope of this report to offer strategies to address every aspect of the inheritance, we will identify ten of the most important steps a new president should take to start the country down the path of a new American security.

A TROUBLED BEQUEST

The Costs of Iraq

Any discussion of the inheritance must begin with Iraq. The tragedy and chaos of the Iraq War provide the overarching context for a host of foreign policy and domestic choices that will require a unique blend of political will and strategic acumen to negotiate successfully. The decisions surrounding the Iraq invasion and the cascading calamities of its aftermath will have a generational impact on the American worldview, on the health of our national capabilities, and on the general confidence of our citizenry in the overall performance of critical American institutions. American actions have called into question the competence of the United States and have unleashed a deep and violent sectarian schism inside Iraq that threatens to spill over into the surrounding region. Finding a responsible way out of Iraq is likely to prove exponentially more challenging than the relative ease with which the United States initiated the conflict.

Dealing with the legacy of Iraq will be manifestly difficult for any successor. As after Vietnam, there will be a profound and lasting sorrow for the fallen, a sad coping with the physical and psychological injuries of many who return, inevitable accusations and denials of responsibility among civilian architects of the war, and allegations of dereliction of duty against some of the senior uniformed military who surrendered their obligation to give candid, thoughtful, independent advice.² In a June 2007 Gallup Poll, only 30 percent

of American respondents thought the United States would “probably win” or “definitely win” the war in Iraq; 41 percent “do not think the United States can win the war in Iraq.”³ This pessimism reflects a war that has grown increasingly violent, with an average today of more than 1,000 attacks per week on Coalition forces and Iraqis.⁴

An increasing majority of Americans are now “through” with Iraq,⁵ but it is not clear whether Iraq is through with us. The enduring violence there will likely pose severe challenges to American interests in the region for years—if not decades—to come, regardless of near-term American decisions over troop deployments. And while the war’s outcome remains uncertain, its enormous costs are already evident. The most important of these costs include the people killed and wounded, the amount of money spent, the damage to the United States’ international standing, the alienation of friends and allies, the emboldening of our adversaries, the harmful effects that the failed intervention has had on Americans’ attitudes towards U.S. engagement abroad, and the impaired readiness of our military due to the chronic strains of a half decade of constant combat.

By the summer of 2007, over 3,500 American servicemen and women had lost their lives, with an additional 25,000 physically injured in the line of duty. At least 1,000 civilian contractors and journalists have been killed, approximately 150 of them American.⁶ Over 12,000 private contractors have been wounded while in Iraq. More than 60,000 Iraqi civilians have also died from causes related to

² See Anne Flaherty, “Military Officers Now Targets on Hill,” *AP Online* (14 June 2007). See also David Cloud and Eric Schmitt, “More Retired Generals Call for Rumsfeld’s Resignation,” *The New York Times* (14 April 2006); “General Zinni: They’ve Screwed Up,” *60 Minutes* (CBS, May 21, 2004); Thomas Ricks, “Rumsfeld’s War Plan Shares the Blame,” *The Washington Post* (25 August 2004): A1; and H. R. McMaster, *Dereliction of Duty: Johnson, McNamara, the Joint Chiefs of Staff, and the Lies that Led to Vietnam* (London: HarperCollins, May 1997).

³ “Gallup’s Pulse of Democracy: The War in Iraq,” (The Gallup Poll, 2007).

⁴ U.S. Department of Defense, “Measuring Security and Stability in Iraq,” (Washington, D.C.: March 2007): 19.

⁵ Most recently, according to a May 2007 *CBS News* and *New York Times* poll, 76 percent of Americans believe things are going badly in Iraq, and 63 percent believe the United States should set a date for withdrawing troops sometime next year. See Dalia Sussman, “Poll Shows View of Iraq War is Most Negative Since Start,” *The New York Times* (25 May 2007): 16.

⁶ John M. Broder and James Risen, “Contractor Deaths in Iraq Soar to Record,” *The New York Times* (19 May 2007); “Faces of the Fallen,” *washingtonpost.com*, at <http://projects.washingtonpost.com/fallen/>; and “U.S. Casualties in Iraq,” *GlobalSecurity.org*.

the war since May 2003. And for many Americans and Iraqis alike the emotional, financial, and psychological tolls that result from these casualties are too great to be quantified.⁷

The successive waves of spontaneous looting, criminal lawlessness, increasingly well-organized guerrilla attacks against the Coalition forces, and sectarian violence—none of which was anticipated in the administration's pre-invasion plans—have driven up the costs of reconstructing Iraq's critical infrastructure, forcing a reduction in programs that might have helped win popular support for U.S. policies among Iraqis and others. Those projects that have gone forward have been plagued with corruption and inefficiency. Persistent attacks against Iraq's core energy, sanitation, communications, and transportation infrastructure, as well as the foreign contractors hired to maintain them, have largely prevented their rehabilitation despite the more than \$18 billion Congress appropriated for that purpose in 2003.⁸

Prior to the war, administration officials argued that Iraq's oil resources would largely finance its reconstruction.⁹ Although Iraq's oil infrastructure survived the U.S. invasion mostly intact, guerrilla sabotage against the more vulnerable pipelines has kept exports to a minimum.¹⁰ Iraq now produces less oil and electricity than it did in the face of

global sanctions before the March 2003 invasion.¹¹ The inability to revive oil exports deprives the government of the revenue it desperately needs to rebuild its security forces, restore other crucial sectors of the Iraq economy, or even maintain U.S.-funded infrastructure projects after they have been completed.¹² Controversial bidding procedures and the waste and fraud associated with several contracts have tarnished the reputations of several major U.S. multinational corporations, such as Bechtel and Halliburton, at home and in many foreign markets.¹³ In all, the direct and indirect economic costs of the Iraq War have been estimated at more than a trillion dollars.¹⁴

More generally, the invasion of Iraq has undermined U.S. efforts to win "hearts and minds" in the Muslim world. By invading and occupying Iraq, the administration has unfortunately validated and reinforced the jihadist narrative and popular Arab perception that the United States and its allies seek to seize Muslims' energy resources, determine their governments, and undermine their religion. Although one could argue that other factors also weaken contemporary American public diplomacy, or even that the opinions of the Muslim masses are largely irrelevant as long as Washington enjoys tolerable relations with their governments, the long-term costs are likely to be extensive and far-reaching. For example, some

⁷ The Iraq Coalition Casualty Count, which relies primarily on government and media sources, estimates that over 5,000 members of the Iraq government's military and police forces have been killed since April 28, 2005, when the new Shiite-led government took office in Iraq. "Security Forces Fatalities," at <http://www.icasualties.org/oif/IraqDeaths.aspx>. The Iraq Body Count, which requires at least two sources for each casualty, estimates that some 64,000-70,000 Iraqi civilians have been killed in military operations since President Bush declared the end of "major combat operations" on May 1, 2003. "Civilians Reported Killed by Military Intervention in Iraq," at <http://www.iraqbodycount.net>.

⁸ Joseph A. Christoff, "Rebuilding Iraq: Stabilization, Reconstruction, and Financing Challenges," GAO-06-428T (Washington, D.C.: Government Accountability Office, February 8, 2006).

⁹ David C. Hendrickson and Robert W. Tucker, "Revisions in Need of Revising: What Went Wrong in the Iraq War," (Carlisle, PA: Strategic Studies Institute, U.S. Army War College, December 2005): 1.

¹⁰ Kenneth Katzman, "Iraq: U.S. Regime Change Efforts and Post-Saddam Governance," (Washington, D.C.: Congressional Research Service, November 21, 2005): 24.

¹¹ Peter Grier, "Iraq's Oil Production Falls Short of Goals," *Christian Science Monitor* (7 May 2007).

¹² Rowan Scarborough, "White House Eyes Billions for Iraq Maintenance," *The Washington Times* (31 January 2006).

¹³ For details of suspected waste, fraud, and abuse during the Iraqi reconstruction effort see the audit reports of the Special Inspector General for Iraq Reconstruction, at <http://www.sigir.mil/reports/audit.aspx>.

¹⁴ Joseph E. Stiglitz and Linda Bيلمes, "The Economic Costs of the Iraq War," *National Bureau of Economic Research Working Paper* 12054 (February 2006). Their estimate includes anticipated lifetime expenditures for veterans' benefits and health care, the lost productivity from those injured or killed, the need to pay for the increased interest on the national debt and higher energy prices, and the costs of sustaining combat operations, recruiting and retaining the troops, and replacing their equipment. The range of uncertainty reflects the inability of anyone credibly to predict when Iraq will become sufficiently stable for all American troops to withdraw.

market analysts believe that the Iraq War has caused foreign investors to devalue or discriminate against U.S. corporations.¹⁵ And there are persistent concerns that majorities of citizens in a number of critical Arab states are turning away not only from U.S. policies but also from the very idea of America.

Numerous authors have chronicled the American (mis)adventure in Iraq. Rather than providing competing narratives or telling radically different versions of events, these disparate accounts paint a remarkably consistent and reinforcing picture of dueling arrogance and incompetence.¹⁶ While previous wars and foreign policy gambles have been bedeviled by poor execution and even worse luck, not since Vietnam has the United States faced such terrible consequences from its international actions.

No wonder then that one observer has concluded, “The invasion of Iraq may well turn out to be the greatest strategic disaster in U.S. history.”¹⁷ Most certainly, the implications of an orderly withdrawal would differ from a hasty, chaotic exit, but even the most hopeful experts admit that whenever the United States disengages from Iraq, it will leave unmet the lofty ambitions that rationalized the war. Nevertheless, the kind of Iraq we leave behind certainly matters, not only for the broader Middle East but also for the kind of shadow the conflict will cast on American politics and foreign policy. As it currently stands, the United States is facing one of two choices for its endgame in Iraq: a bad outcome or a catastrophic one. It will take enormous American ingenuity and inventiveness to maneuver to the former destination.¹⁸

As the Iraq War enters its fifth year and Washington’s politicians and pundits argue about how and when the dominant U.S. combat role in it should end, another debate is just beginning: What kind of “Iraq Syndrome” will take hold over American foreign policy in the wake of this war, and how will the lessons of the past four years shape future decisions about U.S. engagement and the potential uses of military force?¹⁹ Every major foreign policy event influences future political debates, policymaker calculations, and public perceptions. Iraq will be no different.

Many expect Iraq’s legacy to be unambiguously and even dangerously negative: spurring deep public distrust of the U.S. government and the national security community that provided the strategic case for the intervention; concern over the motives and competence of those who govern; profound skepticism about the veracity of U.S. intelligence and an unwillingness to accept future assertions about security threats; public aversion to using force again, with the concomitant costs in terms of troops and treasure, for missions considered discretionary; and the tarnishing of the idea that promoting democracy is a bedrock—and bipartisan—goal for America in the world. This legacy could cripple the next president regardless of party and undermine American foreign policy for decades. Managing this bequeathed burden must be the next president’s primary task. The stakes are high, and negotiating the treacherous shoals of American foreign policy will be a consuming preoccupation for the next president and other presidents to follow.

¹⁵ Jim McTague, “Leaving Iraq, Gaining a Rally,” *Barron’s* (2 January 2006).

¹⁶ See, for example: Michael R. Gordon and General Bernard E. Trainor, *Cobra II: The Inside Story of the Invasion and Occupation of Iraq* (New York: Pantheon Books, 2006); Thomas E. Ricks, *Fiasco: The American Military Adventure in Iraq* (New York: Penguin Press, 2006); Rajiv Chandrasekaran, *Imperial Life in the Emerald City: Inside Iraq’s Green Zone* (New York: Knopf, 2006); George Packer, *The Assassin’s Gate: America in Iraq* (New York: Farrar, Straus, and Giroux, 2005).

¹⁷ William Odom, “Withdraw Now,” *Current History* (January 2006): 6.

