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CRITICAL ASSUMPTIONS AND AMERICAN GRAND STRATEGY

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Executive Summary

Every grand strategy rests on an intellectual foundation made up of critical assumptions. Assumptions are the strongly, if often implicitly, held ideas that policymakers have regarding the nature of the international environment and the role that their country plays in that environment. They are the "theories of how the world works," the theories of how some action will produce some desired outcome or reaction, that undergird purposeful action in international affairs. The more realistic those assumptions are, the better the chance of grand strategic success. The more tenuous they become, however, the higher the danger of disappointment and, eventually, failure. It is, therefore, critical that policymakers and strategists make their underlying assumptions explicit and that they periodically interrogate and stress-test those assumptions.

This imperative is particularly vital today. Since the end of the Cold War, the United States has pursued a generally consistent and successful global strategy that has aimed to perpetuate American international primacy, to solidify and extend the liberal international order, and to avert the emergence of new or resurgent threats to that order. At present, however, there are growing doubts about whether this strategy and its intellectual pillars remain as robust as they were a quarter-century ago. Resurgent great power conflict, renewed ideological contestation, instability in key theaters, the relative decline of traditional allies, and other phenomena pose increasing dangers to U.S. interests and are raising fundamental questions about the sustainability of U.S. grand strategy.

This report, therefore, assesses the dominant assumptions that have guided U.S. strategy since the Cold War, or even longer in some cases, with particular emphasis on identifying and evaluating those assumptions that have become increasingly contested. The report first examines a range of global assumptions that are coming under greater doubt today and then discusses a range of region-specific assumptions that have also become increasingly contested, focusing on the three regions outside of the Western Hemisphere that have traditionally been of greatest importance to U.S. policymakers: Europe, East Asia, and the Middle East.

As this analysis reveals, the intellectual pillars of U.S. strategy, both at the global level and in key regions, are being stressed significantly today. This does not mean that *all* the key

assumptions supporting U.S. grand strategy are being dramatically eroded, that those assumptions that are under pressure have reached the point of collapse, or that the global changes at work in recent years have been uniformly unfavorable to the United States. None of these things are true. Nor, for that matter, does it necessarily mean that the United States should precipitously or dramatically revise its post-Cold War grand strategy. Constructive adaptation is always possible, and commonly mooted alternative strategies, such as the concept of "offshore balancing," rest on even shakier assumptions.

What is true, however, is that a large number of critical assumptions are coming under greater doubt due to changing geopolitical realities and the evolving worldviews of policymakers. Key aspects of American grand strategy could, therefore, become significantly harder to sustain in the coming years absent increased investments or other adjustments. Just as significant, the analysis presented here underscores that discussions of American grand strategy will need to be increasingly attuned to the robustness, or fragility, of assumptions that constitute the conceptual core of the U.S. global role if the United States is to avoid the damaging strategic shocks that can occur when increasingly tenuous assumptions are not explicitly surfaced and tested. Looking ahead, we argue that six specific steps may be helpful in making U.S. grand strategy and strategic planning more resilient at a time when the global environment is changing rapidly and, too often, in unfavorable ways.

First, *embrace the need for constructive, and fairly significant, adaptation*. Radical retrenchment is not necessary today, but clinging to stale verities amid shifting global conditions is a recipe for trouble. The overarching goal that American policymakers should thus pursue is one of seeking to sustain, to the greatest degree possible, a grand strategy that has been consistent and worked reasonably well over the past quarter-century, while also understanding that some degree of meaningful adaptation—with respect to specific policies, the level of resources committed, or both—will undoubtedly be necessary.

Second, *pursue offsets and hedges*. When assumptions are under strain, it is generally because of adverse trends in the international environment. A task for American strategists is to pursue initiatives that can offset or mitigate the unfavorable currents. Such initiatives might include reinvesting in defense to offset unfavorable trends in regional military balances, for instance, or offsetting the relative decline of traditional allies by cultivating new partnerships with friendly and dynamic powers outside the traditional U.S. alliance structure.

Third, *double down on positive trends*. To preserve its geopolitical position, the United States must make the most of those global forces that are currently running in its direction. That could mean going all in on the shale revolution in hopes of maximizing America's energy leverage and decreasing the geo-economic sway of Russia and other hostile regimes, or it could entail a concerted push to take U.S.-India relations to the next level of strategic cooperation. Regardless of the specific initiative, identifying and aggressively investing in areas where assumptions are being undermined *in a good way* will be critical.

Fourth, *understand that more resources will be necessary*. As assumptions are undermined, the same level of strategic investment results in decreasing marginal gains. If the United States is to avoid the danger of grand strategic failure, then it will, logically, need to increase its level of investment. This is true not simply with respect to defense but also with respect to intelligence, foreign assistance, diplomacy, and other tools of American statecraft.

Fifth, *consider "what ifs" and make contingency plans*. The United States should first seek to reinvigorate its post-Cold War strategy. But how might U.S. grand strategy change if core assumptions were to be further weakened and perhaps invalidated? What if the United States could no longer maintain acceptable military balances in all three key strategic theaters? What if a nuclear North Korea becomes impossible to tolerate? Working through these issues now can help prepare U.S. officials to address them should they occur; it can also spur creative thinking that can improve the quality of U.S. strategy even if they do not occur.

Sixth, *engage in more explicit, frequent, and sophisticated assumption-testing exercises*. Testing assumptions is especially important in times when long-standing verities are under strain. Analysts inside and outside of government need to conduct deeper and more granular work, on a more regular basis, that can provide greater analytical precision regarding the degree to which key assumptions are under strain, and can help identify the tipping points at which those assumptions might simply become unsustainable. Such efforts will be vital to keeping assessments of American grand strategy up to date and to avoiding the unpleasant strategic surprises that can result when attention is not paid to probing critical assumptions.

Introduction

Grand strategy is the backbone of competent and effective statecraft. A grand strategy represents a country's conceptual architecture for foreign policy; it is the intellectual framework that orients, connects, and lends coherence to diverse initiatives occurring in areas around the globe. Having a well-informed, clearly-articulated grand strategy is thus vital to directing and synchronizing a nation's international efforts, to apportioning resources and energies across myriad and inevitably competing objectives, and to positioning a country to succeed in a complex and dangerous world.[1]

Every grand strategy, in turn, rests on an intellectual foundation made up of critical assumptions. Assumptions are the strongly—if often implicitly—held ideas that policymakers have regarding the nature of the international environment and the role that their country plays in that environment. They are the theories of how the world works and the theories of how some action will produce some desired outcome or reaction that undergird purposeful action in international affairs. The stronger and more resilient the assumptions underlying a grand strategy—in other words, the closer the resemblance those assumptions bear to objective reality—the greater the chances that the grand strategy will succeed. Where grand strategic assumptions and reality increasingly diverge, by contrast, a strategy is likely to court disappointment and, perhaps, failure.

Precisely for this reason, it is imperative that policymakers and strategists make their underlying assumptions explicit and that they interrogate and rigorously test those assumptions from time to time. Unfortunately, this rarely happens in the regular course of policymaking and policy review, usually because top decision-makers and their subordinates are simply too pressed for time to engage in this sort of introspection and reflection, and sometimes because policymakers become too intellectually comfortable with their assumptions. Too often, the historical pattern has been one of policy proceeding along a familiar and comfortable course as the assumptions underlying that policy become steadily

1 Hal Brands, *What Good is Grand Strategy? Power and Purpose in American Statecraft from Harry S. Truman to George W. Bush* (Ithaca, NY: Cornell University Press, 2014). See also Paul D. Miller, "On Strategy, Grand and Mundane," *Orbis* 60, no. 2, 2016.

more outdated until some unforeseen and unwelcome strategic shock exposes the weakness of those assumptions and perhaps shatters them altogether.

In today's complex and fluid international environment, the importance of explicitly surfacing and testing the assumptions that underpin American grand strategy is particularly pronounced. Since the end of the Cold War, the United States has pursued a global strategy that has aimed to perpetuate American international primacy and a unipolar international system, to solidify and extend the liberal international order that emerged in the Western world following World War II, and to avert the emergence of new or resurgent threats that would upset a broadly congenial international system. Despite some variations across and even within presidencies, that grand strategy has remained, at a broad level of analysis, relatively constant for roughly 25 years. And despite much scholarly criticism of that strategy, there is a strong case to be made that it has delivered impressive results. At present, however, there is growing reason to question whether this strategy and its intellectual premises remain as solid as they were at the outset of the post-Cold War era.

From a political standpoint, the United States has just concluded a presidential election in which candidates of both major parties questioned longstanding shibboleths of American engagement with the world, such as the pursuit of free trade and support for U.S. allies and alliances. This questioning was most pronounced in the campaign rhetoric and proposed policies of the eventual winner of the election, Donald Trump, but it also figured prominently in the strong challenge mounted in the Democratic primary by Senator Bernie Sanders. It even figured, albeit to a lesser degree, in the campaign of eventual Democratic nominee Hillary Clinton, who distanced herself from her previous support for free-trade agreements, such as the Trans-Pacific Partnership.[2]

Elites across the political spectrum have thus begun to challenge the longstanding intellectual foundations of American strategy. Perhaps more important, disjunctures in the international system have begun to challenge those intellectual foundations as well. Ever since the end of the Cold War, American and international analysts have debated the suitability and utility of the dominant U.S. grand strategy shared across successive administrations. What has shifted in recent years is predictions that American grand strategy might collapse under the weight of changing international conditions have begun to look more plausible. The world has changed significantly since the early post-Cold War era in ways that have frequently made the international environment more contested and challenging for the United States. Resurgent great power conflict, renewed ideological contestation, and other phenomena pose increasing threats to U.S. interests.[3] In these

2 See, as examples, David Sanger and Maggie Haberman, "Donald Trump Sets Conditions for Defending NATO Allies against Attack," *New York Times,* July 20, 2016; and Amanda Terkel and Zach Carter, "Hillary Clinton Comes Out Against TPP," *The Huffington Post,* October 7, 2015.

3 Eric Edelman, *Understanding America's Contested Primacy* (Washington, DC: Center for Strategic and Budgetary Assessments, 2010); and Walter Russell Mead, "The Return of Geopolitics," *Foreign Affairs* 93, no. 3, May/June 2014.

circumstances, it is all the more necessary to probe grand strategic assumptions and evaluate whether they remain intellectually valid.

This report revisits a number of the major assumptions that have guided U.S. policy during the post-Cold War era, or even longer in some cases. It does so with an eye toward identifying and probing those assumptions that have become increasingly doubtful or contested in recent years. It first focuses on global assumptions that are being challenged and then discusses a range of region-specific assumptions that have also become increasingly contested, focusing on the three regions outside of the Western Hemisphere that have traditionally been of greatest importance to U.S. policymakers: Europe, East Asia, and the Middle East.[4]

As becomes clear from this analysis, the intellectual foundations of U.S. strategy, both at the global level and in key regions, are being stressed significantly today. To be clear, this does not mean that *all* the key assumptions supporting U.S. grand strategy are being dramatically undermined, that those assumptions that are being challenged have reached the point of being altogether invalidated, or that the global changes at work in recent years have been uniformly unfavorable to the United States. Nor does it necessarily mean that the United States should precipitously or dramatically revise its post-Cold War grand strategy because constructive adaptation is always possible and commonly mooted alternative strategies may rest on even shakier assumptions.

What it does mean is that a large number of core assumptions are coming under greater doubt, because of both changing geopolitical realities and the evolving worldviews of policymakers, and aspects of American grand strategy could, therefore, become significantly harder to sustain in the coming years absent increased investments or other changes. Just as significant, it underscores that discussions of American grand strategy will need to be increasingly attuned to the robustness, or fragility, of assumptions that constitute the conceptual core of the U.S. global role if the United States is to avoid the damaging strategic shocks that can occur when increasingly tenuous assumptions are not explicitly surfaced and tested. At a time when the global environment is changing rapidly, it is imperative to subject American grand strategy to harsh intellectual scrutiny—lest the world subject our nation to setbacks and surprises that are harsher still.

The remainder of this report proceeds as follows. The first chapter discusses the nature and track record of America's post-Cold War grand strategy and the role of key assumptions in underpinning that grand strategy. The second chapter discusses a number of critical global assumptions that are now facing significant challenges. The third chapter covers

4 In doing so, this report builds on two previous studies: Hal Brands and Peter Feaver, "Stress-Testing American Grand Strategy," *Survival* 58, no. 6, November–December 2016; and Peter Feaver, William Inboden, Hal Brands, and Paul Miller, "Planning Assumptions in American Grand Strategy," paper prepared for the National Intelligence Council, August 2015. Although the current study draws extensively on the ideas expressed in these earlier works, it is also much revised and expanded.

critical regional assumptions that are now under greater strain, focusing on Europe, the Middle East, and Asia. The fourth and final chapter asks whether the testing of core U.S. assumptions means that dramatic geopolitical retrenchment is advisable—and answers that question in the negative—and it discusses some affirmative implications for U.S. grand strategy and strategic planning in the years ahead.