¹⁸ See James N. Miller and Shawn W. Brimley, “Phased Transition: A Responsible Way Forward and Out of Iraq,” (Washington, D.C.: Center for a New American Security, June 2007).

¹⁹ For the initial phase of this debate see Stephen Biddle and Ray Takeyh, “Limits of Force: The Iraq Syndrome Will Haunt America,” *International Herald Tribune* (15 August 2006); David Brooks, “The Iraq Syndrome, R.I.P.,” *The New York Times* (1 February 2007); John Mueller, “The Iraq Syndrome,” *Foreign Affairs* (November/December 2005); the exchange regarding this article in “The Costs of War,” *Foreign Affairs* (January/February 2006); and Richard Haas, “How to Avoid Iraq Syndrome,” *Time* (10 December 2006).

Military Overextension

One of the few points of the Iraq War on which there is widespread agreement is that the men and women of the U.S. military have generally met and exceeded expectations given the missions and resources they were assigned. But there is no question that the All-Volunteer Force has been severely strained by years of fighting in Iraq and Afghanistan.

Over 700,000 troops have deployed at some point to Iraq, with the troop level holding between 120,000 and 160,000 since March 2003.²⁰ At the same time, the United States deploys about 25,500 personnel for operations in Afghanistan and deploys or stations an additional 175,000 personnel to undertake various missions in some 130 countries around in the world.

These whirlwind deployments will hand the next president a battle-hardened but extremely stressed force. U.S. ground forces—the Army, the Marine Corps, and Special Operations Forces (SOF)—have been particularly stretched by the operations in Iraq and Afghanistan.²¹ Army readiness in particular has plunged to historic lows.²² The readiness of some non-deployed units in the Marine Corps has also declined, leaving the Corps without all the capabilities it needs to respond to other contingencies should they arise.²³

Given the pace of deployments, retaining quality personnel is getting harder. Most tours of duty are now as long as or even longer than the time at home between deployments: soldiers deploy for 15 months with 12 months or less at home station, Marines for seven months out and seven months back, and SOF cycles vary but they generally experience equally difficult deployment ratios.²⁴ Many active duty personnel are now on their third, or even fourth, tours of duty in Iraq or Afghanistan since late 2001, and a number of National Guard units have been recalled for a second deployment.

No country has ever asked so much of its volunteers (not to mention their families), and it is unclear whether or not our men and women will continue to serve in the face of relentless deployments. Many worry that the warning signs of future retention problems are growing: rates of suicide, post-traumatic stress disorder, domestic violence, and divorce within the force are on the rise.²⁵ These troubling trends are like the proverbial canary in the retention coal mine. Service members should not have to choose between their country and their families. The pace of deployments is simply unsustainable and risks stretching the All-Volunteer Force to its breaking point.

Recruiting has also become more difficult, particularly amidst the Iraq War and efforts to grow the force. Only three out of ten American

²⁰ Ann Scoot Tyson, "Repeat Iraq Tours Raise Risk of PTSD, Army Finds," *The Washington Post* (20 December 2006).

²¹ For a report on the current strains on U.S. ground forces and proposed expansion plans, see Michèle A. Flournoy and Tammy S. Schultz, "Shaping U.S. Ground Forces for the Future: Getting Expansion Right," (Washington, D.C.: Center for a New American Security, June 2007).

²² Nearly every non-deployed combat brigade in the active Army has reported that they are not ready to complete their assigned wartime missions. See General Peter Schoomaker, "Testimony before the Committee on House Armed Services," *Federal News Service* (23 January 2007); Andrew F. Krepinevich, "Army and Marine Corps Preparedness," Testimony before the Committee on Senate Armed Services," *CQ Congressional Testimony* (17 April 2007); and Barry McCaffrey, "Army and Marine Corps Preparedness, Testimony before the Committee on Senate Armed Services," (17 April 2007).

²³ Chris Johnson, "Conway: Current Obligations Creating Gaps for Other Contingencies," *Inside the Navy* (29 January 2007).

²⁴ Admiral Eric T. Olson, "Senate Armed Services Committee Holds Hearing on U.S. Military Command Budgets," *CQ Transcriptions* (24 April 2007).

²⁵ Department of Veterans Affairs, "Fact Sheet: VA Services for Returning Combat Veterans of Operation Iraqi Freedom and Operation Enduring Freedom," (November, 2006). The Department of Veterans Affairs has found about 18 percent of those returning from Operation Iraqi Freedom and 11 percent returning from Afghanistan suffer from symptoms of posttraumatic stress disorder (PTSD). The number of OIF and OEF veterans who have already been seen or treated for PTSD has equaled the figure for Gulf War veterans for over a decade. United States Department of Veterans Affairs, "Fact Sheet: VA Services for Returning Combat Veterans of Operation Iraqi Freedom and Operation Enduring Freedom," (November 2006). The divorce rate among U.S. Army officers tripled from mid-2002 to mid-2005, and divorce among Army enlisted personnel also increased, though to a lesser degree than among officers. See Richard Allen Greene, "US Veterans' Invisible Wounds," *BBC News* (16 August 2005).

17- to 24-year-olds meet the military's educational, physical, and moral standards, and this 30 percent are the same young people for whom colleges and civilian employers are competing most fiercely.²⁶ The unpopularity of the Iraq War has also caused many parents, coaches, and other "influencers" to discourage young people from joining the military—at least for now. Meanwhile, efforts to grow the size of the force have increased annual recruiting targets, making the task even more difficult. In the face of these challenges, it is no wonder that the Army has missed some of its recruiting targets.²⁷ More worrisome is the fact that this situation has caused the Army to begin to accept greater numbers of less qualified recruits than in the past, and some are concerned that the Marine Corps will soon follow suit.²⁸

Equipping and training are also major hurdles to rejuvenating U.S. ground forces. Since training is now largely specific to the wars in Iraq and Afghanistan, the time allotted for training for other types of missions has been cut sharply or, for some units, even eliminated altogether, reducing their preparedness for other contingencies that might arise. Basic equipment shortfalls further limit the effectiveness of what training does occur. Units getting ready to deploy often do not have all of the equipment they need to train for or prosecute their assigned missions. The National Guard is especially hard hit by these equipment shortfalls, having only half of the equipment it needs.²⁹

As a global power with global interests, the United States may not have the luxury of time to fully reset and recapitalize the force—and fixing these problems will be time consuming and costly. Since 2002, Congress has appropriated \$38 billion to repair and replace equipment for the Army alone,³⁰ and the Army expects to need an additional \$12 to \$13 billion per year for its reset efforts as long as the Iraq War lasts, and for a minimum of two to three years beyond.³¹ The Marine Corps, for its part, has asked for almost \$12 billion in FY 2007 to reset equipment used in Iraq and Afghanistan, and is expected to need at least \$5 billion a year going forward.³² The administration has also requested \$22 billion over the next five years to bring the Guard's equipment up to about 75 percent of authorized levels.³³

These personnel, equipment, and training deficiencies will have large ripple effects over the next several administrations. When the next president assumes office in 2009, he or she will have to confront these systemic military readiness issues and make restoring the health and vitality of the All-Volunteer Force a top priority. The next president will also have to make tough decisions about how best to prepare and adapt the U.S. military for future missions that may look very different from those of the past, a transformation that has been made all the more difficult at a time of war.

²⁶ See Christine E. Wormuth, Michèle A. Flournoy, Patrick T. Henry, and Clark A. Murdock, "The Future of the National Guard and Reserves," (Washington, D.C.: The Center for Strategic and International Studies, July 2006): 101.

²⁷ The Army missed its active duty recruiting target in 2005 by eight percent, the first time the annual target had been missed since 1999 and by a margin not seen since 1979. Since then, the Army has missed some of its monthly recruiting targets but has managed to meet its annual recruiting goals. "The Impact of Recruiting and Retention on Future Army End Strength: An Interim Report," *Congressional Budget Office*, (30 November 2005): 1. See also: "Army Lowers Standards, Top Recruit Goal," *Associated Press* (9 October 2006).

²⁸ The Army has taken several steps to meet recruiting goals, including drawing heavily on its Delayed Entry Program (its pool of future recruits) to meet near-term accession goals, substantially increasing enlistment bonuses, accepting less qualified recruits (e.g., increasing the percentage of recruits who scored in the lowest category of the Armed Forces Qualification Test, lacked a high school diploma, or had a previous criminal history), and relaxing age restrictions for new enlistees from a maximum of 35 to 42 years old. See "Recruiting, Retention, and Future Levels of Military Personnel," (Congressional Budget Office, October 2006); and "Army Lowers Standards, Top Recruit Goal," *Associated Press* (9 October 2006).

²⁹ Peter Spiegel, "Guard Equipment Levels Lowest Since 9/11," *Los Angeles Times* (10 May 2007).

³⁰ Government Accountability Office, "Preliminary Observations on the Army's Implementation of its Equipment Reset Strategies," (31 January 2007).

³¹ General Peter Schoemaker, "Testimony to the HASC on Army and Marine Corps Reset Strategies for Group Equipment and Rotor Craft," *Federal News Service* (27 June 2006).

³² General Michael Hagee, "Testimony to the HASC on Army and Marine Corps Reset Strategies for Group Equipment and Rotor Craft," *Federal News Service* (27 June 2006). See also Lawrence J. Korb, Max A. Bergmann, and Loren B. Thompson, "Marine Corps Equipment After Iraq," (Washington, D.C.: Center for American Progress, August 2006).

³³ Peter Spiegel, "Guard Equipment Levels Lowest Since 9/11," *Los Angeles Times* (10 May 2007).

Strategic Preoccupation

The Iraq War has indirectly cost the United States far more than lives lost and dollars spent. The preoccupation with Iraq has come at the expense of other important domestic and international issues, as if U.S. policy makers were a preschool soccer game in which all the players constantly chased after the ball, leaving entire quadrants of the field empty and ignored. In response to a recent question about how his new Pentagon job was going, Secretary of Defense Robert Gates confessed that he had time for only three issues: “Iraq, Iraq and Iraq.”³⁴ While his quip was apt, the unintended message is of a national security elite consumed by the mess in Mesopotamia. The scarcest resource at the highest levels of the U.S. government is the time and attention of its leadership, and by that criterion Iraq has been a virtual black hole for all government focus and activity.

Most evident is the role Iraq has played in distracting the United States from the primary goal of combating the global jihadist movement. As noted in 2003:

[T]he conflation of al-Qaeda and Saddam Hussein’s Iraq as a single, undifferentiated terrorist threat...was a strategic error of the first order because it ignored critical differences between the two in character, threat level, and susceptibility to U.S. deterrence and military action. The result has been an unnecessary preventive war of choice against a deterred Iraq that has created a new front in the Middle East for Islamic terrorism and diverted attention and resources away from securing the American

homeland against further assault by an undeterable al-Qaeda.³⁵

Tragically, far more al Qaeda operatives are active in Iraq today than during the time of Saddam’s regime. Meanwhile, Osama bin Laden has evaded capture for five years, and many al Qaeda leaders continue to inspire and conspire to direct international terrorist attacks against American allies and interests.

Similarly, even as the Iraq invasion failed to unearth hidden weapons of mass destruction, Iran and North Korea have taken advantage of American preoccupation to consolidate their nuclear gains. Focusing so many American military assets on Iraq has diverted resources that could have helped consolidate the fragile Karzai government in Afghanistan, allowing the Taliban to regroup and regain significant influence in the southern provinces.³⁶ Relations have deteriorated with Mexico and Latin America over issues from immigration to trade, with Venezuela and China attempting to fill the strategic vacuum. Despite shared interests in preventing nuclear terrorism and curbing nuclear proliferation, ties between Russia and the United States have also frayed over many issues.³⁷ Broader problems and transnational threats—such as poverty, the spread of infectious disease, and global warming—have been subordinated to Iraq. Even laudable initiatives such as new funds for HIV/AIDS and the Millennium Challenge Account have suffered from inadequate high-level attention.