Assumptions and American Grand Strategy in the Post-Cold War Era

During the past quarter-century, American grand strategy has been both highly ambitious and largely consistent over time. Following the collapse of the Soviet Union and the end of the Cold War, the United States possessed a considerable international primacy in military, economic, and geopolitical terms, and it sat atop an international system that was evolving decidedly in favor of American interests and ideals. Accordingly, the basic purpose of U.S. strategy since the Cold War has been to maintain this favorable situation and to improve upon it where possible. At a broad level of analysis, the United States has consistently sought to preserve its status as the sole superpower and maintain a dominant position in global affairs. It has sought to promote the spread of free markets and free political institutions as a way of both consolidating and expanding the liberal international order that had taken hold in the West after 1945. And it has worked aggressively to prevent any new or renascent threat from rising to level of an existential danger or otherwise significantly disrupting such a benign and advantageous state of affairs. These goals were all laid out explicitly in the document that might be considered the Magna Carta of post-Cold War grand strategy, the 1992 Defense Planning Guidance, and they have been restated, with varying degrees of directness or opacity, in virtually every U.S. strategy document since then.[5]

5 This paragraph and the next draw on Hal Brands, "The Not So Bad Superpower," *The American Interest* 12, no. 3, January/February 2017; Peter Feaver, "American Grand Strategy at the Crossroads: Leading from the Front, Leading from Behind, or Not Leading at All," in Richard Fontaine and Kristin Lord, *America's Path: Grand Strategy For the Next Administration* (Washington, DC: Center for New American Security, May 2012), pp. 59–70; Hal Brands, *Making the Unipolar Moment: U.S Foreign Policy and the Rise of the Post-Cold War Order* (Ithaca, NY: Cornell University Press, 2016); Eric S. Edelman, "The Strange Career of the 1992 Defense Planning Guidance," in Melvyn P. Leffler and Jeffrey W. Legro, eds, *In Uncertain Times: American Foreign Policy After the Berlin Wall and 9/11* (Ithaca, NY: Cornell University Press, 2011), pp. 63–77; and Alexandra Homolar, "How to Last Alone at the Top: U.S. Strategic Planning for the Unipolar Era," *Journal of Strategic Studies* 34, no. 2, April 2011.

During this period, U.S. policymakers have also pursued these various goals via a set of relatively consistent policies. Every post-Cold War presidential administration has, for instance, committed to preserving a military far superior to any rival or competitor; to maintaining and even expanding America's Cold War alliance structure as a bulwark of stability and a source of U.S. influence in key regions, such as Europe and East Asia; and to using a range of instruments, from diplomatic suasion to economic assistance to occasional military intervention, to encourage the further advance of liberal economic and political institutions and human rights. Not least, every post-Cold War administration has made unmistakably clear, in both words and deeds, that it is prepared to employ all elements of American power, including robust military intervention, to address the most significant threats to U.S. interests and the functioning of the post-Cold War system, from Saddam Hussein's invasion of Kuwait in 1990 to the post-9/11 global war on terror against al-Qaeda and affiliated groups. The way in which these policies have been implemented has varied over time, of course, and one can readily discern meaningful policy differences between America's post-Cold War presidential administrations. Yet the elements of continuity in U.S. grand strategy are nonetheless substantial.[6]

That strategy, moreover, has been more effective than many analysts acknowledge. America's post-Cold War statecraft has received sharp criticism from academic observers who point to the undeniably disappointing or even counterproductive aspects of American policy, such as U.S. wars in Iraq and Afghanistan after 9/11, as evidence of American failure.[7] But even the most successful grand strategies encounter their share of failure and frustration, as demonstrated by the fact that America's Cold War-era containment strategy encompassed tragic misadventures, such as the U.S. war in Vietnam. And in fact, as a significant body of academic and policy analysis makes clear, *on balance* U.S. grand strategy has been successful in shaping the international order to American advantage.[8] Specifically, there is significant evidence to suggest that U.S. policy has played a key role in:

- Suppressing potential geopolitical instability and security competitions in key regions, such as Europe and East Asia, and keeping key middle powers, such as Japan and Germany, tied firmly to the West;
- Extinguishing regional conflicts, such as the Balkan wars of the 1990s, before they could spread or otherwise destabilize critical areas of the world;

6 See the sources cited in the previous note.

7 See, for instance, John Mearsheimer, "Imperial by Design," *The National Interest,* January/February 2011; and John Mearsheimer and Stephen Walt, "The Case for Offshore Balancing," *Foreign Affairs*, July/August 2016.

8 These and other strengths of America's post-Cold War grand strategy are spelled out in Brands, "The Not So Bad Superpower"; Feaver, "American Grand Strategy at the Crossroads"; Robert Art, *A Grand Strategy for America* (Ithaca, NY: Cornell University Press, 2003); Stephen Brooks and William Wohlforth, *America Abroad: The United States' Global Role in the 21st Century* (New York: Oxford University Press, 2016); Edelman, *Understanding America's Contested Primacy*; Brands, *Making the Unipolar Moment*; and Paul Miller, *American Power and Liberal Order* (Washington, DC: Georgetown University Press, 2016).

- Limiting nuclear proliferation via security guarantees to allies, coercive diplomacy and the threat of military force, or proactive and cooperative diplomacy to secure loose nuclear materials and achieve denuclearization of post-Soviet states that were "born nuclear";
- Preventing rogue states, such as Saddam Hussein's Iraq, from dominating or further destabilizing their regions;
- Achieving unprecedented international cooperation in addressing transnational threats, such as jihadist terrorism;
- Facilitating global prosperity and economic integration both directly (through promotion of free-trade pacts and other market-oriented institutions) and indirectly (by providing a broader global climate of stability and reassurance);
- Assisting democratic breakthroughs and consolidation in countries from Latin America to Eastern Europe and beyond and addressing some, though hardly all, gross violations of human rights in places such as the former Yugoslavia during the 1990s; and
- Preventing an early return to unstable multipolarity (as many international relations experts initially predicted in the early 1990s) by maintaining large and robust military capabilities designed to discourage direct competition and by continuing to provide crucial global public goods, such as security and freedom of the seas, so that other countries do not have to fend for themselves.

To be clear, there are reasonable arguments to be made that some aspects of U.S. policy, such as pursuing regime change and counterproliferation by force, have been less effective or even counterproductive. There is also room for debate on the precise effects and wisdom of American statecraft. But in light of these achievements, it seems that U.S. strategy has generally played a key role in ensuring that some of the most pessimistic predictions about post-Cold War international politics (such as those made by John Mearsheimer during the early 1990s) largely did not eventuate and that the international system has so far remained more stable, more liberal, and more favorable to American interests than many observers expected a quarter-century ago.[9] Compared to predictions made just a few years before by leading scholars, such as Paul Kennedy, to the effect that American globalism was approaching the point of exhaustion and collapse, the record of post-Cold War U.S. grand strategy looks even better.[10]

9 See John Mearsheimer, "Back to the Future: Instability in Europe after the Cold War," *International Security* 15, no. 1 Summer 1990.

10 Paul Kennedy, *The Rise and Fall of the Great Powers* (New York: Vintage, 1989).

The stability of any grand strategy, in turn, is closely related to the stability and validity of the assumptions undergirding it. And since the end of the Cold War, many of the key assumptions that inform American grand strategy have also remained relatively stable. As noted in the introduction to this report, assumptions are best described as the intellectual premises or foundations of foreign policy. They are the deeply held beliefs that American officials possess about the basic condition or evolution of the international system, the ingrained ideas about what role the United States should play in the global order, or the causal propositions about how the use of American power will result in some desired outcome.

Finally, the most important element of an assumption is that it is assumed. In other words, it represents a proposition that is generally not considered heretical or even deeply controversial. It is, rather, something that is generally taken as conventional wisdom among those charged with making policy (even if it is sometimes more contested among critics of U.S. policy). Indeed, it is because of this quality that assumptions are so often implicit rather than explicit in the course of policy debates; they do not have to be directly enunciated or justified precisely because they are so commonly accepted.

Within this general framework, assumptions can take various forms and pertain to a vast array of issues. Assumptions can be global in scope and relate to the biggest and most fundamental issues of international order (e.g., the promotion of a thriving, open international economy is a non-zero-sum endeavor that benefits all nations), or they can pertain to narrower, region- or country-specific issues (e.g., Europe is the strategic region most important to the United States, or a nuclear-armed North Korea is a troubling but manageable problem). They can be beliefs that trace back to the very founding of American foreign policy (e.g., America is an exceptional nation; that exceptional status comes with unique responsibilities and privileges), or they can be ideas that have gained currency more recently, in past years or in past decades (e.g., the Cuban regime can best be liberalized through engagement rather than isolation).

As these examples indicate, some of the assumptions that continue to influence U.S. strategy today date back much further than the onset of the post-Cold War era. But even so, many of the most consequential and critical assumptions of post-Cold War grand strategy did, in fact, take hold most fully following the superpower conflict. The reason for this is relatively straightforward. The assumptions that underpin American policy have historically tended to shift most dramatically in the wake of major structural transformations of the international system, such as that following World War II—in other words, following events that force American officials to reset their intellectual bearings in a fundamental way. Since the end of the Cold War represents the most recent fundamental transformation of the international system—namely, the collapse of the bipolar, postwar order and the rise of a unipolar order in

which the United States, its values, and prerogatives were dominant—it is unsurprising that many key assumptions were either formed or sharpened in this context.[11]

This is not to say, of course, that there has been no change in American strategic assumptions for 25 years, just as one surely would not assert that there has been no change in American policy. As the foregoing examples demonstrate, a number of country- or issue-specific assumptions have indeed changed during this period. Some of these changes have even been quite striking and profound. After 9/11, for instance, U.S. policymakers dramatically revised their assumptions about what levels of cost and risk were worth running in addressing the threat posed by terrorist groups of global reach, and particularly regarding the prospect that such groups might come to possess nuclear, biological, or chemical weapons. It was precisely this shift in assumptions that led the George W. Bush administration to do something—invading and occupying Iraq as a way of conclusively disarming Saddam Hussein's regime—that was measurably less likely prior to 9/11.[12] In the wake of the subsequent Iraq war, Barack Obama's assumption of power, and the disappointing outcome of the Libya intervention of 2011, policymakers' assumptions about the relative costs and risks of intervention versus non-intervention shifted again.[13] Assumptions of lesser importance have also shifted over the course of this period, as one would expect would be the case in an international environment that remains perpetually dynamic.

These points notwithstanding, it is possible to discern a coherent body of global and regional assumptions that have remained more consistent than not throughout much of the post-Cold War era and have played an essential role in shaping U.S. policy. These assumptions have been generally optimistic in tone, and they reflect the common post-Cold War outlook rooted in U.S. primacy and the belief that the world will continue to move in America's direction. Yet as subsequent sections demonstrate, a meaningful number of these assumptions are now coming under greater doubt. America's grand strategy may have remained broadly stable since the end of the Cold War, but the intellectual foundations of that strategy are being tested as never before.

11 One might plausibly argue that 9/11 represented such a fundamental shift, and certain key U.S. assumptions did change following those terrorist attacks. But the overarching power structure of the international system did not change significantly, so the basic contours of the system remained largely intact.

12 The Bush administration's approach to counter-terrorism and grand strategy is discussed in Peter Feaver and Stephen Biddle, "Assessing Strategic Choices in the War on Terror," in James Burk, ed., *How 9/11 Changed Our Ways of War* (Stanford, CA: Stanford University Press, 2014).

13 On continuity and change in U.S. grand strategy under Obama, see Hal Brands, "Barack Obama and the Dilemmas of American Grand Strategy," *The Washington Quarterly* 39, no. 4, Fall 2016; and Derek Chollet, *The Long Game: How Obama Defied Washington and Redefined America's Role in the World* (New York: PublicAffairs, 2016).

Global Assumptions

The most consequential grand strategic assumptions are those that are global or systemic in scope. These are the assumptions that structure how U.S. policymakers view and interact with the international system as a whole and that inform not just particular policies or strategies but the very worldview undergirding American grand strategy. In essence, if assumptions constitute the intellectual foundation of grand strategy, then global assumptions constitute the strongest and most critical anchors of that foundation. The global assumptions discussed in this section constitute the intellectual core of America's worldview in the post-Cold War era, and even a brief survey shows that these assumptions are now being contested to a greater extent than at any time since 1989.

American military primacy can endure indefinitely. Perhaps the most fundamental geopolitical feature of the post-Cold War era has been the existence of unrivaled U.S. military primacy. That primacy has certainly been unrivaled on a global basis; America has regularly accounted for 35–45 percent of global military spending since the mid-1990s and possessed capabilities far superior to any rival, even as it undertook its own post-Cold War drawdown.[14] It has also been unrivaled in every important strategic region, as Washington could amass capabilities far superior to what even local powers could bring to bear within their own geopolitical neighborhoods. The United States thus enjoyed regional overmatch in every theater where it might conceivably need or want to conduct major military operations, and it could conduct those operations, or simply threaten to do so, at a historically low human cost.

This dynamic was clearly evident in the Persian Gulf War of 1991, for instance, when despite many expert predictions of a costly and drawn-out war, the U.S.-led coalition thrashed Saddam Hussein's previously formidable Iraqi military at historically unprecedented casualty exchange rates. It was also evident during the Taiwan crisis of 1995–1996 when the United States deployed two carrier strike groups to the waters surrounding that island in response to attempted Chinese coercion. As then-Secretary of Defense William Perry put it, "Beijing should know, and this [U.S. fleet] will remind them, that while they are a great

14 U.S. shares of global military spending can be traced in Stockholm International Peace Research Institute's (SIPRI) annual reports and military spending database, available at https://www.sipri.org/databases/milex.

military power, the strongest, the premier military power in the Western Pacific is the United States."[15] Indeed, this remarkable U.S. military advantage has been central to post-Cold War strategy, allowing Washington to maintain a vast overseas presence and myriad security guarantees, to mount expeditionary military interventions in faraway regions, and to possess great confidence that it could ultimately face down challenges to America's preferred concept of international order.

Today, the United States still maintains a significant *global* military lead over any competitor, and it continues to spend nearly three times as much on defense as the second-largest spender, China. But even so, the assumption of enduring U.S. military primacy—that the United States can and will, as George W. Bush put it, maintain "strengths beyond challenge"—is being called into question by developments at home and abroad.[16]

At home, continuing post-2010 spending cuts have reduced America's margin of military superiority. As a result of the budget cuts entailed in the Obama administration's 2011 defense strategy review as well as the subsequent Budget Control Act and the activation of the sequester mechanism, the defense top-line fell from $691 billion in fiscal year 2010 to $580.3 billion in fiscal year 2016.[17] This drop-off has caused significantly reduced force structure, declining forward presence in areas such as Europe, and alarming shortfalls in readiness. It has also endangered the ongoing and future modernization of both conventional and nuclear capabilities.[18] At the same time, developments overseas have combined with these domestic factors to cause *regional* military shifts that have significantly undermined America's long-standing overmatch in key strategic theaters.[19]

This is true in both Eastern Europe and East Asia, for instance. In these regions, multi-year modernization programs undertaken by Russia and China, respectively, are threatening the U.S. ability to project power into these theaters in times of crisis and conflict and thereby raising doubts as to whether U.S. forces can defend exposed allies and partners, such as the Baltic states or Taiwan. As one extensive recent study of the military balance in East Asia

15 Art Pine, "U.S. Faces Choice on Sending Ships to Taiwan," *Los Angeles Times,* March 20, 1996.

16 On the U.S. military lead, see Stephen Brooks and William Wohlforth, "The Rise and Fall of the Great Powers in the Twenty-First Century: China's Rise and the Fate of America's Global Position," *International Security* 40, no. 3, Winter 2015/2016; and Bush quoted in "Commencement Address at the United States Military Academy in West Point, New York," June 1, 2002, available at http://www. presidency.ucsb.edu/ws/index. php?pid=62730&st=&st1=.

17 Office of the Under Secretary of Defense (Comptroller), *United States Department of Defense Fiscal Year 2017 Budget Request: Defense Budget Overview* (Washington, DC: DoD, February 2016), pp. 1–5, available at http://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2017/FY2017_Budget_Request_Overview_Book.pdf.

18 See, for instance, Todd Harrison and Evan Braden Montgomery, *The Cost of U.S. Nuclear Forces: From BCA to Bow Wave and Beyond* (Washington, DC: Center for Strategic and Budgetary Assessments, 2015).

19 See Hal Brands and Eric Edelman, *Avoiding a Strategy of Bluff: The Crisis of American Military Primacy* (Washington, DC: Center for Strategic and Budgetary Assessments, 2017). Budgetary stresses on U.S. forces have also been exacerbated by the fact that, at least prior to 2014, the United States spent a far higher proportion of its defense dollars on actual operational expenditures than any other great power. This dynamic has been a double-edged sword. The United States now has the most combat-tested professional military force in American history, but it has been less able to generate the accumulated strengths that come from peacetime investments in general purpose forces.

concludes, "Over the next five to 15 years, if U.S. and PLA (People's Liberation Army) forces remain on roughly current trajectories, Asia will witness a progressively receding frontier of U.S. dominance."[20] Net assessments and wargaming exercises focused on the Baltic region have revealed an even more alarming picture; their findings argue that existing U.S. and NATO (North Atlantic Treaty Organization) forces in Europe are simply incapable of a credible defense of that region in the event of a determined Russian assault.[21]

Moreover, outside these two theaters, the spread of precision-strike and other advanced capabilities to a range of hostile actors is increasingly challenging U.S. superiority in areas such as the Persian Gulf. Finally, with the United States now confronting significant regional military challenges from state and non-state actors alike in each of the three key strategic theaters simultaneously, American military superiority is being further challenged by the sheer multiplicity of threats. If uncontested U.S. primacy has been a fundamental enabler of America's post-Cold War grand strategy, then the waning of that primacy is likely to confront the country with a situation in which its commitments are more difficult to uphold, and its grand strategic aims are more difficult to achieve.

America's allies are net exporters of security; they are the strongest, wealthiest, and most capable countries in the world (after the United States). If American officials have been able to count on a historically remarkable degree of U.S. military primacy since the end of the Cold War, they have also been able to assume that the United States has the world's richest and most militarily capable countries on its side. As the post-Cold War era began, U.S. treaty allies in Europe and Asia possessed enormous shares of global wealth and power, some 47 percent of global GDP (gross domestic product) and 35 percent of global military spending. America's closest and longest-standing allies—Japan, Germany, France, and the United Kingdom—constituted the rest of the global top five, after the United States, in economic power, and these same countries (albeit in a different order) occupied slots two, three, four, and six in military power. By contrast, U.S. competitors or potential competitors were either seeing their power contract dramatically, as in the case of Russia, or simply possessed mere slivers of global economic and military might.[22] And like the existence of U.S. military primacy, this situation produced numerous benefits for American grand strategy. It enabled an increased allied capacity to conduct out-of-area military interventions, reduced allied dependency on the United States for purposes of self-defense, and contributed

20 Eric Heginbotham et al., *The U.S.–China Military Scorecard: Forces, Geography, and the Evolving Balance of Power, 1996–2017* (Santa Monica, CA: RAND Corporation, 2015), p. xxxi; and Jim Thomas, "U.S. Asia-Pacific Strategic Considerations Related to PLA Naval Forces Modernization," Statement before the House Armed Services Committee, Seapower and Projection Forces Subcommittee, December 11, 2013.

21 David Shlapak and Michael Johnson, *Reinforcing Deterrence on NATO's Eastern Flank: Wargaming the Defense of the Baltics* (Santa Monica, CA: RAND Corporation, January 2016).

22 The defense expenditure statistics cited here are taken from SIPRI's database on world defense spending. Shares of world economic power are taken from Economic Research Service (ERS), U.S. Department of Agriculture, "GDP Shares by Country and Region Historical," database, available at http:// www.ers.usda.gov/data-products/ international-macroeconomic-data-set.aspx. Figures cited here were extracted from these data sets in January 2017 and include the NATO countries, America's Asian treaty allies, and Taiwan.

significantly to the enormous level of Western global overmatch that characterized the early post-Cold War era.

Since the early 1990s, however, the situation has shifted and in ways that cast growing doubt on the strength, resilience, and vitality of many U.S. allies. Between 1994 and 2015, the aggregate share of global GDP wielded by U.S. allies decreased by roughly one-sixth, falling from 47 percent to 39 percent. The aggregate share of global military spending decreased more sharply, from 35 percent to 25 percent. This *relative* geopolitical decline was accompanied by a severe *absolute* military decline as a number of America's closest European allies slashed defense outlays as a percentage of GDP and divested themselves of significant amounts of military power.[23] Between 1997 and 2015, for instance, the German army shrank from 240,000 to 63,450 personnel, and the number of air force squadrons of fighters and ground-attack aircraft went from sixteen to eight. Over the same period, the size of the French army fell from 220,000 to 115,000 personnel, and the navy went from having forty-two principal surface combatants to just twenty-three. For its part, the United Kingdom saw its navy roughly halved, as the number of Royal Air Force fighter and ground-attack squadrons fell from sixteen to seven—all as readiness, critical enablers, and other assets suffered similar declines.[24] These quantitative declines were mirrored by operational deficiencies; the British, French, and German militaries generally underperformed during their deployments in Iraq (the UK only), Libya (the UK and France), and Afghanistan (the UK, France, and Germany).

As U.S. allies have thus shed power and capability, U.S. adversaries have been rapidly strengthening their positions. Russia still has a thoroughly unenviable economic and demographic profile, and its long-term prospects remain deeply uncertain. But it has nonetheless conducted a determined military modernization over the past several years, which, combined with European demilitarization, provides Moscow with significant conventional advantages in Eastern Europe and elsewhere along its periphery. More striking still, China has rapidly climbed the ladder of global wealth and power. Astounding economic growth took its share of global GDP from 3.3 percent in 1994 to 11.8 percent in 2015; two decades of double-digit annual percentage hikes in military outlays took its share of global military spending from 2.2 percent to 12.2 percent over that same period. In both economic and military terms, China now possesses shares of global power that are significantly larger than anything a U.S. ally can boast.[25]

23 See the sources cited in the previous note.

24 The data on France, the United Kingdom, and Germany is taken from International Institute for Strategic Studies (IISS), *The Military Balance 1997* (London: IISS, 1997), pp. 50–55, 69–73; and IISS, *The Military Balance 2015* (London: IISS, 2015), pp. 90–100, 147–153.

25 See the SIPRI and ERS data referenced previously. On Russia, see IISS, *The Military Balance 2015*, pp. 159–167; and Catrin Einhorn, Hannah Fairfield, and Tim Wallace, "Russia Rearms for a New Era," *New York Times*, December 24, 2015. See also Hal Brands, *Dealing with Allies in Decline: Alliance Management and U.S. Strategy in an Era of Global Power Shifts* (Washington, DC: Center for Strategic and Budgetary Assessments, 2017).

In sum, America's allies are no longer as strong as they once were; America's adversaries are no longer so weak. As we have seen in recent years, this trend is already undermining U.S. allies' abilities to contribute meaningfully to expeditionary military interventions, such as the Libya campaign in 2011 or the counter-ISIS campaign today, as well as their abilities to defend themselves against regional rivals, such as Russia or China.[26] More broadly, it bodes ill for a post-Cold War order that has rested on a degree of Western overmatch that no longer seems so impressive today.

Potential challengers can be successfully integrated into a liberal, U.S.-led order. So does the undermining of a companion assumption—that potential spoilers can be tamed and brought into the post-Cold War order before they fundamentally disrupt it. Since the early post-Cold War era, American officials have worried that some rival great power might emerge and challenge the unipolar, liberal system. They have also understood that China, with its immense geopolitical and economic potential, represents perhaps the most likely candidate to play such a role. Yet they have nonetheless assumed that, if the United States makes enlightened strategic choices, this danger can be averted. Specifically, they have assumed that as China becomes more prosperous, it will also become more democratic and accountable to its citizens via the empowerment of a middle class that will ultimately demand greater political rights. Simultaneously, they have assumed that as China becomes wealthier and better integrated into the international economy and the broader global order, it will have less incentive to behave aggressively, for fear of disrupting a system in which it has become a prosperous and respected member. Since the early 1990s, these beliefs have informed a determined American effort to engage and integrate China, even as the United States has also taken steps to maintain a favorable strategic equilibrium in East Asia.[27]

But there is little evidence that this approach is delivering the desired results, and there is much evidence to the contrary. During the past 25 years, the United States has significantly enabled China's remarkable economic growth by underwriting an open maritime trading system, facilitating Beijing's entry into the World Trade Organization (WTO), dramatically growing the bilateral economic relationship, and implementing other steps. Yet although these policies have helped China achieve astounding gains in national wealth—its GDP rose from under $360 billion in 1990 to $10.35 trillion in 2014—its political evolution has not followed the expected path.[28] According to the Polity IV dataset, China has remained one of the most repressive regimes in the world, with no meaningful progress toward greater political and

26 Thom Shanker, "Defense Secretary Warns NATO of 'Dim' Future," *New York Times,* June 10, 2011; and Dominik Jankowski, "A Post-Libya NATO Assessment," *The National Interest,* October 31, 2011.

27 Aaron Friedberg, *A Contest for Supremacy: China, America, and the Struggle for Mastery in Asia* (New York: Norton, 2011); and Thomas Christensen, "Fostering Stability or Creating a Monster? The Rise of China and U.S. Policy toward East Asia," *International Security* 31, no. 1, Summer 2006.

28 See World Bank, "GDP at Market Prices (Current US$)," available at http://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=CN.

religious freedom over the past four decades.[29] And as the current Xi Jinping government has cracked down on civil society and human rights activism, increased censorship of information flows, and relentlessly centralized political authority, it appears that China may be becoming more autocratic.