Officials in Washington have yet to devote sufficient attention to developing a comprehensive

³⁴ Thomas E. Ricks, “At the Pentagon, Gates Seen as Liberator,” *The Washington Post* (5 March 2007).

³⁵ Jeffrey Record, “Bounding the Global War on Terrorism,” (Carlisle, PA: Strategic Studies Institute, U.S. Army War College, December 2003): 5.

³⁶ Griffé Witte, “Emerging Epicenter in the Afghan War; NATO Aims to Loosen Taliban’s Grip in Helmand,” *The Washington Post* (15 March 2007); “The Resurgence of the Taliban in Afghanistan,” *Power and Interest News Report* (25 September 2006).

³⁷ Council on Foreign Relations, “Russia’s Wrong Direction: What the United States Can and Should Do,” (March 2006).

strategy for managing the growing strength and increasing sophistication of the People's Republic of China.³⁸ In many respects, China has been pursuing its own diplomatic and trade relationships, growth, and regional leadership that at times run counter to U.S. interests.³⁹ Washington's preoccupation with the war in Iraq has provided an auspicious opportunity for Beijing to expand its influence in the Asia-Pacific region and further afield.⁴⁰ Rather than seeking to weaken or confront the United States directly, Chinese leaders are pursuing a subtle, multifaceted, long-term grand strategy that aims to derive as many benefits as possible from the existing international system while accumulating the economic wherewithal, military strength, and soft power⁴¹ resources to reinforce China's emerging position as at least a regional great power.⁴² To date, the biggest winners of the American experience in Iraq are Iran and China.

The Middle East is much less stable as a result of the Iraq War, and the conflicts in Lebanon and in the occupied territories have only added to the situation's precariousness. The lack of energy security is a major issue that has only recently begun to receive sustained attention. This subject will be particularly complex for a new president because it is intertwined with another deferred issue: the environmental and other effects of global climate change.

The price of preoccupation for the United States has been exceptionally high and unforgiving during the course of the Iraq War, and as the conflict continues to monopolize the time and attention of Republicans and Democrats, executive

and legislative branch officials, and military and civilian national security experts alike, new threats are gathering and enduring problems are getting worse. Reversing this Middle East myopia in Iraq may well be one of the hardest hurdles for any new president to clear.

Disregard for the Rule of Law

Upon entering the White House, the Bush administration quickly made clear its aversion to any constraints on U.S. foreign policy, unilaterally withdrawing from the Anti-Ballistic Missile Treaty and the Kyoto Protocol. Though President Bush is now working with several countries on these and other issues, his past policies and style have left the indelible impression among many observers that the United States will unilaterally do whatever it deems fit with scant regard for the views of, or consequences for, the rest of the world.

The emphasis on American exceptionalism in recent years has engendered an attitude that the United States should not be expected to abide by various international conventions, treaties, or legal structures, even those our nation played a critical role in negotiating. A prime example is the administration's unwillingness to alter its treatment of detainees despite worldwide outrage over Abu Ghraib and Guantanamo Bay, the revelation of secret CIA prisons in Europe, and the refusal to abide by the Geneva Conventions with regard to suspected terrorists.

These blatant departures from the rule of law have tarnished the image of the United States as

³⁸ Kurt Campbell and Michael O'Hanlon, *Hard Power: The Politics of National Security* (New York: Basic Books, 2006); Fareed Zakaria, "Losing Another War. . . in Asia," *Newsweek* (30 April 2007): 49; Bates Gill, *Rising Star: China's New Security Diplomacy* (Washington, D.C.: Brookings Institution Press, 2007); and C. Fred Bergsten, Bates Gill, Nicholas Lardy, et al., *China: The Balance Sheet: What the World Needs to Know about the Emerging Superpower* (New York: PublicAffairs, 2006).

³⁹ Joshua Kurlantzick, *Charm Offensive: How China's Soft Power is Transforming the World* (New Haven: Yale University Press, 2007).

⁴⁰ Gideon Rachman, "As America Looks the Other Way, China's Rise Accelerates," *Financial Times* (12 February 2007). For a contrary view that the administration has been actively "hedging" against a China challenge see Dan Blumenthal, "America and Japan Approach a Rising China," *AEI Asian Outlook* no. 4 (December 2006).

⁴¹ "Soft power" is a term coined by Joseph S. Nye, Jr., and is defined as the "ability to attract others by the legitimacy of U.S. policies and the values that underlie them." See Joseph S. Nye, Jr., "The Decline of America's Soft Power," *Foreign Affairs* (May/June 2004).

⁴² Chine-Pin Lin, "Beijing's New Grand Strategy: An Offensive with Extra-Military Instruments," *China Brief*, vol. 6, no. 24 (6 December 2006): 3-5.

a leading supporter of international human rights and legal norms.⁴³ Foreign representatives have cited these practices in response to U.S. criticisms of their human rights policies.⁴⁴ Former Secretary of State Colin Powell has said that the Abu Ghraib scandal created a “terrible public diplomacy crisis” for the United States.⁴⁵

Proposals to realign U.S. policies with international standards, such as suggestions to close the prison at Guantanamo Bay and relocate the suspects held there, have not received much serious consideration until very recently. Public statements by President Bush and former Secretary of Defense Donald Rumsfeld that interrogation tactics were within the limits of “not torture,” as well as Alberto Gonzales’s memos calling the Geneva Conventions “quaint” and describing them as inapplicable to the war on terror, have severely isolated the United States.

President Bush also successfully cast his unwillingness to work more closely with the international community as an objection based on principle, that he “would never submit our national security decisions to the veto of a foreign government.”⁴⁶ This heavy-handed rhetoric implying that America is safer when other nations have limited influence on U.S. policy or when America acts alone must be dropped. The next president must take serious steps toward repairing strained relationships and gaining back some of the trust we have lost through a commitment to work with our allies when possible and alone only if we must.

Softening Power and Alienated Allies

A number of recent global polls have revealed a disturbing trend: most countries believe that China would act more carefully and reasonably in the world than the United States.⁴⁷ That a dictatorship currently has more “soft power” than the world’s oldest constitutional democracy is a troubling indictment of our current course. Part of this new aversion to the United States can be attributed to the structural realities of global preeminence, yet America has been the strongest and richest state on the international stage for nearly a century, and for much of that time was generally admired, emulated, and respected internationally. For many countries, even those that accused the United States of arrogance and insensitivity before President Bush took office, the conduct of the Iraq War is seen as a profound turning point.

Former National Security Advisor Zbigniew Brzezinski has argued that the Bush administration’s decision to invade Iraq, among other things, has resulted in a “massive erosion of America’s international legitimacy, credibility and moral reputation.”⁴⁸ U.S. actions in Iraq and throughout the Middle East have triggered grave doubts about American leadership, and this suspicion and resentment among foreign leaders and their publics has diminished America’s ability to operate with other likeminded states. During and after the invasion of Iraq, leaders inclined to support Washington have typically had a tough domestic fight to support American policies. The “coalition of the willing” organized to wage war in Iraq was less striking in its participants than in those, so often shoulder to shoulder with America, who

⁴³ Joseph S. Nye, Jr., “Can America Regain Its Soft Power after Abu Ghraib?” *YaleGlobal* (29 July 2004); and Joseph S. Nye, Jr., “Anti-Americanism: America Must regain its Soft Power,” *International Herald Tribune* (19 May 2004).

⁴⁴ Sonni Efron, “Prison Abuse as Hurting U.S. Credibility,” *Los Angeles Times* (14 January 2005).

⁴⁵ “US Senate Backs Detainee Rights,” *BBC News* (6 October 2005).

⁴⁶ President George W. Bush, “Remarks in Council Bluffs, Iowa,” (25 October 2004).

⁴⁷ The Chicago Council on Global Affairs, “The United States and the Rise of China and India: Results of a 2006 Multination Survey of Public Opinion,” (2006); and The Chicago Council on Global Affairs and WorldPublicOpinion.org, “World Publics Think China Will Catch up with the U.S.—and that’s Okay,” (2007).

⁴⁸ Zbigniew Brzezinski, “The Real Choice in Iraq,” *The Washington Post* (8 January 2006).

were “unwilling.” Among nations engaged in Operation Iraqi Freedom, popular pressures have frequently compelled participants to withdraw or severely limit the size, tours, and roles of their forces. Unlike during Operation Desert Storm, when foreign subventions covered almost all the monetary costs of liberating Kuwait, the United States has had to bear the overwhelming share of Operation Iraqi Freedom’s financial costs along with most of the strategic risks.⁴⁹

Once seen as partners in most priority areas, many European nations have come to question American preferences and pursuits in international politics. Key Middle Eastern states such as Saudi Arabia are busy undertaking foreign policy initiatives in many cases separate from and uncoordinated with the United States. Turkey has been consistently fickle on U.S. basing rights throughout the Iraq War and its leaders have often sought to pursue their interests in Kurdistan independent of American actions and preferences.⁵⁰ And recently, the administration has struggled to convince foreign leaders of the accuracy of its intelligence about possible nuclear weapons programs in Iran and North Korea. Doubts about American credibility are widespread,⁵¹ not helped by the abuses at Abu Ghraib and Guantanamo.⁵²

The June 2006 Global Attitudes Survey conducted by the Pew Research Center found a decline in positive attitudes toward the United States, ranging from the highest in Japan at 63 percent, to the lowest in Turkey—a critical Muslim ally—where only 12 percent responded with a favorable view of the United States. One of the biggest changes

since the same survey was taken in May 2005 was in Spain, one of President Bush’s key initial Iraq War allies, where attitudes toward the United States dropped from 41 percent favorability to just 23 percent. Another telling note was that while 60 percent of respondents in Turkey called the American presence in Iraq “a great danger” to Middle East stability, a mere 16 percent took that position with regard to the current Iranian government. More respondents in Jordan had heard of U.S. prisoner abuse (79 percent) than had heard about U.S. earthquake aid to Pakistan (54 percent).⁵³ Such scandals provoke worldwide protests, displays of outrage, and strong popular pressures on national governments to cease cooperating with Washington.

The swift and generous U.S. response to the 2004 Indian Ocean tsunami, which killed more than 200,000 people, shows that Americans can still mobilize their immense resources on behalf of collective efforts that also benefit U.S. soft power and larger American strategic interests. Subsequent research showed that such humanitarian assistance has a lasting impact on international opinion regarding the United States. In a survey of the world’s three most populous Muslim countries, the number of those surveyed who opposed U.S. efforts to fight terrorism fell from 72 percent in 2003 to 44.7 percent in 2006. More importantly, the number of respondents who said the tsunami aid was important in forming their opinions of the United States did not significantly diminish in the years since the aid was given, implying that such aid has long-lasting effects.⁵⁴ In another poll taken

⁴⁹ Stephen Daggett and Nina Serafino, “Costs of Major U.S. Wars and Recent U.S. Overseas Military Operations,” (Washington, D.C.: Congressional Research Service, October 3, 2001).

⁵⁰ Steven A. Cook and Elizabeth Sherwood-Randall, *Generating Momentum for a New Era in U.S.–Turkey Relations* (New York: Council on Foreign Relations, June 2006).

⁵¹ Joshua Kurlantzick, “The Decline of American Soft Power,” *Current History* (December 2005); and Pamela Hyde Smith, “The Hard Road Back to Soft Power,” *Georgetown Journal of International Affairs* (Winter/Spring 2007).

⁵² Sonni Efron, “Prison Abuse Seen as Hurting U.S. Credibility,” *Los Angeles Times* (14 January 2005).

⁵³ “No Global Warming Alarm in the U.S., China,” *The Pew Global Attitudes Project* (13 June 2006): 49.