At the same time, great leaps in China's international integration—economic, diplomatic, and otherwise—have not had a moderating effect on Chinese geopolitical aims or behavior. Beijing has become more deeply involved in international institutions and diplomacy, and its integration into the regional and global economies has been remarkable by any standard. Yet the period since 2008–2009 has seen far greater Chinese assertiveness in the South China Sea and East China Sea, the staking out of ambitious and legally dubious maritime claims, efforts to coerce or intimidate neighbors, and increasingly active and strident efforts to weaken U.S. alliances and contest the U.S. forward military presence in East Asia.[30] In late 2016, Beijing even engaged in something approximating piracy on the high seas, illegally seizing a U.S. unmanned underwater vehicle operating in international waters.[31] Moreover, even as China has become more integrated into existing international institutions, it has simultaneously sought to create its own institutions—such as the East Asia Summit, the Shanghai Cooperation Organization, the Asian Infrastructure Investment Bank, and the Regional Comprehensive Economic Partnership—that will compete with the Western-led institutions meant to socialize Beijing into the global order. Finally, all this has come in the context of an ongoing military modernization and expansion that has frightened China's neighbors and makes little sense absent some determination to revise regional geopolitical arrangements that Beijing deems unsatisfactory.[32] The United States has helped empower and integrate China, but doing so has not, apparently, made China more liberal or more reconciled to the existing international order.

Nor is this the only area in which this assumption has come under fire. From the early 1990s through 2014, the United States equally sought to engage and integrate Russia in hopes of averting the prospect that a resurgent Russia might eventually seek to challenge or overturn a post-Cold War order that had been constructed following the Soviet collapse. Yet today, Moscow is confronting that order in ways unprecedented since the 1980s, from the use of force to change borders and other military threats against its neighbors to the use of

29 See "Polity IV Individual Country Regime Trends, 1946–2013," part of Monty G. Marshall, director, *Polity IV Project: Political Regime Characteristics and Transitions, 1800–2013* (Vienna, VA: Center for Systemic Peace, 2014), available at http://www.systemicpeace.org/polity/polity4.htm.

30 See Office of the Secretary of Defense (OSD), *Military and Security Developments Involving the People's Republic of China 2016*, annual report to Congress (Washington, DC: DoD, April 2016), available at https://www.defense.gov/Portals/1/Documents/pubs/2016%20China%20Military%20Power%20Report.pdf; and Andrew Erickson and Conor Kennedy, "China's Maritime Militia: What It Is and How to Deal With It," *Foreign Affairs*, June 23, 2016, available at https://www.foreignaffairs.com/articles/china/2016-06-23/ chinas-maritime-militia.

31 Helene Cooper, "U.S. Demands Return of Drone Seized by Chinese Warship," *New York Times,* December 16, 2016.

32 OSD, *Military and Security Developments Involving the People's Republic of China 2016*; Evan Braden Montgomery, "Contested Primacy in the Western Pacific: China's Rise and the Future of U.S. Power Projection," *International Security* 38, no. 4, Spring 2014.

information warfare to undermine liberal political systems in the United States and other democratic countries.[33] The sources of this behavior remain hotly contested among Russia-watchers, but the general tendency is clear. The assumption that a resurgence of great power conflict could be averted has thus been challenged at both ends of Eurasia, which leads us to a fourth and related assumption that is also facing scrutiny today.

The United States can use existing international institutions to uphold and extend a favorable world order. Since World War II, the construction and use of international institutions as a way of exercising American leadership, garnering multilateral support for U.S. policies, and projecting a congenial international system have been a central pillar of American grand strategy. And since the early post-Cold War era, a key premise of U.S. policy has been that the existing set of international institutions—from the International Monetary Fund to the WTO and from the United Nations to the Asia-Pacific Economic Cooperation forum—can be employed to advance American interests, sustain a favorable international environment, and incorporate potential challengers into the U.S.-led liberal order.[34] The question now, however, is whether this set of institutions may be losing some of its ability to play the role that U.S. policymakers have long expected of it.

The UN Security Council has worked well on some issues in recent years—Iran nuclear sanctions and negotiations, for instance—but on many others—Ukraine or Syria, for example—great power competition and frictions have returned it to something approximating Cold War-era stalemate. International economic institutions, particularly the International Monetary Fund (IMF), have been slow to reflect the changing balance of international financial power, in no small part due to resistance from the U.S. Congress, making participation in these institutions less attractive to rising powers such as China.[35] Another key post-Cold War institution, the European Union (EU), has now struggled for nearly a decade to reconcile its internal structural tensions and the divergent economic needs and policies of its ever-more diverse membership, and "Brexit" has now raised the specter that the institution may itself be beginning a long-term process of decay, contraction, and possibly even dissolution. Across a range of issues, it is simply not evident that current international institutions are capable of meeting the challenges they confront.

It is just as unclear whether these institutions are up to the role that U.S. officials have envisioned in terms of socializing and integrating rising powers into the existing international order. As noted previously, integration into the international economy and international institutions has not dissuaded China from pursuing just the sort of disruptive behavior that U.S. officials have long sought to avert. Nor has integration into a broad array of institutions been

33 See Alexander Lanoszka, "Russian Hybrid Warfare and Extended Deterrence in Eastern Europe," *International Affairs* 92, no. 1, January 2016; and Heather Conley et al., *The Kremlin Playbook: Understanding Russian Influence in Central and Eastern Europe* (Washington, DC: Center for Strategic and International Studies, 2016).

34 This logic is discussed in G. John Ikenberry, *Liberal Leviathan: The Origins, Crisis, and Transformation of the American World Order* (Princeton, NJ: Princeton University Press, 2011).

35 Andrew Mayeda, "Congress Approves IMF Change in Favor of Emerging Markets," *Bloomberg.com,* December 18, 2015.

sufficient to prevent Russia from engaging in the more atavistic and aggressive behavior seen in Georgia in 2008 or in Ukraine since 2014. And rather than accepting the existing institutional order, both Moscow and Beijing have argued that these institutions are essentially tools of Western and U.S. policy. Accordingly, they have begun to create their own rival institutions, from the Shanghai Cooperation Organization to the Asian Infrastructure Investment Bank, in which their own preferences and norms are better reflected.[36]

To be clear, the existing set of international institutions still brings significant benefits to American statecraft, from the significant force-multiplier effect that often comes from projecting power through multilateral groupings to the greater legitimacy that action through establish international institutions provides. Yet it seems increasingly plausible that the United States will confront the limitations of the institutions in which it enjoys a leadership role while facing a more contested institutional space in which competitors seek to project influence through those institutions in which *they* enjoy leadership roles. And as discussed subsequently, the United States may also find that the danger of such competition escalating out of the institutional and diplomatic space and into the military arena is also increasing.

Great power military conflict is an anachronism. "We have our best chance since the rise of the nation-state in the 17th century," George W. Bush said in an address at West Point in 2002, "to build a world where the great powers compete in peace instead of prepare for war."[37] This idea—that the world had turned the page on the catastrophic great power military conflicts that had characterized much of the modern history of global affairs—has been a central premise of post-Cold War American statecraft. It has rested on several component factors and concepts, such as the decline of conflict-producing ideologies (such as communism and fascism), the supposedly pacifying influence of global economic integration, the mutual deterrence of great power nuclear arsenals, and the fact that American military primacy and American military alliances have essentially suppressed many longstanding sources of great power conflict in recent decades. Today, however, the possibility of great power military conflict no longer seems so anachronistic—indeed, it seems more real than at any time in decades.

As noted previously, this possibility is rooted primarily in the behavior of Russia and China. These two powerful revisionist actors always objected strongly to key aspects of the post-Cold War order (e.g., the expansion of Cold War-era alliances such as NATO and the U.S. promotion of democracy and human rights), and they are now exploiting improved circumstances to contest that order in ways that raise the prospect of escalation and military conflict.

Russia's aggression in Georgia and Ukraine, its provocations in the Baltic and other NATO countries, and its assertive military intervention in Syria have collectively demonstrated

36 See "China Establishes Rival to World Bank," *The Telegraph,* December 25, 2015.

37 "President Bush Delivers Graduation Speech at West Point," The White House, June 1, 2002, available at https://georgewbush-whitehouse.archives.gov/news/releases/2002/06/20020601-3.html.

Russia's increased willingness to push back strongly against perceived U.S. and Western encroachments and revived the possibility of a clash between Russia and NATO. Increasing Chinese assertiveness in East and South Asia, along with substantial increases in China's conventional and nuclear arsenals, have likewise increased regional tensions, raised the dangers of confrontation or escalation with U.S. forces and allies, and thereby reawakened American and international observers to the danger of a great power conflict in that part of the world. Both Russia and China, moreover, are working to develop military tools and strategies that are designed to allow them to prevail in a limited conflict with Washington and its allies. Chinese preparations for a "short, sharp war" in East Asia and Russia's increasingly open discussions of its nuclear "escalate to de-escalate" doctrine testify to these efforts, as does Russia's use of its intervention in Syria as a wedge to diminish American influence in the Middle East.[38] Similarly, even if full-on conventional conflict between the United States and other great powers is avoided, recent events have raised the possibility that the great power war may simply take new forms in the 21st century, emphasizing gray zone conflict, cyber attacks, unacknowledged or paramilitary aggression, and information and economic warfare.[39]

These developments have not gone unnoticed in Washington. The Pentagon has become increasingly explicit in stating that it is gearing up for a new period of great power competition and focusing more heavily on developing the concepts and capabilities that will allow the United States to prevail in a high-intensity conflict with Russia or China.[40] At the same time, the U.S. government has begun to devote increased attention to lower intensity forms of great power conflict, particularly in the context of Russian gray zone activities in Ukraine and Eastern Europe, Chinese expansionism in the South China Sea, and Moscow's meddling in the electoral processes of the United States and other countries. In short, the assumption that great power military conflict is outdated no longer holds—the return to higher levels of great power assertiveness and competition brings with it a higher risk of great power military conflict than at any time since the Cold War.

The advance of democracy and globalization is inexorable. Just as U.S. officials have generally assumed that the geopolitical currents were running in their direction after the Cold War, so have they generally believed that the world was going their way in a political and economic sense. This assumption seemed a reasonable one during the 1990s and early 2000s when both free markets and free political systems were making historic gains and appeared to

38 "Navy Official: China Training for 'Short Sharp War' with Japan," *USNI News*, February 18, 2014; and Max Fisher, "How World War III Became Possible: A Nuclear Conflict with Russia is Likelier than You Think," *Vox*, June 29, 2015, available at http://www.vox. com/2015/6/29/8845913/russia-war.

39 See Michael Mazarr, *Mastering the Gray Zone: Understanding a Changing Era of Conflict* (Carlisle, PA: U.S. Army War College, Strategic Studies Institute, 2015); Hal Brands, "Paradoxes of the Gray Zone," *E-notes*, Foreign Policy Research Institute, February 2016; Ross Babbage, *Countering China's Adventurism in the South China Sea: Strategy Options for the Trump Administration* (Washington, DC: Center for Strategic and Budgetary Assessments, 2016).

40 See Deputy Secretary of Defense Robert Work, "The Third U.S. Offset Strategy and Its Implications for Partners and Allies," speech at Willard Hotel, Washington, DC, January 28, 2015, available at http://www.defense.gov/News/Speeches/Speech-View/Article/606641/the-third-us-offset-strategy-and-its-implications-for-partners-and-allies.

lack any viable ideological rivals. And so over the past 25 years, this assumption has been at the core of a grand strategy that has actively sought to expand the reach of globalization and democracy. As George W. Bush's first *National Security Strategy* put it: "freedom, democracy, and free enterprise" now represented the "single sustainable model for national success" in the modern age, and the United States would use its unparalleled influence in support of that politico-economic model.[41] Now, however, the prospects for the spread of democracy and globalization are more problematic than at any time in a generation.

With respect to democracy, the democratic revolution of the late Cold War and early post-Cold War era has turned into the democratic stagnation, perhaps even a democratic recession, seen in recent years. For virtually wherever one looks, the indicators are dispiriting. In countries from South and Central America to the Middle East and beyond, the world has seen illiberal leaders, such as Daniel Ortega, Hugo Chávez, and Recep Tayyip Erdoğan, come to power through democratic elections and then work to undercut the democratic norms and balances that previously limited their power. The dashed hopes of the erstwhile Arab Spring have been replaced across the Middle East by civil war, state failure, and renewed authoritarianism. The world's two leading illiberal powers, Russia and China, have not simply foreclosed any near-term prospects for political liberalization at home; they have also become more active in advertising the virtues of their authoritarian systems and opposing liberal regime change both in their immediate geopolitical environs and the broader international system. Within the democratic West, too, there has been backsliding. NATO has seen the rise of quasi-authoritarian governments in countries, such as Hungary and Poland, and Europe has witnessed the rise and growing political success of illiberal parties and movements in countries across the continent.[42] Some scholars have even recently suggested that the United States itself may be in the early phases of a democratic "de-consolidation."[43]

As a result of these phenomena, the number of democracies in the world has, at best, stagnated since the early 2000s after climbing from 39 to 120 between 1974 and the turn of the millennium. What's more, one leading expert on democratization (citing widely respected statistics compiled by Freedom House) notes that the rate of democratic breakdowns has accelerated and that "in each of the eight consecutive years from 2006 to 2013 more countries declined in freedom than improved."[44] Just how serious democracy's current problems are remains debated, but it is clear that political liberalization no longer has global momentum.

41 See Bush's introductory letter to the *National Security Strategy of the United States of America* (Washington, DC: The White House, 2002); and Paul D. Miller, "American Grand Strategy and the Democratic Peace," *Survival* 54, no. 2, April/May 2012.