⁵⁴ “Humanitarian Assistance Key to Favorable Public Opinion in World’s Three Most Populous Muslim Countries,” (Terror Free Tomorrow, 2006).

in 2005, 81.2 percent of Pakistanis responded that U.S. aid after the earthquake in their country was important in forming their overall opinion of the United States.⁵⁵

These recent episodes of disaster assistance succeeded in generating some goodwill for U.S. policies, but much more needs to be done in terms of creating soft power resources.⁵⁶ However, just as tsunami assistance has positively affected attitudes about America, particularly in Southeast Asia, the perception of U.S. indifference to a lack of progress (and clear backsliding) in the Middle East peace process has corroded impressions of America in the region and beyond.

In its 2006 review of U.S. development assistance, the Organization for Economic Cooperation and Development (OECD) suggested that the United States begin to consider development assistance a priority equal to diplomacy and defense. The Bush administration has emphasized the importance of preventing safe havens for terrorism and has increased development assistance—up to \$27.6 billion in 2005 alone—but over a third of this funding went to Iraq.⁵⁷ President Bush also requested in his 2008 budget only \$297 million for worldwide disaster and famine assistance, a seemingly gross underestimation considering the \$350 million in initial humanitarian and recovery assistance spent in the aftermath of the Asian tsunami alone.⁵⁸

The slippage of American soft power in the international arena may on one level appear not terribly significant given the great advantages enjoyed by the United States in the area of hard power, particularly in preponderant military strength. But the long-term erosion of public attitudes towards the

United States threatens to undermine some of the most important geopolitical advantages America has enjoyed on the global stage. During the Cold War, the United States could count on the goodwill of Western publics when the chips were down, but increasingly, there are serious questions as to whether many in Europe and elsewhere are rooting for us to succeed, much less willing to lend us a hand. This should be deeply concerning to a broad spectrum of policy makers and practitioners, and reversing these trend lines should assume a much higher priority in both the formulation and execution of American foreign policy in the years ahead.

Public Disillusionment

Another great cost of the Iraq War has been the deterioration of public confidence in the federal government's handling of international issues. One study in early 2006 found that 51 percent of Americans do not “trust the government to tell the public the truth about our relations with other countries.”⁵⁹ This effect of the Iraq War, coupled with the mixed public sentiments on economic globalization and recent concerns over energy dependence and outsourcing, will create a tense working environment for the next president when decisions must be made on new and enduring international endeavors. There is also a profound skepticism over the federal government's capabilities and competence to serve the needs of the nation in a crisis, whether at home or abroad. Many are concerned over whether the federal government can act in response to a major global challenge or another catastrophe like Hurricane Katrina that would require a concerted and coordinated U.S. approach.

Fortunately, the nation appears not to be experiencing waves of anti-military sentiment—far from

⁵⁵“A Dramatic Change of Public Opinion in the Muslim World,” (Terror Free Tomorrow, 2005): 8.

⁵⁶ John Lewis Gaddis, “Grand Strategy in the Second Term,” *Foreign Affairs* (January/February 2005).

⁵⁷ Amy Belasco, “The Cost of Iraq, Afghanistan, and other Global War on Terror Operations Since 9/11,” *CRS Report for Congress* (22 September 22 2006).

⁵⁸ Office of Management and Budget and U.S. Agency for International Development, “Indian Ocean: Earthquake and Tsunamis Fact Sheet #37 (FY 2005),” (1 April 2005).

⁵⁹“Americans Weary of Creating Democracies Abroad,” *Public Agenda Confidence in U.S. Foreign Policy Index 2* (Winter 2006): 21.

it—and the public outrage over poor conditions at Walter Reed Army Medical Center shows that the focus of American angst is rightly directed at the leadership, both civilian and military. Although the nation seems wary of further entanglements in the wake of Iraq, the American public is still prepared under the right conditions and national leadership to accept some level of U.S. engagement in global politics, so long as action is not unilateral or hasty, and is preferably non-military in nature. In a May 2006 Pew survey, 78 percent of Americans thought the United Nations should take the lead in dealing with Iran's nuclear program, whereas only 17 percent thought the United States should do so. In the same poll, 61 percent of Americans opposed bombing military targets in Iran as a means of dealing with Iran's possible acquisition of nuclear weapons.⁶⁰ In another Pew survey that December, 51 percent of Americans agreed that the United States “has a responsibility to do something about the ethnic genocide” in Darfur. Fifty-three percent of respondents approved of U.S. military efforts in Darfur as part of a multinational force.⁶¹ These indicators are all consistent with surveys from the International Crisis Group and the assessments of other observers that the U.S. public will be more cautious in considering what manner of engagement is tolerable and necessary in the future.⁶²

Financial Indebtedness

Since the administration has persisted in cutting taxes even as it makes large outlays associated with the war, the United States has experienced some of its largest budget deficits in history. The federal

deficit hit \$248 billion in 2006 and is expected to total \$270 billion over the remainder of Bush's presidency.⁶³ It is as if the United States has put the entire costs of the Iraq and Afghanistan wars on the national credit card, with China and major oil exporting countries serving as key creditors. In President Bush's 2008 budget, he requested \$93.4 billion in supplemental appropriations for the wars in Iraq and Afghanistan for 2007, to be added to the \$70 billion already appropriated, plus \$141.7 billion for 2008. If this level of funding is approved and appropriated, the United States will have spent \$661.9 billion in direct costs alone on Iraq and the war on terror by the time the next president takes office.⁶⁴ And this does not include the more than \$271.5 billion that the United States has spent on homeland security since 9/11.⁶⁵

Over the long term, the fiscal problems engendered by the war and the current aversion to raising taxes or reducing spending risk undermining our freedom of action, our resources for military investment, and, most seriously, the ultimate source of American power—the health of the U.S. economy. Fortunately, both parties now agree that reducing the federal deficit should be a high priority, and the Democratic Congress and President Bush have begun a fresh round of overtures underscoring their shared commitment to working together on the issue.⁶⁶ But this milk is easier to spill than to put back in the bottle.

In his fiscal 2008 budget, President Bush projected that the United States will reach a balanced budget

⁶⁰“Big Oil and Bush Blamed for High Gas Prices,” (The Pew Research Center, May 16, 2006).

⁶¹“51% Say U.S. Has Responsibility to ‘Do Something’ in Darfur,” (The Pew Research Center, December 19, 2006): 16-17.

⁶²“Do Americans Care About Darfur?” (International Crisis Group, June 1, 2005); Robert Kagan, *Dangerous Nation* (New York: Knopf, 2006); and Michael Mandelbaum, *The Case for Goliath: How America Acts as the World's Government in the Twenty-first* (New York: PublicAffairs, 2005).

⁶³Office of Management and Budget, “The Nation's Fiscal Outlook,” (2007), at <http://www.whitehouse.gov/omb/budget/fy2008/outlook.html>.

⁶⁴Office of Management and Budget, “Department of Defense 2008 Budget Proposal,” (2007), at <http://www.whitehouse.gov/omb/budget/fy2008/defense.html>. For additional estimates of spending on the Iraq War see Amy Belasco, “The Cost of Iraq, Afghanistan, and other Global War on Terror Operations Since 9/11,” *CRS Report for Congress* (22 September 2006); and David Leonhardt, “What \$1.2 Trillion Can Buy,” *The New York Times* (17 January 2007). Taking into account these and other considerations, economists Linda Bilmes and Joseph Stiglitz forecast the Iraq War's ultimate aggregate cost to the United States at a staggering \$1 to \$2 trillion (Stiglitz and Bilmes, *ibid.*).

⁶⁵Veronique De Rugy, “Facts and Figures about Homeland Security Spending,” (American Enterprise Institute, December 14, 2006).

⁶⁶Peter Baker, “Bush Signals Budget Accord,” *The Washington Post* (4 January 2007).

in 2012, a long crawl out of the hole of the record-level \$412.7 billion deficit in 2004, but there is already much debate over the likelihood of success. President Bush's projections are based in part on declining costs of the Iraq War, especially after 2008, coupled with continued economic growth and increasing tax revenues. The Congressional Budget Office calculated that if President Bush's tax cuts are extended in 2010, the United States will not eliminate the deficit, but rather reduce it just in time for it to once again balloon with the onset of baby boomer retirement and accompanying increases in Social Security and health care costs.⁶⁷

The grim bottom line for the next president is that he or she will have to confront the tremendous challenges of the inheritance, both at home and abroad, at a time when his or her fiscal flexibility will be severely constrained. Imagine trying to attempt the most complex and difficult juggling act in a half century with one hand tied behind your back.

A Divided and Fearful Polity

It is ironic that while the United States expects and demands much greater compromise from the sectarian players inside Iraq where the stakes are much higher and the violence endemic, there has been remarkably little compromise on the way forward in Iraq between Republicans and Democrats in Washington.

Much has been said and written about the Red and Blue divide in our country. Washington is a microcosm of the supposed Red and Blue landscape beyond; the city is like a latter-day Berlin, a city divided not by barbed wire, but by political affiliation. There are no checkpoints or armed sentries, to be sure, but there are subtle checks on even casual associations that restrict the civil exchanges of views that are the lifeblood of a healthy democracy. This yawning political divide is obviously a result of actions from both parties but it is clear that the Bush administration has practiced a more

divisive brand of politics than previous occupants of the White House.

Largely absent from this polarized (and polarizing) political atmosphere is any middle ground. Political discourse is often relegated to unrealistic extremes without regard to long-term strategic U.S. interests or realistic strategies and capabilities. Compromise is seen as an indication of either weakness or surrender. There is little balance or nuance to the policy choices being offered by the president or indeed by many in Congress on either side of the political aisle, thus provoking the increasing public frustration and mistrust regarding the stewardship of the country. Not only will today's vitriol affect current and near-term policy choices and votes in Congress as politicians play to the extremes, but the management of the Iraq War will shape the promises made in the 2008 presidential campaign. On the positive side, the nation faces little risk of blank-check governance now that opposing parties govern the executive and legislative branches, at least for the time being.

A consistent and reassuring style of leadership is critical to quell the general fear and trepidation that informs much of the current American approach to national security. The president and his administration won support and reelection with a potent political package of patriotism, fear, uncertainty about the nature of the threat we face, executive privilege, and the exercise of military power. But the next president and candidates for high office would do well to tread away from these themes and to remember the fundamental optimism and fairness that define the American character when we are at our best. Rediscovering these virtues, remaining vigilant about the real and enduring threats to the nation's security, and providing a reassuring presence both at home and abroad will be the necessary balancing act and leadership challenge for the next occupant of the White House.

⁶⁷ Congressional Budget Office, "Revenues, Outlays, Surpluses, Deficits, and Debt Held by the Public, 1962 to 2006," at <http://www.cbo.gov/budget/historical.pdf>.

THE ENDURING PROMISE AND POTENTIAL OF AMERICA

One of the principal mistakes of the incoming Bush team in 2001 was to take an “ABC” approach to most policy decisions and governing approaches passed along from the outgoing Clinton team—that is, “Anything but Clinton.” This desire to simply reverse previous policy in many cases hampered the new team’s effectiveness across a broad range of issues. The next incoming team would do well to remember that there are some positive aspects to the Bush bequeathal. Areas of intelligent policy such as immigration, HIV/AIDS, trade expansion, and poverty reduction programs abroad should be embraced, continued, and in some cases expanded.

Understanding the positive elements of the inheritance is as important as chronicling its negative aspects. For instance, the morale and effectiveness of the U.S. military has shown remarkably few signs of breaking or bending, even under the enormous strains of Iraq.⁶⁸ Military men and women appreciate the stakes of the larger and longer struggle in which they are engaged. In fact, while the post-Vietnam years were devastating for the military—as budgets dropped, morale cratered, and the force atrophied—the post-Iraq years may prove to be a moment of revitalization, with a larger force and a general bipartisan commitment to improve training and equipment for our armed forces.⁶⁹ This is a far cry from the post-Vietnam years.

Due at least partially to the effectiveness of U.S. policies undertaken by the Bush team, the U.S. homeland has not been hit by another catastrophic terrorist attack since 9/11, a blessing few anticipated after the attacks on the Twin Towers and the Pentagon.

The next president will likely inherit a domestic environment with a rare consensus on many major issues. Despite their increasingly negative feelings towards the Iraq War, the American people are aware that the United States is in the midst of an enduring struggle against an implacable if elusive enemy. President Bush’s Patriot Act legislation has been renewed, but has also encountered healthy checks and balances from a newly engaged legislative branch. The nation’s law enforcement and intelligence tools have been improved for handling terrorist threats, without becoming so evidently intrusive as to generate substantial domestic backlash. Global warming and energy security have become preeminent issues, and the public sector and market responses have shown an increasing willingness to adapt and innovate in response.⁷⁰ In addition, a growing consensus has emerged on the necessity of rejuvenating America’s alliances and other foreign ties.

Although U.S. relations with most European nations remain strained as a result of the Iraq War and recent unilateral policies, ties with Japan and Australia have been strengthened. Sino-American relations remain relatively stable. Washington and Tokyo are both cooperating closely with respect to North Korea’s nuclear ambitions and the implications of China’s rise. Relations with Canada also remain solid despite difficulties caused by new U.S. homeland security and travel procedures. Although the early improvements in ties between Washington and New Delhi have stalled over different interpretations of the proposed Indian-American civil nuclear cooperation agreement, the two countries seem fated to cooperate on regional security and broader economic issues.

There may even be some positive or at least benign aspects of the Iraq Syndrome for American

⁶⁸ David Moniz, “Soldiers Re-enlist Beyond U.S. Goal,” *USA Today* (17 July 2005).

⁶⁹ Melvin R. Laird, “Iraq: Learning the Lessons of Vietnam,” *Foreign Affairs* (November/December 2005).

⁷⁰ Zogby International, “Americans Link Hurricane Katrina and Heat Wave to Global Warming,” (21 August 2006).

foreign policy, such as the public demand for more responsible action in the future. Americans have devoted renewed attention to military readiness and compensation, and there is a widespread sense that ideology cannot be allowed to trump reality in foreign affairs. Unsustainable spending and lack of oversight are no longer ignored by the public, nor by Congress. And one can only hope that the many lessons to be learned from the Iraq War will be taken to heart by future leaders and those who would advise them.

In fact, the legacy of Iraq, while extremely damaging to the global standing of the United States and very costly to our military and society in the near-term, could establish a new basis for American foreign policy in the 21st century.⁷¹ For example, there is bound to be some deep suspicion of ideological crusades in the wake of the war and perhaps a greater appreciation for the role of international institutions and the importance of gaining legitimacy for U.S. actions.⁷² Even some of the loudest neoconservative champions of the Iraq War have revised their premises.⁷³ Some also call for a stronger U.N. or the creation of new institutions like an Alliance of Democracies, to provide greater international capacity and legitimacy.⁷⁴ One might also expect a better balance between Congress and the executive branch in the making of foreign policy, with greater legislative oversight and a healthy skepticism of presidential saber-rattling—already illustrated by Congressional warnings about unilateral military action against Iran.⁷⁵ When the United States does use force again, there will be higher expectations for “post-

conflict” planning and greater public awareness of its importance. In addition, there may be greater political will to bolster other instruments of U.S. power—for instance, by building greater civilian capacity for stabilization missions, strengthening the diplomatic corps, and reforming foreign development assistance.

Perhaps most importantly, there will be more humility about what American power can achieve in the world, particularly alone. With the right leadership, there might even be a greater public willingness to share in the burdens required to achieve national objectives, rather than putting the full burden on the back of the American military, whose members and families have been the only Americans asked to sacrifice for the Iraq War. In this way, the next president can aspire to repeat the achievement of the current incumbent’s father, George H. W. Bush, who remarked with relief after the 1990-91 Gulf War that, “By God, we’ve kicked the Vietnam syndrome once and for all!”⁷⁶

Although the global war on terror has consumed enormous resources and intellectual focus, there is still remarkably little consensus on or understanding of the ultimate contours of what we are up against and how to fight it. To begin, the term “global war on terror” is widely considered inappropriate and inexact. New definitions that mix and match terms—such as *Salafist*, *jihadist*, *Islamist*, *radical*, and *extremist*—have emerged but not caught on. The British Foreign Office recently took the unusual step of banning the “war on terror” terminology but provided no guidance

⁷¹ Kurt Campbell and Derek Chollet, “Symptoms of ‘Iraq syndrome’ may not be all bad,” *Financial Times* (15 June 2007).

⁷² Joseph S. Nye, “American Foreign Policy After Iraq,” *San Francisco Chronicle* (14 March 2007).

⁷³ Francis Fukuyama, *America at the Crossroads: Democracy, Power, and Neoconservative Legacy* (New Haven: Yale University Press, 2006); and David Rose, “Neo Culpa,” *Vanity Fair* (January 2007).

⁷⁴ Sylvain Charat, “An Alliance of Democracies,” *The Washington Times* (27 January 2005).

⁷⁵ Karen DeYoung, “Skepticism Over Iraq Haunts U.S. Iran Policy,” *The Washington Post* (15 February 2007).

⁷⁶ “Bush GHW. Remarks to the American Legislative Exchange Council, March 1, 1991,” in *Public papers of the Presidents of the United States, 1991.*, Book 1: January 1 to June 30, 1991 (Washington D.C.: Government Printing Office, 1992): 197.

about what language should be used in its place.⁷⁷ This lack of a tidy moniker reflects a larger deficiency of a national strategy. Then again, how can the United States settle on an appropriate title and grand strategy if it is still unsure of the true nature of the “enemy” it faces? The full range of experts diverge broadly on whether the threat from al Qaeda and similar groups is political, religious, secular, economic, social, or a combination of several or all these factors. Methods of combating the threat also span the spectrum of thought and theory.

At the outset of the Cold War the nation was faced with similar doubts over the nature of the Soviet threat, coupled with an inefficient bureaucracy for the task at hand and serious budgetary pressures. After several years of Cold War competition with the Soviet Union in Europe and elsewhere, President Eisenhower, in his desire for a more systematic approach to decision making, oversaw a broad strategy development exercise called Project Solarium, which convened the nation’s top talent to fully explore what the nation was facing. Three teams hammered out different descriptions of the nature of the Soviet threat, why the situation was as it seemed, the best U.S. policies for these conditions, and the appropriate level of resources to devote to a particular plan of action. From these deliberations and others came a more refined strategy of containment and a new set of international institutions that saw the United States through the Cold War.⁷⁸

The United States will need a similar deep examination of the contours and conditions associated with the jihadist challenge in order to fashion a more sustainable strategy going forward. The good news is that the American record of strategic

innovation—from the early phases of the Cold War to the post-Cold War environment—suggests that we have the ingenuity to adapt and prevail in this long, twilight struggle ahead, and to deal simultaneously with other pressing challenges confronting the country as this new century takes shape.

We will need all positive attributes, inherited strengths, good fortune, and more to effectively cope with the complex challenges of the 21st century and the totality of the inheritance.

⁷⁷“Britain Stops Using ‘War on Terror’ Phrase,” *Associated Press* (16 April 2007).

⁷⁸ Michèle A. Flournoy and Shawn W. Brimley, “Strategic Planning for U.S. National Security: A Project Solarium for the 21st Century,” (Princeton: The Woodrow Wilson School of Public and International Affairs, Princeton University, 2006). For a description of the Eisenhower-era exercise see H. W. Brands, “The Age of Vulnerability: Eisenhower and the National Insecurity State,” *The American Historical Review* vol. 94, no. 4 (October 1989): 963-989; and Tyler Nottberg, “Once and Future Policy Planning: Solarium for Today,” (2006). On the flawed attempt by the Bush administration to conduct a Solarium II in December 2003 see Michael Hirsh, “9/11—and Counting,” *The Washington Post* (11 September 2005).

THE WAY FORWARD

Given this daunting and disturbing inheritance, the next president of the United States must make a number of exceedingly difficult yet critical choices to chart a new way forward for America in the world. The next president must seek to restore U.S. moral authority and credibility, redefine U.S. leadership in the post-Cold War, post-9/11 era, and signal to the American people and the world that a fundamental course correction is under way. This will require not only new rhetoric but, far more important, concrete deeds. The next president must demonstrate early and clearly that the United States is embracing a new national security strategy that sets a new course while reclaiming the best traditions of American foreign policy. The next president must wield American power in a way that is strong, pragmatic, and principled.

The broad contours of this new approach to U.S. national security must be based on several foundations. First, it must be rooted in the principles upon which our great nation was founded: personal liberty, tolerance, openness, limited and balanced government, the rule of law, and democratic deliberation. In short, our policies and actions abroad must reflect the values we have long held dear at home.

A new approach to security must also take into account the fundamental paradigm-shifting events that have taken place in the international security environment—such as the fall of the Berlin Wall, the September 11th terrorist attacks, and the preventive war against Iraq—as well as deep and persistent trends like globalization and demographic change. Gone are the days when the United States was widely viewed as a benign superpower that would use its extraordinary military might and political influence for the greater good. While Americans may still hold this image of ourselves—and we should, as it is what we should aspire to restore—most of the world, including

many of our closest allies, is far less sanguine about American behavior and intent. Gone, too, are the days when only states could launch devastating attacks and power was measured in primarily one currency—military might. Also gone are the days when the United States could act as chief architect and manager of the global economic system. The next generation of American leadership will need a deep understanding of the fundamentally different challenges and opportunities we face in the 21st century.

Furthermore, any approach to U.S. national security must be able to win and sustain the support of the American people. As we have been reminded in recent years, no American strategy is durable without broad bipartisan support—support that is usually hard fought to win and harder still to sustain. The next president will have to convince the American people and their representatives in Congress to reject the neo-isolationist impulses they may feel in the wake of Iraq in order to embrace a smarter and more selective form of engagement. This will be no small challenge, but also no small opportunity—an opportunity to put aside the politics of fear in favor of a foreign policy that aspires to advance U.S. and allied interests through pragmatic yet principled engagement.

Key Principles of a New Approach

Despite the fundamental changes in the international security environment and recent abuses of American power, the United States remains the most powerful, prosperous, and influential nation on earth. Our nation's history, power, and potential—economic, military, and cultural—give America a unique role in the world.

What we seem to have forgotten in recent years is that with this unique role come great responsibilities. When the United States does not uphold the rule of law, spearhead the international community's efforts to resolve disputes short of armed conflict, or foster and lead alliances and coalitions,

tions to protect and advance common interests, a vacuum of leadership develops—a vacuum that our friends cannot always fill and our foes almost always exploit. In this sense, the United States remains the indispensable partner: with us, much is possible; without us, little is.

Furthermore, how we wield our power and influence matters. It either enhances or undermines our nation's moral authority. This is not about being popular; it is about having the influence we need to safeguard and advance our interests in a complex and changing world. Lack of moral authority compels the overuse of military power with great costs and yet further lessening of moral authority—it establishes a vicious downward spiral. It also lessens our military capability because every military operation depends on local populations for support through intelligence, services, logistics, and other activities. And our opponents, in turn, have more or less freedom to operate according to the degree to which we are seen as corrupt and oppressive or, conversely, morally sound and culturally sensitive.

The challenge of restoring America's authority in the face of the inheritance is perhaps the greatest challenge any American president has had to face in more than a half century. Restoring America's standing in the world will be a generation-long effort and it will require fundamental changes in how we do business in the world. Moving forward, six principles should help guide a new U.S. national security strategy:

First, U.S. strategy must be *grounded in a common-sense pragmatism rather than ideology*. U.S. national security strategy must be based on a clear-eyed assessment of the challenges and opportunities of the new security environment as well as realistic objectives derived from our national interests.