42 See William Dobson, *The Dictator's Learning Curve: Inside the Global Battle for Democracy* (New York: Doubleday, 2012); and Michael Boyle, "The Coming Illiberal Order," *Survival* 58, no. 2, April/May 2016.

43 Amanda Taub, "How Stable Are Democracies? 'Warning Signs Are Flashing Red'," *New York Times,* November 29, 2016.

44 Larry Diamond, "Facing Up to the Democratic Recession," *Journal of Democracy* 25, no. 1, January 2015, especially pp. 142, 147–148.

There are also good reasons to question whether globalization's advance remains as inexorable as previously assumed. For one thing, the global financial crisis of 2008–2009 demonstrated that the international economy was, and likely remains, more susceptible than previously considered to the type of systemic shocks that have stalled or even reversed previous processes of globalization in earlier eras.[45] Similarly, there is no denying that the political prospects of globalization are far more precarious than it seemed just a few years ago. Indeed, the recent British vote to leave the EU, along with the fact that political outcomes in the United States and throughout the West are now manifesting significant popular blowback against economic integration and other forms of societal openness, indicates that advocates of further economic integration will do well just to hold their ground in the coming years.[46]

Finally, there are geopolitical threats to globalization. Advocates of globalization always argued that it would lead to greater international peace. Yet today, the resurgence of great power conflict between the United States and its allies, on the one hand, and authoritarian challengers such as China and Russia, on the other, has reintroduced the possibility that war or simply sharpened geopolitical competition might cause a disruption of the international economic and financial linkages that have been so central to globalization's advance. Western economic interlinkages with Russia have already taken a significant step backward since 2014, owing to heightened geopolitical conflict. And today, is it really so hard to imagine a Sino-Japanese or even a Sino-American conflict that could fundamentally disrupt regional integration in Asia or across the Pacific more broadly? Similarly, malevolent transnational actors, such as militant jihadist groups, have taken advantage of globalization to advance their own dark ends. In sum, if the onrush of globalization and democracy have generally given U.S. officials confidence that the world was moving steadily in their direction, the disruption of those trends raises the prospect that the United States may now be headed into a significantly more contested and uncertain politico-economic environment.

Technological change will continue to favor human freedom and American power. If the United States has generally been bullish about the trajectory of the post-Cold War world, that attitude has come from the assumption that technological innovation brings far more benefits than dangers. Although this concept significantly predates the end of the Cold War, it has become particularly strong over the past quarter-century. In particular, the ideas that technological change will empower individuals at the expense of rules, thus promoting the spread of human freedom and democracy, and the United States will ultimately

45 For differing accounts of the crisis and what it meant for globalization and U.S. power, see Daniel Drezner, *The System Worked: How the World Stopped Another Great Depression* (New York: Oxford University Press, 2014); Jonathan Kirschner, *American Power after the Financial Crisis* (Ithaca, NY: Cornell University Press, 2014); and Carmen Reinhart and Kenneth Rogoff, *This Time is Different: Eight Centuries of Financial Folly* (Princeton, NJ: Princeton University Press, 2011).

46 See Diego Zuluaga, "Public Opinion Is Turning Against Free Trade and Globalisation," *IEA blog*, Institute of Economic Affairs, June 27, 2016, available at https://iea.org.uk/blog/public-opinion-is-turning-against-free-trade-and-globalisation.

be best equipped to reap the strategic benefits of technological change have been an essential part of the U.S. strategic worldview.[47]

But does this precept still hold? In the military-strategic realm, for instance, it is increasingly debatable whether technological innovation enhances or undercuts longstanding U.S. advantages. During the heady days of the early post-Cold War era, there was much discussion of a U.S.-led revolution in military affairs that would give Washington something approximating a permanent global military advantage. Yet although the United States maintains both a significant overall military lead vis-à-vis any single competitor and possesses an enviable capacity for high technology innovation, American adversaries and challengers are now frequently harnessing technological change as a strategic equalizer.[48]

Over the past two decades, for instance, China has used focused resource investments to significantly narrow the military-technological gap with the United States in several key areas, such as fighter aircraft, ballistic, and cruise missiles, unmanned aerial vehicles, and other key components of the precision strike complex. In fact, it has become common to refer to Beijing as a "fast follower," meaning that China has shown a capacity to catch up in key areas more quickly than the United States can pull ahead.[49] Meanwhile, the spread of advanced cyber-warfare capabilities to dangerous actors, such as North Korea, is complicating U.S. access to and security in the cyber domain, just as the spread of anti-satellite capabilities to China and other actors is complicating American access to and control of space. Additionally, the proliferation of man-portable air defense systems (MANPADS), surface-to-surface missiles, and other advanced weapons has allowed hostile non-state groups, such as Hezbollah, to obtain military capabilities that have traditionally been the preserve of relatively powerful states. In these and other respects, technological change now seems to be leveling the geopolitical playing field rather than securing enduring American advantages. The United States is still far from falling behind militarily, but it no longer commands such a lofty military-technological perch relative to its competitors.

Technological change may also be less favorable to the advance of human freedom than previously assumed. Advanced technologies have, certainly, enabled citizens to contest authoritarian rule, as demonstrated by the role of social media in the Arab uprisings of 2011. Yet we have also seen growing evidence that dictators are harnessing technology to better police and repress their citizenry.

47 As one example, see Adam Segal, *Advantage: How American Innovation Can Overcome the Asian Challenge* (New York: Norton, 2011).

48 On technology and U.S. military strengths, see Brooks and Wohlforth, "Rise and Fall of the Great Powers in the Twenty-First Century"; Michael Beckley, "China's Century? Why America's Edge Will Endure," *International Security* 36, no. 3, Winter 2011/2012.

49 As one recent study notes, these and other aspects of Chinese modernization "have come extraordinarily quickly by any reasonable historical standard." Heginbotham et al, *The U.S.–China Military Scorecard*, p. xxx.

The Chinese regime, for instance, has effectively weaponized the internet as a tool for spreading propaganda and misinformation, harassing and intimidating dissidents, and controlling the spread of unwelcome commentary or information. It is similarly using big data to construct new approaches to monitoring and enforcing the political loyalty and social conformity of its citizens.[50] In the Middle East, too, domestic security services in Iran and other countries have used information technology to more effectively monitor and control dissidents, such as using opposition activists' Facebook profiles to discover and disrupt their political networks.[51] There remains a lively debate on whether the forces of democracy or autocracy will ultimately prove more adept at exploiting technological advance, but the blithe assumption that the future favors the proponents of freedom is no longer going unchallenged.

To be clear, the argument here is not that this and other propositions discussed in this section have now been overturned entirely or even that they are on the verge of being overturned entirely today. The degree to which these assumptions are now being contested varies and is itself contested among knowledgeable observers, and, in some cases, the challenges are more nascent than critical. It is true across the board, however, that international trends and events provide evidence that these assumptions are facing far greater strain today than they have faced at previous points in the post-Cold War era, and there is at least a substantial probability that the strain will increase in the years to come. The United States is, therefore, likely to face a geopolitical environment that will continue to grow more challenging; the international arena is in the process of becoming significantly more contested, uncertain, and dangerous from the perspective of American officials. In fact, this proposition generally holds true when one zooms in from the global to the regional level. In each of the three regions outside of the Western Hemisphere that have traditionally been of the greatest geopolitical importance to the United States, core assumptions are also coming under greater doubt.

50 Simon Denyer, "The Internet Was Supposed to Foster Democracy. China Has Different Ideas," *Washington Post*, July 10, 2016. See also Seva Gunitsky, "Social Media Helps Dictators, Not Just Protestors," *The Monkey Cage*, blog, The Washington Post, March 30, 2015, available at https://www.washingtonpost.com/ blogs/monkey-cage/wp/2015/03/30/ social-media-helps-dictators-not-justprotesters/; and Jinghan Zeng, "China's Date with Big Data: Will It Strengthen or Threaten Authoritarian Rule?" *International Affairs* 92, no. 6, November 2016.

51 Generally, see Dobson, *The Dictator's Learning Curve*; and Elham Gheytanchi and Babak Rahimi, "The Politics of Facebook in Iran," *openDemocracy,* June 1, 2009.

Regional Assumptions

Although global assumptions play the most fundamental role in orienting U.S. grand strategy, region-specific assumptions are also critically important in guiding American statecraft toward the most geostrategically and geo-economically vital areas of the world. Since World War II, American officials have generally considered Europe, East Asia, and the Middle East to be the overseas regions (those outside the Western Hemisphere) that matter most to the United States, and those regions have continued to play an outsized role in American policy since the end of the Cold War.[52] Accordingly, this section provides a brief review of some of the key intellectual precepts that have structured U.S. policy toward the regions, with a bias toward illuminating those precepts that are now being tested, if not overtaken, by events.

Europe

In perhaps no other theater are longstanding assumptions being subjected to greater stress than in Europe. With respect to politics, economics, and geopolitics alike, the premises on which U.S. policy has long rested are being tested as the European environment shifts in marked ways.

Europe is the overseas region of greatest importance to the United States; it is home to America's closest and most capable allies. This assumption was a bedrock of U.S. policy during the post-World War II era, and the presumption that Europe is home to America's closest and most capable allies outlasted the Cold War. Today, Europe remains a concentration of great wealth and power, as it has been for many years. Yet this most fundamental assumption about U.S. interests in Europe had already begun to come under strain after 1989, as American defense resources and operational focus increasingly shifted to the Persian Gulf and the broader Middle East in response to the emergence of more pressing security problems in that area. This assumption has come under even greater strain since then, as the geopolitical and geo-economic importance of Asia has risen dramatically and as the

52 See Andrew Krepinevich, *Preserving the Balance: A U.S. Eurasia Defense Strategy* (Washington, DC: Center for Strategic and Budgetary Assessments, 2017), as well as the region-specific reports accompanying it.

combination of European economic stagnation and defense austerity have decreased Europe's relative salience in international affairs.

In 1994, Europe accounted for roughly 32.4 percent of global GDP and 31.7 percent of global military spending, whereas the corresponding numbers for Asia were 23.4 percent of global GDP and just 14.7 percent of global military spending. By 2015, however, differential growth rates and a significantly decreased European emphasis on defense had essentially reversed the rankings. Europe now accounted for around 25.4 percent of global GDP and 22.6 percent of world military spending, whereas Asia now possessed 31.5 percent of world GDP and 25.6 percent of world military spending.[53] In short, by the most common measures of hard power, Europe has been overtaken by Asia, a fact that has increasingly been reflected in the growing Asia-Pacific focus of U.S. strategy over the past decade. As noted previously, moreover, the same shifts have also undermined the notion that Europe is home to America's closest and most capable allies. They have caused significant decreases in the economic and military hard power wielded by countries, such as Germany, the United Kingdom, and France, and made it more difficult for those countries to contribute meaningfully to U.S. operations and U.S. security objectives either within or beyond the European continent.[54]

Europe is a net security exporter; the primary military mission of NATO is to provide security to other regions. This second and related assumption is very much a product of the post-Cold War era and is an idea that has recently come under severe strain. After 1991, NATO's primary historical mission of collective defense against great power aggression looked entirely outdated, and the alliance therefore focused on going out-of-area and addressing lower-intensity and non-traditional threats, such as ethnic cleansing in the Balkans and terrorism and insurgency in Afghanistan.[55] Yet this assumption was already being undermined prior to 2014, in light of a series of key developments.

In particular, the national caveats placed on many NATO members' participation in operations in the International Security Assistance Force (ISAF) mission in Afghanistan, the severe limits of many NATO members' ability to conduct the anti-Qaddafi campaign in Libya effectively, and the accumulating effects of post-2008 defense austerity cast growing doubt on how much security NATO Europe could truly export without major U.S. assistance. The Libya intervention, for instance, did include a relatively strong contribution from France, but, on the whole, it was European-led in name only. The United States conducted the more difficult mission of suppressing enemy air defenses to make a no-fly zone and subsequent airstrikes possible, and

53 See the SIPRI and ERS figures cited previously.

54 In addition to the sources cited previously, see F. Stephen Larrabee et al., *NATO and the Challenge of Austerity* (Santa Monica, CA: RAND Corporation, 2012); and Adrian Croft, "Defence Cuts 'Hollowing Out' European Armies: U.S. Envoy," *Reuters*, June 17, 2013.

55 A corollary to this assumption was the idea that the primary value of remaining U.S. bases and forces in Europe was their proximity to other theaters of greater instability, namely the Middle East. In other words, Europe's primary military-strategic value was as a place to deploy *from* rather than a place to deploy *to*. We are grateful to Tom Mahnken for suggesting this point.

it subsequently provided the lion's share of critical enablers, such as aerial refueling. It also provided precision-guided munitions and large quantities of intelligence, surveillance, and reconnaissance (ISR), without which the intervention would have failed or simply collapsed. Indeed, it was these shortfalls that led then-Secretary of Defense Robert Gates to warn that NATO faced a "dim, if not dismal future" given declining European military capabilities.[56]

The view of Europe as a security exporter has been further undermined since 2014. The counter-ISIS (Islamic State of Iraq and al-Sham) campaign has underscored just how limited European out-of-area capabilities are in the post-austerity climate, as most European contributions to that campaign have been token at best. Moreover, the Russian invasion of Ukraine and ongoing threats against the Baltics have underscored that NATO's collective self-defense mission has again become quite relevant. It is now clear that the alliance will have no choice but to focus on shoring up its depleted capabilities in that area; the alliance faces a major challenge in providing for its own security, let alone the security of other regions.