Second, in order to protect and advance U.S. national interests and ensure the security, prosperity, and vitality of American society in a globalizing world, the *United States must remain engaged* in critical regions around the world. A neo-isolationist reaction to the experience in Iraq would undercut our ability to protect and advance our national interests in a highly interconnected world, where events far from our borders can have enormous impacts on our domestic wellbeing.

Third, *U.S. engagement must be smarter*. We must be more selective about where, when, and how we use the tools of American national power, particularly military force—not every foreign policy problem is a nail for which we need to use our best hammer. Moreover, we must temper how we wield our power with a healthy dose of humility and judgment—the wisdom to recognize what we can change and what we cannot. Although we have learned that we cannot easily impose democracy by force, we can assist other societies in building their own versions of democracy from the bottom up over time. We must be more proactive in the use of our soft power and more prudent in the use of our military might.⁷⁹

Fourth, *the United States must play by the rules*. We must exemplify respect for the rule of law and cease invoking American exceptionalism. This means abiding by the treaties and norms we helped put into place after World War II, returning to our historical role as champion of the rule of law domestically and internationally, and leading efforts to adapt the international order and institutions to new realities like transnational terrorism.

Fifth, we must recognize that *allies and partners are more essential than ever*. Given the inherently multilateral nature of the challenges we face,

⁷⁹ See from Joseph S. Nye, Jr.: "The Decline of America's Soft Power," *Foreign Affairs* (May/June 2004), "Bound to Lead: The Changing Nature of American Power," (New York: Basic Books, 1990), and "Soft Power: The Means to Success in World Politics," (New York: PublicAffairs, 2004).

from transnational terrorism to WMD proliferation to global climate change, the United States cannot deal with them effectively without capable and committed allies and partners. This will require revitalizing and, in some cases, re-conceptualizing our alliances and partnerships to deal with emerging challenges. And we should help allies and partners build their capacity, making these constructive partnerships a national security priority.

Sixth, a new approach should recognize that *military power is necessary but not sufficient* to deal with 21st century challenges. The United States will continue to need a strong military second to none, but complex problems demand solutions that integrate all of the instruments of our national power. This points to a need for major reform of our interagency processes (which are now essentially *ad hoc*) and a more balanced investment in national security to enhance capabilities on the civilian side.

Actions Speak Louder than Words

Grappling with the inheritance will be a long-term effort requiring vision, sacrifice, and persistence. The task will be Herculean and will likely be met with no small degree of ambivalence on the part of our allies and outright hostility on the part of many others. Any positive steps forward will be viewed with skepticism through the lens of the recent past. The United States will have to prove, over and over again, that it has changed course before global confidence in U.S. leadership is restored.

Yet the daunting nature of the tasks ahead must not deter future leaders from the necessary work of putting American leadership back on track. We must work to overcome the Iraq syndrome — at home and abroad. While restoring the United States' credibility and international standing will likely take a generation or more, the next president can demonstrate a clear change of policy

and direction through a series of concrete actions taken in the first year of his or her term. While these steps do not constitute a comprehensive set of strategies to address every aspect of the inheritance, they are critical steps a new president should take to begin to restore U.S. credibility, influence, and power and start the country down the path of a new American security. The top ten, not necessarily in priority order, are:

1. Transition out of Iraq.
2. Overhaul U.S. strategy for the long struggle against violent extremists.
3. Reinvigorate the Middle East peace process.
4. Affirm and vigorously enforce U.S. commitment to the rule of law.
5. Reject preventive war.
6. Identify and pursue a broader set of strategic priorities.
7. Revitalize U.S. alliances, partnerships, and international institutions.
8. Be proactive in the use of American soft power.
9. Restore fiscal discipline.
10. Revitalize the U.S. military and ensure its prudent use.

Transition Out of Iraq

Nothing has damaged U.S. credibility more in the eyes of the world than the Iraq War. For some, the United States' decision to go to war absent the support of the international community was evidence of a new American penchant for unilateralism and a sign that the United States could no longer be trusted to use its unmatched power with restraint, wisdom, and prudence. For others who initially supported the war subsequent revelations about the manipulation of intelligence and the botched execution of post-conflict operations have undermined our standing as a fair and competent leader in international affairs. And for our adversaries, the Iraq War has been an enormous propaganda boon, strengthening the extremist narrative against the United States and its allies

and converting a whole new generation of recruits to their cause.

The only way to limit and recover from this extraordinary damage is to end U.S. involvement in the war. But in doing so, the United States must take great care to avoid a precipitous withdrawal that could result in an even greater catastrophe for Iraq and the broader Middle East. The United States should begin a phased transition calibrated to protect its most fundamental interests—no al Qaeda safe havens, no regional war, and no genocide—while drawing down the American troop presence over the next few years.⁸⁰ Ultimately, the United States should have no permanent bases in Iraq and no permanent military presence in the country. We should forswear any such goal immediately.

Going forward, U.S. strategy in Iraq should have three elements: a “bottom-up” approach to strengthening security at the local and provincial level; a continued “top-down” effort aimed at Baghdad and the Iraqi government; and assertive regional diplomacy as called for by the Iraq Study Group.⁸¹ The objective of bottom-up efforts in Iraq should be to help establish an internal balance of power, where both the Kurds in northern Iraq and the Sunnis in Anbar province provide internal security against al Qaeda; as well as to deter any large-scale incursions by militias or a rogue government force. Helping local and provincial leaders build security forces, gain effective access to American and international aid, and maintain open, constructive communications with U.S. advisors will limit the level of instability that may occur as U.S. forces leave. Top-down efforts in Iraq must aim to maintain robust connections with Iraq’s central government, encourage and facilitate political reconciliation and negotiation, and

increase economic development and the training and advising of national security forces.

To reinforce both the bottom-up and the top-down elements of the strategy, and to pave the way for an ultimate withdrawal of U.S. military forces from Iraq, a balanced strategy must also include robust regional diplomacy. In order to avoid regional war in the next several years, this diplomacy should consider the threat perceptions of other Sunni states in the region, especially Saudi Arabia, and retain a residual U.S. force posture that convinces external actors that genocide of Iraq’s Sunni population will not occur. At the same time, the United States must engage our allies in the region to secure basing and overflight rights needed for a long-term enhanced presence in the Gulf region. Any workable strategy must bring Iraq’s neighbors and the international community together to set the parameters for a diplomatic negotiation over the future of Iraq and the region. Consistent with this strategy, the phased transition of the U.S. military presence in Iraq should begin in 2007 and be completed under the next president.

Overhaul U.S. Strategy vs. Violent Extremists

Conceiving of the United States’ struggle against violent Islamist extremists as a “Global War on Terror” (GWOT) has been both misguided and damaging to U.S. international standing. While the threat of violent extremism is real and must be addressed as a top priority in any new national security strategy, the GWOT framework is counterproductive for several reasons. First, and perhaps most importantly, it plays right into the hands of the jihadists by reinforcing their narrative that this is a “holy war” between Islam and the infidels. Second, it alienates allies and partners who view the threat differently and whose coop-

⁸⁰ Michèle A. Flournoy and Shawn N. Brimley, “Enduring Interests in Iraq: the Three No’s,” (Washington, D.C.: Center for a New American Security, March 20, 2007).

⁸¹ For a full exploration of this plan, see James N. Miller and Shawn W. Brimley, “Phased Transition: A Responsible Way Forward and Out of Iraq,” (Washington, D.C.: Center for a New American Security, June 2007).

eration is absolutely critical to our success. Third, it implies that the U.S. military is the primary instrument for dealing with this adversary, when nothing could be further from the truth.

While the U.S. military certainly has critical roles to play in conducting counterterrorism, counterinsurgency, and stability operations, the primary tools of this long struggle will be intelligence and law enforcement, as well as assistance programs that seek to address underlying grievances and drive a wedge between the extremists and the populations from which they draw recruits, resources, and support. The most important long-term element of our strategy is marginalizing groups like al Qaeda from their bases of support. Doing so will require a highly differentiated approach, tailored to local contexts and conditions, using all of the instruments of our national power.

Six years after 9/11, the United States has had some important tactical successes, such as capturing and killing some key members of al Qaeda and foiling a number of plots before they could be carried out. But the nation still lacks a long-term strategy for reducing the appeal, power, and relevance of violent Islamist extremists. Re-conceptualizing and reframing the “war on terror” early in the next term should be a top priority for the next president, both to render U.S. efforts more effective and to communicate to the world that he or she intends to take a fundamentally different and more strategic approach.⁸²

Reinvigorate the Middle East Peace Process

The United States has an indispensable role to play in brokering peace between Israel and the Palestinians. But for much of the Bush administration’s two terms in office, it has been absent from the negotiating table. The lack of a viable Middle East peace process has been exploited on a daily basis by Islamist extremist propaganda,

which depicts the United States as insensitive to the plight of the Palestinian people and of Muslims more broadly.

Given this issue’s resonance with the Muslim world and its centrality to creating lasting peace and stability in the Middle East, it is imperative that the peace process once again rises to the level of a top priority for the next president. Unfortunately, reinvigorating the peace process will not be a matter of simply picking up where we left off. Much has changed since the United States was last deeply engaged in brokering the peace process: Hamas is a duly elected entity vying for control of the Palestinian Authority; conflict between Fatah and Hamas in Gaza has raised concerns over a Palestinian civil war; Israel and Hezbollah have engaged in armed conflict across Israel’s border with Lebanon; and both the Israeli and Palestinian polities seem at a loss for how to get out of their current predicament. Nevertheless, the United States must reengage to help chart a way forward toward the ultimate vision of two viable states, one Israeli and one Palestinian, coexisting in peace.

Affirm and Vigorously Enforce U.S. Commitment to the Rule of Law

The next president should take a number of concrete actions to demonstrate the United States’ renewed commitment to the rule of law. Such a commitment will take years of consistent behavior to prove, but a few bold measures taken early in the next administration could have a profound impact on our image around the world and send a clear signal that the United States intends to return to its former status as a champion of the rule of law.

As a first order of business, the United States should close the detainee facilities at the U.S. Naval Base in Guantanamo Bay, Cuba. The struggle against terrorism requires useful intelligence, evidence admissible in federal and international

⁸² CNAS has launched a Solarium II project that will seek to re-conceptualize U.S. strategy for dealing with the challenge of violent extremism.

courts, close collaboration with allies, and a world-wide campaign for hearts and minds. Facilities like Guantanamo that operate in a netherworld of legal ambiguity and in the face of significant international opprobrium do more damage than good to America's image and security.⁸³ Closure of Guantanamo and transfer of all detainees either to their home countries or to the U.S. legal system would signal to our allies that we intend to prosecute the struggle against violent extremists in a legal, transparent, and democratic manner, within the confines of international laws of war, and signal that the United States still values the provisions of detainee justice under common article three of the Geneva Conventions. Finally, and significantly, closure would deprive al Qaeda of a high-profile "propaganda gift"—one that gives on a daily basis through media channels around the world.⁸⁴

The United States should also renounce the practice of extraordinary renditions. Legally, transferring individuals for the purpose of evading due process is dangerous and unsustainable.⁸⁵ Many prominent human and civil rights groups have alleged that those detained and rendered under this program are subjected to torture and other cruel and unusual treatment.⁸⁶ Yet information gathered outside of legal procedures and via torture is usually inaccurate and always inadmissible in court.⁸⁷ Such abuses of international and national law imperil future attempts to prosecute

apprehended terrorists and those who support them, and undermine U.S. credibility with our allies and foreign publics.⁸⁸

Extraordinary renditions also alienate many whose support we would value, and they promise to grow a vanguard of individuals and their families with grievances against the United States and those who assist us in the program. And even if extraordinary renditions could somehow be divested of all connections to torture, the detention of individuals outside of judicial review still would be ambiguous under international and domestic law. Because of its detrimental effect on relations with our European allies, its dubious legality, and its ineffectiveness as a method for preventing terrorism, the CIA's program of extraordinary renditions should be sharply curtailed if not eliminated.