The United Kingdom is America's closest and most reliable partner in Europe and globally. Like the previous assumption, this assumption looked robust through the late 2000s but has received a series of body blows in the years since then. Severe defense austerity in the wake of the 2008–2009 financial crisis has left the United Kingdom with markedly reduced military capabilities—Britain's army, for instance, includes just 82,000 personnel, and the Royal Navy is currently without an operational aircraft carrier—and thus left London far less capable of providing meaningful support for U.S.-led interventions overseas.[57] Meanwhile, countries, such as France (through its intervention in Mali in 2013, its willingness to intervene in Syria that same year, and its sizable role in the counter-ISIS campaign since late 2015), have in some ways become more active and militarily useful partners for the United States.[58]

More recently, the decision of UK voters to leave the EU has raised the prospect that Brexit may undercut the traditional value of the United Kingdom as a pro-American force within that grouping. Brexit may lead to a more inward-looking period in British policy that will only further compromise London's ability to play an assertive role in global affairs. Finally, if East Asia and the Indo-Pacific regions continue to command a greater share of American geopolitical attention and emphasis, the limited ability of the United Kingdom to play a sizable role in that theater may weaken the relationship further. In sum, although the U.S.–UK alliance

56 Shanker, "Defense Secretary Warns NATO of 'Dim' Future"; Karl Mueller, ed., *Precision and Purpose: Airpower in the Libyan Civil War* (Santa Monica, CA: RAND Corporation, 2015); and Dorothee Fouchauz, "French Hard Power: Living on the Strategic Edge," in Gary Schmitt, ed., *A Hard Look at Hard Power: Assessing the Defense Capabilities of Key U.S. Allies and Security Partners* (Carlisle, PA: U.S. Army War College, Strategic Studies Institute, 2015), especially p. 186, as well as the other essays in this collection.

57 Ben Farmer, "British Army Already Below Smaller 82,000 Target," *The Telegraph,* July 29, 2015.

58 On these issues, see "French Operations in Mali: A Look Back," *Stratfor Analysis,* May 21, 2013; and Michael Shurkin, "The French Way of War," *Politico,* November 17, 2015.

will continue to be quite important for both parties, the peerless value of that pairing both in Europe and globally can no longer be assumed.

Europe is on an irreversible path to becoming whole, free, and at peace; the post-Cold War rules of the game in Europe are accepted or at least tolerated by all the key players. As assumptions about the reliability and capability of American partners have eroded, so have even more fundamental ideas about the nature of the European security environment. This particular assumption, which served as a bedrock assumption of U.S. policy in Europe for roughly two decades, emerged strongly during the early 1990s and after. It was a product of the peaceful end of the Cold War in Europe, the subsequent spread of liberal political and economic institutions into the former Soviet bloc, and Russia's acquiescence in the concurrent spread of NATO and the EU into areas formerly dominated by Moscow. For a time, the Lukashenko regime in Belarus appeared as the sole remaining holdout against this vision of a Europe whole, free, and at peace. Over the past decade, however, further malign developments have rendered this assumption a historical relic.

Russia's war in Georgia in 2008 and later its invasion of Ukraine in 2014 demonstrate that some of the key regional norms of the post-Cold War era—that borders must not be changed by force, that military aggression is not an acceptable policy recourse, and that countries should be free to make their own political, economic, and security choices—are no longer universally held or even tolerated and are now being contested to a higher degree.[59] These events have also made clear that Europe is not on a path toward becoming a single, integrated security community that may eventually include Russia itself, but rather a region in which security competition is prominent and authoritarian great powers seek to carve out privileged spheres of influence. Moreover, the increasingly authoritarian leaning of some European governments—including those of some NATO allies, such as Hungary, Poland, and Turkey—has raised questions about the dominance of liberal political values on the continent.[60] The world is returning to a more competitive geopolitical and ideological climate; Europe represents a leading edge of that broader trend.

A decreasing, token U.S. ground presence is sufficient to maintain European geopolitical stability and reassure European allies. The contestation of the previous assumption, in turn, has also served to upset longstanding ideas about what level of U.S. commitment is necessary to preserve an acceptable climate in Europe. During the Cold War, the United States maintained sizable, highly-capable ground combat forces in Europe to reassure NATO allies and deter Warsaw Pact adversaries. After the Cold War, however, the near-disappearance of conventional security threats in Europe, along with the rise of more pressing security concerns in the Middle East and later in East Asia, fed into an assumption

59 For a useful study of recent changes in the European environment, consult F. Stephen Larrabee, Peter Wilson, and John Gordon IV, *The Ukrainian Crisis and European Security* (Santa Monica, CA: RAND Corporation, 2015); and Jim Thomas, "How to Put Military Pressure on Russia," *Wall Street Journal,* March 9, 2014.

60 See Dalibor Rohac, "'Illiberal Democracy' Spreads to Poland," *Wall Street Journal,* June 9, 2016.

that token U.S. presence was sufficient for purposes of stability and reassurance. It also informed a steady American drawdown of combat-capable forces, particularly ground forces, on the continent from about 356,000 U.S. military personnel in 1988 to around 66,000 in 2015. In 2013, the last U.S. main battle tanks stationed in Europe were withdrawn from the continent, providing both a tangible and a highly symbolic affirmation of this assumption.[61]

Since 2014, however, that assumption has been shattered. Russian revisionism and aggression have created a new military threat to the security and perhaps independence of exposed NATO allies in Eastern Europe and exposed severe weaknesses in NATO's ability to defend those allies with existing forces. Today, there remains considerable debate about precisely how much combat power must be deployed in Europe to reassure allies and deter Russia without simultaneously provoking the Kremlin.[62] But both within and outside government, there is an increasing consensus that a greater presence of survivable forces is necessary to reduce the risks of a Russian fait accompli in the Baltic or elsewhere along NATO's eastern flank, to provide credible response options, and to maintain the climate of stability to which the United States and its allies have become accustomed. In essence, the United States will no longer be able to have European security on the cheap.

The European political/economic model is an exemplar of democratic stability among American allies and partners. This assumption dates to the early postwar era and was strongly affirmed by the spread of liberal economic and political institutions into the former Soviet bloc during the 1990s. And on an aggregate basis, Europe remains the most stable and democratic bloc of U.S. allies and partners. Unfortunately, this assumption is also being tested because the stability and liberalism of European countries have been challenged to a significant and growing degree in recent years.

The emergence of governments with questionable or downright dubious commitments to democratic norms in countries such as Hungary and Poland, along with the rise and growing electoral successes of illiberal parties in countries across Europe, has sowed doubts as to whether the political trajectory of the continent still points in the direction of ever deeper liberal democracy.[63] Similarly, the difficulties that many European countries have encountered after the global financial crisis of 2008–2009, as well as the degree to which hard-to-reform welfare states have impinged on defense spending and national vitality, have accentuated concerns about whether the European social and economic model is as productive and admirable as once believed. Finally, the emergence of the refugee crisis since 2015 has raised the prospect that spillover from Middle Eastern turmoil could lead to a broader political destabilization of Europe.

61 John Vander, "U.S. Army's Last Tanks Depart from Germany," *Stars & Stripes,* April 4, 2013.

62 See, for instance, David Shlapak and Michael Johnson, "Outnumbered, Outranged, and Outgunned: How Russia Defeats NATO," *War on the Rocks,* April 21, 2016; and Michael Kofman, "Fixing NATO Deterrence in the East or: How I Learned to Stop Worrying and Love NATO's Crushing Defeat by Russia," *War on the Rocks,* May 12, 2016.

63 See Tony Barber, "Illiberalism Takes Root in Europe's Fertile Center," *Financial Times,* May 13, 2016.

European integration creates benefits for regional stability, cooperation, and prosperity; such integration is likely to continue and deepen for the foreseeable future. Like many other Europe-centric assumptions, this concept took root during the Cold War but gained new strength and adherence in the heady days of the post-Cold War era. Today, the belief that European integration generally brings more benefits than problems remains widely held among most mainstream U.S. policymakers, but the election of Donald Trump raises the prospect that the United States could adopt a more skeptical approach to the EU (and NATO) and the sort of international integration and openness it represents.[64] What is clearer is that the second half of this assumption—that integration is likely to continue and deepen—has been effectively invalidated.

The United Kingdom's vote to leave the EU has put the process of European integration in reverse for the time being, and the rise of nationalistic, Euroskeptic parties in countries from Poland to France to southeastern Europe makes it seem probable that integration will continue to erode in the coming years. There are now several plausible scenarios that could result in EU members making a break with the Euro over the next half-decade; if Italy, the continent's third-largest economy, did so it might bring the experiment with a common currency to an end.[65] Moreover, the stalling of EU accession talks with Turkey and Russia's determined efforts to prevent closer relations between its immediate neighbors and the EU indicate that there is little scope for geographic expansion of European institutions at present. At best, then, European integration will be treading water in the coming years; at worst, it will struggle mightily to stay afloat.

What precisely these trends mean for U.S. policy remains debated, as some observers have argued that a less Brussels-focused Europe could benefit both Europe and the United States.[66] But as far as U.S. policy has been based on the idea that increasing European integration will lead to a more cohesive, peaceful, and prosperous continent, ongoing events are likely to force U.S. officials to think again.

Russia will, over time, transition toward greater economic and political liberalism and a stronger relationship with the West. Many of the foregoing assumptions have been related to this final assumption, which concerns the likely political, economic, and geopolitical trajectory of a post-Cold War Russia. Throughout the 1990s and 2000s, even as U.S. policymakers implicitly hedged against a resurgent, revisionist Russia by expanding NATO to the east, they also worked to deepen security cooperation with Russia and to promote forces of political and economic reform within Russia. (Aspects of this agenda

64 Jeremy Diamond, "Donald Trump: Call Me 'Mr. Brexit'," *CNN*, August 18, 2016.

65 Admittedly, there are significant legal hurdles to this happening. See Chiara Albanese and John Follain, "Italy's Referendum: What Will It Mean for the Euro?" *The Independent,* November 28, 2016.

66 An optimistic perspective is Jakub Grygiel, "The Return of Europe's Nation-States," *Foreign Affairs* 96, no. 5, September/October 2016.

also figured in the Obama-era Russia reset pursued from 2009 to 2014.)[67] Precisely why these efforts failed—and what role NATO expansion and other U.S. policies played in that failure—remains hotly debated. What has become indisputable, however, is that Russia's trajectory is now following a starkly different trajectory than the one that U.S. policymakers hoped for and expected.

During his nearly two decades of political dominance, Vladimir Putin has significantly rolled back what political liberalization occurred during the 1990s, making Russia a deeply authoritarian state, albeit one that still maintains certain trappings of electoral democracy. Hopes for a truly liberalized economy were always tenuous; the entrenchment of a kleptocracy, in which corruption is the rule and state and private interests are inextricably entangled, has largely dashed those hopes for the time being. Finally, Russia's relationship with the West is now worse than at any time since the mid-1980s; Russian officials (including Putin) often espouse a highly antagonistic view of the United States and the West as they pursue policies that threaten important U.S. interests from the Baltic to Syria and beyond.[68]

If post-Cold War U.S. policy was premised on the idea that Russia was moving in a direction that would make it steadily more compatible with U.S. and Western interests and ideals—and that this evolution, in turn, would enable greater European security and stability at a much-reduced strategic price—then this assumption has been fundamentally overturned. Here, as in so many cases, the shibboleths that have oriented U.S. policy toward Europe during much of the post-Cold War era are under fire as the European environment shifts in notable and often challenging ways.

East Asia

For at least the last decade and a half, U.S. policymakers have signaled that they consider Asia, and particularly East Asia, to be the cockpit of international geopolitics and geoeconomics in the coming decades, and they believe it is imperative for Washington to strengthen its posture and relationships in this area.[69] In several key respects, however, the conceptual moorings of America's longstanding role in the region are being tested more harshly than at any time in recent memory. Many, although not all, of these challenges pertain to the way in which the rise of China is changing the regional order and calling existing arrangements and assumptions into question.

67 A balanced assessment of post-Cold War U.S. policy is Stephen Sestanovich, "Could It Have Been Otherwise?" *The American Interest* 10, no. 5, May/June 2015; and James Goldgeier and Michael McFaul, *Power and Purpose: U.S. Policy toward Russia after the Cold War* (Washington, DC: Brookings Institution, 2003).

68 A good assessment of the deterioration can be found in Robert Legvold, "Managing the New Cold War: What Moscow and Washington Can Learn from the Last One," *Foreign Affairs* 93, no. 4, July/August 2014.

69 Although this concept is generally associated with the Obama-era rebalance to the Asia-Pacific, it certainly dates to the Bush years and perhaps to the Clinton-era Nye Initiative as well. See, for instance, OSD, *Quadrennial Defense Review Report* (Washington, DC: DoD, September 30, 2001), available at http://archive.defense.gov/pubs/qdr2001.pdf.