The United States should apply the four Geneva Conventions in the context of the campaign against terrorism, to bring the majority of state counterterrorism activities into the realm of law. The Conventions provide a more than adequate framework for detaining, trying, and protecting most classes of individuals captured and accused of terrorism. This is certainly true for organized groups operating in countries that are parties to the Conventions, as the Bush administration itself admitted by recognizing the Taliban's right to the treatment guaranteed under the auspices of the

⁸³ Carol J. Williams and Julian E. Barnes, "Tribunals Are Dealt Another Legal Setback," *Los Angeles Times* (5 June 2007): "Rulings . . . suggest the hastily reassembled military tribunals have no jurisdiction over any of Guantanamo's 380 prisoners."

⁸⁴ Editorial, "Un-American By Any Name," *The New York Times* (5 June 2005).

⁸⁵ Michael John Garcia, "Renditions: Constraints Imposed by Laws on Torture," (Congressional Research Service Report for Congress, April 5, 2006).

⁸⁶ See: "Below the Radar: Secret Flights to Torture and Disappearance," (Amnesty International, April 2006); "The 'Stamp of Guantanamo': The Story of Seven Men Betrayed by Russia's Diplomatic Assurances to the United States," (Human Rights Watch, March 2007); "Red Cross Complains to U.S. on Guantanamo," *Associated Press* (30 November 2004).

⁸⁷ Jane Mayer, "Outsourcing Torture: The Secret History of America's 'Extraordinary Rendition' Program," *The New Yorker* (14 February 2005).

⁸⁸ See: Julianne Smith, "Extraordinary Rendition in U.S. Counterterrorism Policy: The Impact on Transatlantic Relations," Statement before the House Committee on Foreign Affairs, Subcommittee on International Organizations, Human Rights, and Oversight (17 April 2007). The renditions' extrajudicial nature may also imperil intelligence operatives who carry them out—many employees of the CIA have purchased insurance to protect themselves from legal responsibility for just such actions. See R. Jeffrey Smith, "Worried CIA Officers Buy Legal Insurance," *The Washington Post* (11 September 2006): A01.

Geneva Conventions.⁸⁹ And because the additional protocols also recognize the rights of members of civil insurgencies, detainees from Iraq and Afghanistan can be covered under the Conventions.

More broadly, the United States should begin a systematic program of bringing terror suspects into American and other national legal systems as comprehensively as possible. The greatest triumphs of the campaign against terrorism thus far have been the seizures of terrorists before they strike.⁹⁰ Pursuit, capture, and prosecution, while less dramatic than war, are used effectively by law enforcement personnel all over the world. Their work requires the vigorous application of binding law to detain and try the world's most dangerous violent extremists. In addition, this work is and should be carried out primarily by civilian personnel, rather than the military. "Tak[ing] the military out of the business of detention" will ease one source of strain on the armed forces and inject more legitimacy into the pursuit and capture of terrorist criminals.⁹¹

It should not take Supreme Court rulings to persuade the president to follow the law. However, many analysts and members of the current administration have complained that current law does not provide the tools or the latitude to detain suspects of terrorism.⁹² While many of these assertions may have been overstated, some changes to the law may be required. Where necessary, the next administration should work with the Congress to ensure more legally expedient ways to detain and

question suspected terrorists while still allowing them to remain inside the legal system. As indicated above, international humanitarian law and law of war generally cover the exigencies of the so-called war on terror. However, if the next administration and Congress see deficiencies in the international legal system as well, the United States should convene the international community to address and correct such gaps.

Reject Preventive War

The Bush administration's articulation of a new doctrine of preemption in its 2002 *National Security Strategy* report and its subsequent launching of a preventive war against Iraq created the impression that the United States will use force on a unilateral and highly proactive basis, unconstrained by international law.

Presidents have long reserved the right to use force against an adversary in the face of an imminent threat. Indeed, this right is generally understood to be an aspect of self defense as defined in Chapter VII, Article 51 of the U.N. Charter.⁹³ Customary international law authorizes any state targeted by another to employ military force as necessary to protect itself. The right of self defense is not limited only to instances of actual armed attack. States are permitted to act when the imminence of attack is of such a high degree that a nonviolent resolution of the dispute is not possible. In short, there is a generally accepted legal basis for preemption *in crisis*, if an attack appears imminent, if all practical, peaceful means have been exhausted,

⁸⁹ For an inside look at early administration debates over the applicability of the Geneva Conventions, see Colin L. Powell to the counsel to the president, "Draft Decision Memorandum for the President on the Applicability of the Geneva Convention to the Conflict in Afghanistan," (26 January 2002). See Jess Bravin, "Pentagon Report Set Framework For Use of Torture," *The Wall Street Journal* (7 June 2004). The memos are also archived on the websites of many major news organizations.

⁹⁰ Such successes include the disruption of the following: a plot to blow up several transatlantic passenger jets in the summer of 2006; a plan to attack transit tunnels under the Hudson River in July of 2006; an attack on New Jersey's Fort Dix; a plan to plant bombs in the Sears Tower in Chicago; and a recent plot to blow up a jet fuel artery into JFK International Airport in New York.

⁹¹ For a discussion of this and other issues of detainees in the war on terror, see Kenneth Anderson and Elsie Massimino, "The Cost of Confusion: Resolving Ambiguities in Detainee Treatment," (The Stanley Foundation: Bridging the Foreign Policy Divide Series, March 2007). See also: "Summary of International and U.S. Law Prohibiting Torture and Other Ill-treatment of Persons in Custody," (Human Rights Watch, May 24, 2004).

⁹² See, for example, Press Briefing by Scott McClellan, (The White House, December 6, 2005).

⁹³ Article 51 of the U.N. Charter reads, "Nothing in the present Charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a Member of the UN," *Charter of the United Nations* (26 June 26 1945).

and if the preemptive military action is consistent with the just war principle of proportionality— that is, limited in intensity and magnitude to what is reasonably necessary for self defense.

In the wake of the 9/11 attacks, the Bush administration departed from this well established approach to make preemptive action and preventive war centerpieces of U.S. national security policy. Speaking at West Point's commencement in June 2002, President Bush explained his administration's new doctrine of preemption: "If we wait for threats to fully materialize, we will have waited too long... [O]ur security will require all Americans to be forward-looking and resolute, to be ready for preemptive action when necessary to defend our liberty and to defend our lives."⁹⁴ This doctrine was used as a rationale for launching the preemptive war in Iraq in the face of what was argued to be a "gathering threat" of weapons of mass destruction in the hands of a ruthless dictator.⁹⁵ In the eyes of many war supporters, it also lessened the importance of obtaining a U.N. resolution authorizing (and legitimizing) the war.

To restore U.S. credibility, the next president should openly repudiate the Bush administration's policies on preemption and preventive war. While he or she should certainly reserve the traditional right to take preemptive action in self defense, it is imperative that the next president clarify that the United States intends to exercise this right only in extreme circumstances, such as in the face of an imminent attack, and in accordance with its obligations under international law.

Identify and Pursue a Broader Set of Strategic Priorities

Since the invasion of Iraq, the United States has suffered from an extreme case of strategic myopia. The war in Iraq has consistently eclipsed every other issue of strategic import for the long-term interests of the United States, such as the rise of China, worrisome developments in Russia, energy insecurity and global climate change, preventing proliferation and use of weapons of mass destruction, and even the war in Afghanistan— our most direct response to the September 11 terrorist attacks. Seen in this light, the costs of Iraq must be measured not only in blood and treasure, but also in terms of strategic opportunity costs to the nation. In international affairs, there is no such thing as benign neglect.

In January 2009, when the next administration takes office, all of these neglected yet critical issues will vie for the new president's attention. In the face of this onslaught, the next president would be wise to conduct at the outset of his or her administration a National Security Review designed to survey the full range of challenges and opportunities confronting the United States, set clear priorities, and produce a latter-day NSC-68 for U.S. policy and action going forward.⁹⁶

More specifically, the president should designate a senior national security official (most likely the national security advisor) to lead an interagency process to develop a national security strategy and identify the capabilities required to implement it— diplomatic, informational, military, and economic. This review should engage the president

⁹⁴ George W. Bush, "Remarks by the President at 2002 Graduation Exercise of the United States Military Academy," (1 June 2002).

⁹⁵ George W. Bush, National Press Conference, (6 March 2003).

⁹⁶ Michèle A. Flournoy and Shawn W. Brimley, "Strategic Planning for National Security: A New Project Solarium," *Joint Force Quarterly* 41 (2nd Quarter, 2006). National Security Council Paper 68 (NSC-68), written in 1950, established U.S. Cold War strategy and much of the national security architecture that still exists today. The Truman Presidential Museum and Library posts the original text of NSC-68 at: http://www.trumanlibrary.org/whistlestop/study_collections/korea/large/week2/nsc68_1.htm

as well as the principals and deputies of all of the agencies with responsibilities for implementations. The process should be designed to foster debate and frame key decisions for the president, rather than papering over differences to reach consensus.

The review should begin with an interagency assessment of the future security environment and the development of national security objectives and priorities. The heart of the exercise should be devising a national security strategy for achieving these priorities, identifying the capabilities required to implement the strategy, and delineating agency roles and responsibilities. Such a process would provide the next administration with an opportunity to conduct a strategic review of U.S. national security policies and capability requirements and to define a compelling and coherent way forward.

Revitalize U.S. Alliances, Partnerships, and International Institutions

The Bush administration's "you are either with us or against us" approach to international relations in the wake of 9/11 took a serious toll on a number of our bilateral relationships. As a matter of style, the administration's idea of consultations with allies was often more of a one-way transmission of U.S. policy than a two-way conversation among friends. As a matter of substance, the administration often adopted policies that made some of our allies uncomfortable—ranging from holding terror suspects without charge at Guantanamo Bay to launching the Iraq War without a U.N. resolution authorizing the invasion. Although the Bush administration strove to correct many of its stylistic errors in the second term, a degree of damage had already been done. The seed of doubt had been planted, in many cases for the first time since the end of World War II: many U.S. allies were left wondering whether the shared interests, threat perceptions, and strategies that have underpinned their relationship with the United States for many decades still exist.

The next president must confront this issue head on with each of the United States' key allies in Europe, Asia, the Middle East, and the Americas. He or she should conduct several "listening tours" early in the first year to hear from allies about their concerns and hopes for the relationship, and to communicate clearly in both style and substance that the new U.S. leadership wants to revitalize its partnerships as a matter of priority.

Renewed attention must also be paid to international institutions, like the United Nations, on which the United States relies to forge international consensus and foster multilateral action on a whole host of critical issues, from stemming the spread of nuclear weapons to providing international legitimacy for the use of force.

In the wake of World War II, the United States led the international community through a stunning period of institutional innovation, founding the organizations that have defined the international order for more than 50 years: the North Atlantic Treaty Organization, the United Nations, the International Monetary Fund, the World Bank, and others. In the face of recent paradigm-shifting events like September 11th and trends like globalization, one would expect that the United States would have embarked on a similar effort to adapt these international institutions to new realities and potentially create new institutions to meet new challenges like the long struggle against violent extremism. In reality, the United States has not led the charge and, absent U.S. leadership, little progress has been made as a result. The next president should elevate the importance of this issue on the U.S. foreign policy agenda. It is in the best interests of both the United States and the world community to have more effective international institutions to deal with collective problems that can only be addressed through collective action.

Be Proactive in the Use of American Soft Power

The next president must reverse the impression of U.S. insensitivity to the problems that define the daily lives of the majority of the world's people: poverty, disease, lack of access to clean water, environmental degradation, lack of economic opportunity, and lack of avenues for political participation in their respective societies.

The United States has an interest in addressing these conditions, not only because it is “the right thing to do,” or because our support would help restore America's image abroad, but also because these are the very conditions that often give rise to instability and conflict. Preventing such crises is much less costly than responding to full-blown conflicts or humanitarian catastrophes that the international community can no longer ignore. The next president should, therefore, be much more proactive in the use of the United States' soft power via its non-military instruments like humanitarian assistance, development assistance to reduce poverty and build economic capacity, and civil society programs that promote democracy and good governance.

Recent U.S. humanitarian assistance operations to help the victims of the Asian tsunami and the Pakistan earthquake offer telling examples. In both cases, the United States was able to make a meaningful contribution in aiding recovery efforts and preventing further loss of life while also demonstrating compassion to the world. Images of U.S. military personnel providing aid were broadcast worldwide, offering a stark contrast to the images of war that are the daily diet of most viewers around the world and undermining

the jihadist narrative about the United States. Subsequent polls registered substantial increases in the percentage of those who had a favorable view of the United States, particularly among key Muslim populations.⁹⁷ The United States should willingly embrace opportunities to provide humanitarian assistance in the future for both moral and strategic reasons.

Similarly, the United States should be a leader in alleviating poverty, combating infectious diseases, and helping poorer countries stressed by rapid globalization to develop their economies and increase their capacity to meet their people's basic needs. Currently, the United States, the wealthiest nation on earth, is second-to-last among OECD countries in the percentage of gross national income provided for development assistance.⁹⁸ As the Center for Global Development notes, “the U.S. devotes less than 1% of the federal budget to development assistance.”⁹⁹ Certainly, we can and should do more.

When the United States does take a leadership role, there are great benefits to be had. President Bush's initiative to reduce HIV/AIDS is a good illustration. The United States allocated \$15 billion dollars over five years, working through local organizations with the result that over one million people received antiretroviral treatments by the end of March 2007.¹⁰⁰ In other words, for a relatively small investment, the United States has created an opportunity to join together to fight HIV/AIDS, meaningfully reduce the disease's devastating impacts, and enhance America's moral authority.

Finally, it is possible that the United States can once again be viewed as a strong champion of

⁹⁷ Andrew Kohut, “America's Image in the World: Findings from the Pew Global Attitudes Project,” U.S. House of Representatives Committee on Foreign Affairs, Subcommittee on International Organizations, Human Rights, and Oversight, (14 March 2007); See also: “A Dramatic Change of Public Opinion in the Muslim World,” (Terror Free Tomorrow, 2005): 8.

⁹⁸ “Net Official Development Assistance in 2006,” (OECD, April 3, 2007). While the United States does provide the largest amount in absolute dollar values, its giving is second-to-last as a percentage of GNI.

⁹⁹ “Rich World, Poor World: A Guide to Global Development,” (The Center for Global Development, 2005): 2.

¹⁰⁰ “Latest 2007 PEPFAR Treatment Results,” (U.S. President's Emergency Plan for AIDS Relief, 2007). Available at: <http://www.pepfar.gov/press/85520.htm>.

democracy and good governance in the world. While the goal of expanding freedom and democracy around the world is noble, the practical aspects of promoting democracy and good governance require a more patient, bottom-up approach. The next U.S. president should focus on shaping American democracy promotion policy along collaborative, non-military lines. The next president should reject democratization by preemptive war as an ineffective—in fact, counterproductive—method for increasing liberty and prosperity. At the same time, he or she should embrace a long-term commitment to the real work of democratization: civic and economic development, effective foreign aid, and training and advising both the military and civilian sectors of partner nations. Building the governance capacity of our partners in the international community should be a central theme of any new American security strategy.

Restore Fiscal Discipline

For the past several years, the federal government has been borrowing against the country's future.¹⁰¹ Persistent federal budget deficits also have been coupled with a decline in federal savings. And to make up for revenue shortfalls, the rate of borrowing from foreign sources has increased markedly. Taken together, the factors associated with long-term budget deficits “can cause a fundamental shift in market expectations and a related loss of business and consumer confidence both at home and abroad.”¹⁰² Federal Reserve Chairman Benjamin Bernanke has noted that “by holding down the growth of national saving and real capital accumulation, the prospective increase in the budget deficit will place at risk future living

standards of our country.”¹⁰³ The value of the dollar, which has been weak against both the Euro and the Yuan in recent years, will also be a concern in the coming years until greater fiscal discipline has been implemented.

The next president will also have to respond to the legacy of years of record current account deficits. A \$726 billion deficit in 2005 was attributed to spiking energy costs and an insatiable American appetite for foreign goods, especially from China, as reflected in a bilateral trade deficit of more than \$200 billion in 2005.¹⁰⁴ These massive global imbalances pose troubling risks of instability in global financing markets, which could lead to a sharp curtailment of growth. As one analyst warned, “The huge and growing international trade and current account imbalances...could at any time trigger a large and rapid decline in the exchange rate of the dollar that would initiate sharp increases in U.S. inflation and interest rates, bringing on stagflation at a minimum and quite possibly a deep recession.”¹⁰⁵

The solutions to these problems will be difficult pills to swallow, but vital to the nation's future health. Because a government in the red must either cut spending or increase revenue to balance its budget, a combination of these two approaches can help ensure sensible spending and a revenue base that makes such spending sustainable. This means that the next president, working with Congress, will have to roll back at least parts of the Bush tax cuts and search the budget for areas where excess spending can be eliminated. Doing so will pave the way to greatly reducing our reliance on excessive foreign borrowing, strengthening the

¹⁰¹ Lori Montgomery and Nell Henderson, “Burden Set to Shift on Balanced Budget,” *The Washington Post* (16 January 2007): A1.

¹⁰² Peter R. Orszag, “Promoting Fiscal Discipline and Broad-Based Economic Growth,” Testimony Before the Senate Committee on the Budget, (28 September 2006).

¹⁰³ Greg Ip, “Bernanke Wants Lower Deficits, Doesn't Rule Out Tax Increases,” *Wall Street Journal* (15 March 2006). For more on Bernanke's positions on federal deficits, see Chairman Ben S. Bernanke, “Long-term fiscal challenges facing the United States,” Testimony Before the Senate Committee on the Budget, (18 January 2007).

¹⁰⁴ Vikas Bajaj, “U.S. Trade Deficit Sets Record, with China and Oil the Causes,” *The New York Times*, February 11, 2006.

¹⁰⁵ C. Fred Bergsten, “The Current Account Deficit and the US Economy,” Testimony before the Senate Committee on the Budget, (1 February 2007).

dollar, and easing our federal account deficit in the process. The United States must find ways to work in concert with Japan, the EU, and China to eliminate the overvaluation of the Chinese currency, improve U.S. savings performance, and stimulate demand in Europe and Japan in order to address global imbalances and improve overall American economic security.

Revitalize the U.S. Military and Ensure Its Prudent Use

Repeated deployments to Iraq, Afghanistan, and other operations around the world have placed the U.S. military under enormous strain, stretching our armed forces close to the breaking point.¹⁰⁶ The next president must make reducing these strains and helping the force to recover a top priority. Indeed, reducing the time deployed and wearing down or loss of equipment—particularly for the Army, Marine Corps, and Special Operations Forces—are additional reasons to begin the draw-down of American forces in Iraq.

Even after the current pace of operations begins to slow, it will take time and steady investment to reset the force and restore its readiness. Current estimates suggest that the Army will need \$13 billion and the Marine Corps \$5 billion per year to replace all of the equipment that has been lost or damaged in Iraq and other operations.¹⁰⁷

In addition, revitalizing the military will require adapting it to meet future challenges. With the Cold War's end and the onset of a long struggle against violent extremists, the demands placed on the military in the future will likely differ substan-

tially from those of the past. Although the U.S. military must be able to conduct the full spectrum of operations—from war fighting to humanitarian assistance—the most likely set of demands will fall in the middle of that spectrum known as “irregular warfare,” which includes missions ranging from counterterrorism and counterinsurgency to stability operations and foreign internal defense (i.e., helping to build the capacity of foreign security forces and governments). Given that today's military was optimized to fight major theater wars against conventional armies, it will have to undergo some significant changes to be fully prepared to meet the future's irregular challenges. These changes should include increasing the size of U.S. ground forces, rebalancing the force to provide more capacity in certain high demand capability areas, and adopting innovative approaches to organizing, equipping, training, educating, and employing the force.¹⁰⁸

While restoring the health and readiness of the services will be critical, it will not be enough. Domestic and international skepticism about the use of military force in the wake of the Iraq War will make it exceedingly difficult for the next president to use the U.S. military as an instrument of U.S. policy. Given this deep skepticism and likely reluctance, it will be incumbent on the next president to foster a broad dialogue with the American people and with America's allies on when it is appropriate—and not—to use force in the new security environment. He or she must also demonstrate great wisdom and prudence in the employment of the U.S. military.

¹⁰⁶ For a more detailed description of the strains on the force, an analysis of the administration's proposals to expand U.S. ground forces, and how the force needs to be adapted for the future, see Michèle A. Flournoy and Tammy S. Schultz, “Shaping U.S. Ground Forces for the Future: Getting Expansion Right,” (Washington, D.C.: Center for a New American Security, June 2007).

¹⁰⁷ See General Peter Schoomaker, “Testimony to the HASC on Army and Marine Corps Reset Strategies for Group Equipment and Rotor Craft,” *Federal News Service* (27 June 2006); and General Michael Hagee, “Testimony to the HASC on Army and Marine Corps Reset Strategies for Group Equipment and Rotor Craft,” *Federal News Service* (27 June 2006). See also Lawrence J. Korb, Max A. Bergmann, and Loren B. Thompson, “Marine Corps Equipment After Iraq,” (Washington, D.C.: Center for American Progress, August 2006).

¹⁰⁸ *Ibid.* For two promising examples of innovative approaches, see John A. Nagl, “Institutionalizing Adaptation: It's Time for a Permanent Army Advisor Corps,” (Washington, D.C.: Center for a New American Security, June 27, 2007); and Robert Killebrew, “The Left-Hand Side of the Spectrum: Ambassadors and Advisors in Future U.S. Strategy,” (Washington, D.C.: Center for a New American Security, June 27, 2007).

A particularly important and concrete step the next president and secretary of defense can take early on is to foster a healthy civil-military command climate, one that encourages senior military leaders to offer their best military advice and counsel even if it constitutes dissent, one that holds both civilian and military leaders accountable for the decisions they make, and one that avoids politicizing the senior officer corps.¹⁰⁹

¹⁰⁹ CNAS plans to publish a proposed “Terms of Reference” for U.S. civil-military relations in the fall of 2008.

CONCLUSION

Addressing the inheritance will require a fundamental reframing of the U.S. role in the world and the development of a much more integrated approach to national security, one that fully resources and employs all of the instruments of national power. The next president will need to restore public and international confidence in American ability to use its power in responsible ways that enhance U.S. security and promote the greater good. He or she will also need to demonstrate a renewed appreciation of the necessity of alliances, partnerships, and coalitions to address global problems and transnational threats. This will require a more integrated national security strategy that fully utilizes non-military tools that have gathered dust in recent years, such as multilateral diplomacy, economic persuasion, and responsible stewardship of national and international law.

Perhaps the most consequential thing the next president can do to strengthen our national security is to take visible, concrete steps to begin to restore U.S. credibility and influence abroad. This will involve reversing damaging U.S. policies, mending strained diplomatic and institutional relationships, demonstrating a renewed commitment to the rule of law, and taking a series of bold actions to reestablish the United States' bona fides as the indispensable partner in advancing stability, prosperity, and progress. Managing the inheritance will also require restoring our military and shoring up our economic power.

In the face of skeptical publics at home and abroad, a deeply divided nation and Congress, disillusioned and wary allies, and tenacious and often vicious adversaries, charting this new way forward for America will be a difficult, vexing, and time consuming challenge. It will also be the new president's most important. It will likely determine his or her place in history. Most important, how he or she manages the inheritance will in large part determine whether U.S. security and influence will wax or wane still further in the years to come.

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