The United States must—and can—dissuade any Asian power from establishing an "Asian Monroe Doctrine" that would exclude the United States from the region geopolitically or economically. The idea that no hostile power should be allowed to dominate the Asia-Pacific region dates to the late 19th century; concern that no Asian power should be allowed to do so dates to the rise of U.S.-Japanese conflict in the 1930s.[70] In the wake of the Cold War, this idea hardened into an assumption that such an occurrence was not simply undesirable but extremely unlikely. This foundational assumption of U.S. policy in East Asia is already being significantly challenged today, however, and will almost certainly be tested further in the future.

As noted elsewhere in this report, the expansion of Chinese military power is creating growing operational challenges to U.S. military access and presence in East Asia, particularly within the so-called First Island Chain. Meanwhile, Chinese behavior in the South China Sea and elsewhere seems designed to wall off significant parts of the region to Washington or other competitors. Additionally, Chinese efforts to undermine U.S. alliances and security partnerships—through coercion, provision of economic incentives, and other means—represent a growing danger to the relationships and military access that the United States has long used to preserve an open and favorable regional climate. Finally, the rising ambition of Chinese regional economic initiatives, such as the Regional Comprehensive Economic Partnership (RCEP) and Beijing's pursuit of mercantilist trade policies, has raised the prospect of a regional economic order that is less open and accessible to the United States. To be sure, China will not possess the power necessary to truly dominate East Asia (in the way that the Soviet Union truly dominated Eastern Europe during the Cold War) for many years, if ever. But the assumption that such a challenge is extremely unlikely, or can be easily managed should it arise, can no longer be sustained.[71]

There are few meaningful threats to U.S. forward presence and ability to project decisive military power in East Asia. A subsidiary component of the foregoing assumption, important enough that it deserves to be mentioned separately, is the idea that the United States will enjoy essentially unimpeded military access and power projection capability in the region. Although the end of the Cold War hardly removed all security threats in East Asia, it did create a context in which no actor was strong enough meaningfully to challenge U.S. forward presence or to contest Washington's ability to bring decisive military power to bear in East Asian contingencies. As noted previously, the fact that U.S. carrier strike groups could confidently transit the waters surrounding Taiwan during the 1995–1996 crisis testified to this profoundly advantageous situation.

70 For a recent historical discussion, see Michael Green, *By More Than Providence: Grand Strategy and American Power in the Asia Pacific Since 1783* (New York: Columbia University Press, 2017).

71 For one pessimistic assessment, see Peter Navarro, "China's Real Goal: A Monroe Doctrine in Asia?" *The National Interest,* September 2, 2014.

Over the past fifteen years, however, the shifting military balance in the Western Pacific has undermined this assumption to an alarming degree. Development of Chinese anti-access/area-denial (A2/AD) capabilities, such as anti-ship ballistic missiles, cruise missiles, quiet diesel-electric submarines, and advanced integrated air defense systems, have cast growing doubt on whether the United States can any longer project decisive military power within the First Island Chain at an acceptable cost. As a variety of recent assessments have concluded, the United States is already approaching the ragged edge of its ability to intervene effectively in a Taiwan contingency, and that ability is expected to erode further over the next decade and beyond.[72] Chinese capabilities also pose increasingly significantly threats to U.S. forces and facilities in Okinawa and elsewhere in Japan, and new weapons, such as the DF-26 missile, may soon give Beijing the capability to target U.S. forces in Guam as well.[73] In consequence, the two primary military pillars of American policy in East Asia—forward presence and power projection—are in increasing danger, which is throwing the geopolitical arrangements that those pillars have long supported into greater doubt. U.S. defense initiatives such as the Third Offset Strategy and the shift toward a more geographically distributed regional military posture are meant to mitigate the effects of these trends, but their long-term effectiveness remains to be seen.

The United States can effectively engage and contain China at the same time. Since the close of the Cold War, the United States has pursued a dual-pronged policy toward a rising China, seeking to integrate Beijing into the East Asian and international orders, while also seeking to contain any aggressive impulses by maintaining military primacy and a set of robust security arrangements in the Western Pacific. The logic of these seemingly contradictory policies is that they would produce a sort of strategic synthesis. Engagement would ameliorate Chinese suspicions and create a greater buy-in to existing international arrangements, while containment (often referred to by the more benign-sounding name of "hedging") would shape China's strategic choices by reducing the likelihood that more bellicose initiatives could succeed. As scholars such as Aaron Friedberg have noted, this "congagement" policy has proven remarkably resilient, surviving every presidential transition for nearly a quarter-century.[74]

What is increasingly apparent now, however, is that the assumption that engagement and containment are mutually reinforcing, as opposed to contradictory, is becoming harder to sustain. Over the past 25 years, U.S. engagement policies that have helped China become far more prosperous have simultaneously significantly underwritten a Chinese military buildup that is now threatening to change the East Asian regional order in significant and destabilizing ways. Those engagement policies have also, therefore, contributed to an increase in Chinese

72 Heginbotham et al., *The U.S.–China Military Scorecard*; Montgomery, "Contested Primacy in the Western Pacific." For a report discussing Taiwan's defense options, see Iskander Rehman, John Stillion, and Jim Thomas, *Hard ROC 2.0: Taiwan and Deterrence Through Protraction* (Washington, DC: Center for Strategic and Budgetary Assessments, 2014).

73 Eric Tegler, "China's New Ballistic Missile Puts Guam in the Crosshairs," *Popular Mechanics,* September 2, 2015.

74 Friedberg, *A Contest for Supremacy,* chapter 4.

assertiveness and risk-taking that has become particularly pronounced as the Chinese presidency has changed hands, first from Jiang Zemin to Hu Jintao and more markedly still from Hu to Xi Jinping.[75] Engagement, in other words, is undercutting containment.[76]

In the same vein, and as Chinese observers have frequently noted, initiatives that the United States sees as designed to maintain stability and preserve a positive-sum status quo in East Asia have fueled Chinese strategic mistrust and contributed to rising tensions between Washington and Beijing.[77] This is not to say that U.S. policies are primarily responsible for such tensions, of course, but merely that they are a contributing factor. Containment, in this sense, is undercutting engagement. Looking ahead, it is not clear that U.S. policy toward China will shift dramatically, simply because the alternatives to a policy of congagement would be risky and difficult to implement.[78] But there may be greater efforts to reexamine that policy because its intellectual premises are coming under greater doubt.

Any Chinese revisionist geopolitical ambitions are essentially regional in nature; they are limited to the Western Pacific and to resolving outstanding boundary and sovereignty disputes on favorable terms. A corollary to the idea that potential Chinese revisionism could be mitigated through a blend of engagement and hedging has been the belief that such revisionism was likely to be limited in geographical scope and ambition in the first place. Although it is still difficult to assess long-range Chinese geopolitical designs with any certainty, this assumption has nonetheless come under some recent strain as a result of Chinese policy initiatives.

Beijing's efforts to create bases and other infrastructure for the projection of military power in the Indian Ocean and beyond, its ongoing initiatives to develop economic and politico-military influence in regions as far afield as the Middle East, Latin America, and Africa; its need to control sea-lanes beyond the Western Pacific to ensure access to critical energy supplies; and its acquisition of global power-projection capabilities, such as aircraft carriers, all provide at least strong circumstantial evidence that Chinese geopolitical ambitions may be more global than previously appreciated.[79] At the same time, American strategic analysts have begun to look beyond East Asia for possible ways of shaping competition and potentially conflict with China. Recent articles have, for instance, broached the idea of using partnerships with China's

75 On the sources of recent Chinese assertiveness, see Aaron Friedberg, "The Sources of Chinese Conduct: Explaining Beijing's Assertiveness," *The Washington Quarterly* 37, no. 4, Winter 2015.

76 Here it should be noted that some of John Mearsheimer's earlier predictions about the trajectory of U.S.–China relations have proven more accurate. See, for example, Mearsheimer, *The Tragedy of Great Power Politics* (New York: Norton, 2001).

77 On this dynamic, see Andrew Nathan and Andrew Scobell, "How China Sees America: The Sum of Beijing's Fears," *Foreign Affairs* 91, no. 5, September/October 2012; and Kenneth Lieberthal and Wang Jisi, *Addressing U.S.–China Strategic Distrust*, John Thornton China Center Monograph Series Number 4 (Washington, DC: Brookings Institution, March 2012).

78 Aaron Friedberg, "The Debate Over U.S. China Strategy," *Survival* 57, no. 3, June/July 2015.

79 See Oriana Skylar Mastro, "China's Military Is About to Go Global," *The National Interest,* January/February 2015.

western neighbors as a way of highlighting weaknesses in the Chinese defense posture and creating greater dilemmas for Beijing in either peacetime or wartime.[80] Over time, then, the geopolitical competition between the United States and China may reach well beyond East Asia, even as East Asia remains the dominant theater of that competition.

U.S. alliances represent a source of reassurance and stability in East Asia. Given East Asia's unique geography and history, a hub-and-spoke approach to such alliances makes more sense than any other approach. Looking beyond the narrow confines of U.S.-China relations, a fifth regional assumption has to do with U.S. alliances in East Asia. From the perspective of most U.S. policymakers, both of the core ideas embedded in this assumption still largely ring true. Yet longstanding views of U.S. alliance relationships in the region are nonetheless being challenged from at least three different directions.

First, and perhaps most dramatically, the election of Donald Trump as president has raised the prospect of a U.S. administration that may be less committed to the view of U.S. alliances as an essential component of regional stability and a worthwhile investment in U.S. influence and interests in East Asia. During the 2016 campaign, Trump repeatedly called into question the necessity and affordability of U.S. security guarantees to wealthy allies, such as South Korea and Japan, and mooted the idea that the United States might encourage these countries to develop nuclear weapons as an alternative to a primary reliance on the United States for their defense.[81] During the transition, he implied that the United States might use its relationship with Taiwan as a bargaining chip in a broader U.S.-China negotiation.[82] Whether these ideas will be translated into major policy departures, or whether they were just opening (albeit provocative) bids in an effort to renegotiate burden-sharing within these alliances, they have nonetheless raised the prospect of a very different U.S. approach to longstanding alliance relationships in East Asia.

Second, there is also a less dramatic challenge to America's existing alliance framework underway. For although there remains little prospect that America's hub-and-spoke alliance system will become a formal, multilateral alliance system à la NATO anytime soon, the rise of China has created an impetus to greater multilateralism in U.S. defense and security relationships. Most of this multilateralism still occurs on a sub-regional scale—through trilateral and quadrilateral arrangements, such as the U.S.-Japan-Australia, U.S.-Japan-India-Australia, and U.S.-Japan-South Korea groupings—and as discussed subsequently, the rise of this multilateralism is in some ways a response to the fact that existing multilateral institutions in Asia have failed to exert a significantly moderating effect on Chinese behavior. Yet both the development of security multilateralism and the growing willingness of American officials to openly

80 Evan Braden Montgomery, "Competitive Strategies against Continental Powers: The Geopolitics of Sino-Indian-American Relations," *Journal of Strategic Studies* 36, no. 1, January 2013.

81 "Transcript: Donald Trump Expounds on His Foreign Policy Views," *New York Times,* March 27, 2016.

82 Ralph Jennings, "Trump is Using Taiwan As a Bargaining Chip in Relations with China," *Forbes,* December 11, 2016.

tout the emergence of a "principled and inclusive regional security network" indicate that the hub-and-spoke model is evolving if perhaps not being transformed.[83]

Third and finally, this assumption is simultaneously being challenged from a third direction due to strains in America's longstanding alliance relationships. In the Philippines, for instance, the Duterte government has openly derided the reliability of American security guarantees and pursued a policy of distancing the Manila from Washington while also pursuing greater geopolitical compromise and economic ties with Beijing. All this has come in addition to a campaign of extrajudicial killings that has already taken thousands of lives and imposed growing strains on the relationship with the United States.[84] The extent to which Duterte will ultimately undermine the U.S.-Philippines alliance remains unclear at this point, but it is increasingly reasonable to wonder whether this alliance will continue to serve as a pillar of U.S. presence in East Asia in the years to come.

The promotion of regional multilateralism through groupings such as the Association of Southeast Asian Nations (ASEAN) will help moderate the power differential between China and its neighbors; it will, thereby, create a regional context more conducive to Chinese moderation. Although U.S. support for Asian multilateralism predates the end of the Cold War, the strongest form of this assumption dates to the outset of the post-Cold War era when American officials first began to devote sustained thought to how to integrate a rising China into the East Asian order. Today, the status of this assumption is somewhat ambiguous. In some ways, American officials have doubled down on this assertion in recent years by investing greater time and energy in institutions such as ASEAN and the East Asia Summit, by encouraging multilateral responses to Chinese coercion in the South China Sea and elsewhere, and by promoting the idea of a "principled and inclusive regional security network" as a (largely implicit) counter to increasingly aggressive Chinese behavior.[85]

In other ways, however, this assumption has come under strain. Increasing Asian regional multilateralism has not led to more moderate Chinese regional behavior; Beijing's conduct in the South China Sea, East China Sea, and other areas has become more truculent even in the context of a more integrated Asian security environment. (Indeed, it is noteworthy that East Asian multilateralism is now increasingly seen as a way of responding to Chinese assertiveness and coercion rather than a way of averting that assertiveness and coercion in the first

83 Secretary of Defense Ash Carter, "Remarks on 'Asia-Pacific's Principled Security Network' at 2016 IISS Shangri-La Dialogue," Singapore, June 4, 2016, available at http://www.defense.gov/News/Speeches/Speech-View/Article/791213/remarks-on-asia-pacifics-principled-security-network-at-2016-iiss-shangri-la-di; and Secretary of Defense Ash Carter, "Remarks on 'The Path to an Innovative Future for Defense' (CSIS Third Offset Strategy Conference)," Washington, DC, October 28, 2016, available at http://www.defense.gov/News/Speeches/Speech-View/Article/990315/remarks-on-the-path-to-an-innovative-future-for-defense-csis-third-offset-strat.

84 Ben Blanchard, "Duterte Aligns Philippines with China, Says U.S. Has Lost," *Reuters,* October 20, 2016.

85 Carter, "Remarks on 'Asia-Pacific's Principled Security Network'"; and Carter. "Remarks on 'The Path to an Innovative Future for Defense'."

place.) Moreover, the fact that existing Southeast Asian organizations and groupings have thus far failed to seriously challenge or mitigate China's behavior—in large part because China has proven quite successful at fracturing the unity of consensus-based organizations by picking off one or two members—has cast further doubt on the effectiveness of multilateral forums in constraining a more aggressive China.[86] In future years, it seems unlikely that American officials will place less emphasis on multilateral cooperation given the dilemmas posed by China's rise, but they may have to confront the limitations on what such cooperation can deliver in addressing that geopolitical problem.

The fact that Japan lacks an autonomous, fully developed military capacity is good for stability in East Asia. This assumption was strongest during the Cold War and primarily reflected the persistence of strong historical tensions between Japan and many of its regional neighbors. Some of those scars remain quite raw today, and many regional countries still believe that a fully militarily autonomous Japan would have an unwelcome and destabilizing effect on East Asia. Yet even so, this assumption has gradually been undermined over the course of the post-Cold War era, and this process appears to be accelerating today.

Successive U.S. policy efforts, beginning with the Nye Initiative of the mid-1990s, have emphasized the development of more robust Japanese defense capabilities as a way of enabling Tokyo to play a more active role in regional security affairs. From the early 2000s onward, the United States has also encouraged Japan to develop a greater ability and will to project military power over significant distances (including extra-regionally), and it has promoted greater interoperability between U.S. and Japanese forces on missions reaching beyond the defense of the Japanese home islands.[87]

Over the past decade, the rise of China has further undermined this assumption by ensuring that significant increases in Japanese military capacity and assertiveness are necessary to maintain an acceptable regional balance in East Asia; by encouraging Japanese policymakers to challenge longstanding constraints on the nature and role of the Self-Defense Forces; and by prompting greater Japanese concern with developments in the East China Sea, South China Sea, and other regional hotspots.[88] Finally, despite the aforementioned persistence of tensions between Japan and its neighbors, the settlement of some longstanding disputes (such as the "comfort women" controversy with South Korea) and the emergence of greater (if still nascent) multilateral cooperation involving Japan and other U.S. allies and partners have

86 As one recent example, see Ankit Panda, "ASEAN Foreign Ministers Issue, Then Retract Communique Referencing South China Sea," *The Diplomat,* June 15, 2016.

87 Michael Green, "The Iraq War and Asia: Assessing the Legacy," *The Washington Quarterly* 31, no. 2, Summer 2008, especially pp. 182–185.

88 Prashanth Parameswaran, "China's Assertiveness Could Worsen, Japan Military Chief Warns," *The Diplomat,* July 18, 2015; Arthur Moore, "Japan Looks to Southeast Asia to Counter China's Assertiveness," *Geopolitical Monitor,* July 1, 2015; and Craig Kafura, "Asia's Next Worry: An 'Assertive' Japan?" *The National Interest,* May 7, 2015.

created a slightly more favorable regional context for more robust Japanese defense policies.[89] As the balance of power in East Asia is further challenged by a rising China in the coming years, it seems likely that American officials will continue to see a more militarily capable and assertive Japan, albeit one that remains closely tied to the United States, as an increasingly essential part of any endeavor to uphold a favorable regional order.

The United States should never fight on the Asian mainland, with the possible exception of the Korean Peninsula. Most strategists would still broadly agree with this assumption, which dates to the end of the Vietnam War (and perhaps even to the end of the Korean War before that) and was strengthened with the end of the Cold War and the corresponding decline of certain regional security threats.[90] Now, however, the rise of China does present plausible, if still unlikely, scenarios in which some type of U.S. military involvement on the Asian mainland might be necessary or desirable. Some observers have posited that Air-Sea Battle (now known as the Joint Concept for Access and Maneuver in the Global Commons) might entail strikes against the Chinese mainland as a way of neutralizing Beijing's A2/AD capabilities.[91] In the event of a Sino-American war in East Asia, moreover, U.S. military operations on China's western flank might help complicate Beijing's calculus and impede concentration of Chinese forces. Other scenarios, such as a Chinese war with Vietnam or India, could also conceivably prompt U.S. involvement, but that involvement might nonetheless take forms other than a commitment of ground forces on the Asian mainland.

North Korea represents a dangerous but manageable problem; deterrence and containment represent the best available approach. This has been the central assumption of U.S. policy toward North Korea dating back to the early 1990s and the rise of the North Korean nuclear program. Each post-Cold War presidential administration has viewed the prospect of a nuclear North Korea, and the broader threat posed by an aggressive and erratic regime, as a serious menace to U.S. allies, troops, and regional interests. On more than one occasion, U.S. policymakers have strongly considered waging preventive war to deal with the Korean nuclear problem and disarm a dangerous enemy.[92] Yet each administration has ultimately concluded that the status quo is dangerous but manageable, at least in the sense that the cost of maintaining the status quo is deemed to be significantly less than that of pursuing dramatic policy departures aimed at disarming, overthrowing, or even reconciling with the North Korean regime. This assumption, moreover, has been strongly

89 Daniel Russel, "Trilateral Cooperation Between the United States, Japan, and the Republic of Korea," Testimony before the House Foreign Affairs Committee Subcommittee on Asia and the Pacific, September 27, 2016, available at https://www.state.gov/p/eap/rls/rm/2016/09/262489.htm.

90 The Korean War was the original cause of the "never again" mindset that took hold among some U.S. civilian elites and military officials. The fact that this lesson was promptly unlearned on the path to Vietnam served, in many ways, to make it even stronger in the aftermath of that latter conflict.

91 See Jan van Tol, Mark Gunzinger, Andrew Krepinevich, and Jim Thomas, *AirSea Battle: A Point-of-Departure Operational Concept* (Washington, DC: Center for Strategic and Budgetary Assessments, 2010).

92 For one such occasion, see Ashton Carter and William Perry, *Preventive Defense: A New Security Strategy for America* (Washington, DC: Brookings Institution, 2000), pp. 123–142.

reinforced by the belief that neither coercive nor diplomatic solutions to the North Korean problem are likely to materialize so long as China fears the collapse of that regime more than any other policy option.

At present, there is little reason to believe that Chinese preferences regarding North Korea have changed fundamentally. Yet the idea that Pyongyang represents a problem whose solution can be safely deferred to a later date nonetheless seems increasingly untenable. The unpredictability and aggressiveness of the North Korean regime under Kim Jong-Un (but dating back to the sinking of the *Cheonan* in 2010) means that it is now possible to imagine plausible scenarios in which the United States or a close regional ally, such as South Korea or Japan, might come to view containment and deterrence as unsustainable options. In particular, the development of a robust North Korean nuclear force that now reportedly consists of well over a dozen warheads, combined with the ongoing development of an intercontinental ballistic missile capability that will eventually be able to target the continental United States, might force a shift in U.S. risk calculus sufficient to significantly change America policy.[93]

Admittedly, and as recent analysis has made clear, any policy shift, whether toward negotiation of a comprehensive peace treaty with North Korea or toward a more confrontational policy aimed at achieving regime change or disarmament in Pyongyang, would still face considerable hurdles due to the high costs and risks that inhere in those policies.[94] But in light of recent developments on the peninsula, we may be approaching a crossover point at which those risks and costs become more bearable than the continuation of a steadily deteriorating status quo.

South Asia and East Asia are distinct strategic theaters. This assumption has been rejected to an increasing degree over the past decade. Behind this rejection lies an emerging bipartisan strategic vision of treating India as a rising Asian power and strategic partner for the United States, as well as a growing emphasis on encouraging India to play a greater role in the geopolitics of Asia, especially as part of a balancing coalition against China. In the same vein, growing Chinese assertiveness in the Indian Ocean has accentuated the strategic links between East and South Asia and increasingly led them to be considered a single Indo-Pacific theater. The development of trilateral and quadrilateral initiatives that span these theaters, such as the U.S.-Japan-India trilateral arrangement and the U.S.-Australia-India trilateral arrangement, testifies to the strategic linkage of these theaters, as does the concept of a "strategic handshake" between India's "Act East" policy and the U.S. rebalance to the Asia-Pacific. On this and other issues, the regional panorama is changing in ways that may compel, if they are not already compelling, a harder look at longstanding policies and precepts.[95]

93 William Broad, "North Korea Will Have the Skills to Make a Nuclear Warhead by 2020, Experts Say," *New York Times,* September 9, 2016.

94 Mitchel Wallerstein, "The Price of Inattention: A Survivable North Korean Nuclear Threat?" *The Washington Quarterly* 38, no. 3, Fall 2015.

95 Jeremy Maxie, "China Threat Drives U.S.–India Strategic Handshake," *Forbes,* June 7, 2016.

Middle East

The Middle East is a third region that has traditionally been of vital geopolitical and geo-economic interest to the United States, and a third region where events of recent years have fundamentally unsettled existing arrangements and orders. On issues ranging from U.S.-Iran relations to the salience of the Israel-Palestinian peace process and the strategic importance of the region itself, existing assumptions are being contested in new and sometimes profound ways.

The free flow of oil and gas out of the Persian Gulf is a vital national security interest warranting extensive U.S. military action to prevent disruption of that flow. This assumption—and the related corollary that it is *only* the United States that can protect such energy flows in a way that will be acceptable to U.S. interests and beneficial to the international economy—has been the intellectual bedrock for U.S. involvement in the Persian Gulf and the broader Middle East for decades. It dates back not just to the outset of the post-Cold War era, but to the Carter Doctrine and even before that. Since the end of the Cold War, it has been manifested in U.S. intervention to reverse Saddam Hussein's invasion of Kuwait in 1991 and, more recently, in statements that the United States will not allow Iran or any other power to close the Strait of Hormuz.

Today, the new energy revolution, and particularly the revolution in shale, has triggered some challenges to this assumption in popular commentary by raising the prospect that the United States can decrease its dependence on foreign and particularly Middle Eastern energy supplies. In reality, the extent to which this assumption will be fundamentally threatened in the coming decades is probably limited, primarily because U.S. allies and partners are likely to remain quite dependent upon Persian Gulf gas and oil and energy trades in a global market ensure that the United States will remain vulnerable to supply and price disruptions even if it does not import Gulf hydrocarbons.[96] It is conceivable, however, that the security of the Persian Gulf could move downward on the scale of U.S. security priorities, particularly if the United States harnesses the shale revolution to offset allies' dependence on the Persian Gulf somewhat and if other areas, such as East Asia and even South Asia, continue to rise in relative geopolitical importance. In this scenario, the security of the Persian Gulf would not cease to be a significant concern for the United States, but the region's relevance would modestly contract relative to other top-tier strategic priorities.

The United States faces no significant great power competition in the Middle East. Following the Cold War, there was a virtual absence of great power challenges to U.S. regional influence in the Persian Gulf and the broader Middle East. This absence of top-tier geopolitical competition allowed the United States to pursue policies, such as the dual containment of Iraq and Iran, that would have been highly difficult during an earlier era. It provided

96 Clifford Krauss, "Energy Independence in the United States? Don't Pop the Cork Yet," *New York Times,* November 13, 2012; and Meghan O'Sullivan, "'Energy Independence' Alone Won't Boost U.S. Power," *Bloomberg.com,* February 14, 2013.

added diplomatic leverage derived from the fact that regional partners and adversaries lacked alternative great power patrons.[97]

This assumption, however, has now been shattered, particularly over the past eighteen months. Even prior to 2015, the growth of Chinese influence and investment in the Middle East, along with Beijing's development of extra-regional power projection capabilities such as aircraft carriers, was increasing the likelihood of long-term great power competition in the region. More recently, the Syrian civil war has allowed Russia to reestablish itself as a great power competitor in the region, culminating in 2015–2016 in the use of significant military force to stabilize the Assad regime in Syria and checkmate U.S. efforts to secure Assad's exit from power. That intervention, in turn, has catalyzed what might be seen as an incipient regional realignment, as a number of countries—including traditional U.S. partners such as Egypt, Jordan, and even Israel—have pursued greater cooperation with Moscow as a means of broadening their strategic options, pursuing shared goals in areas such as counter-terrorism, and hedging against perceived abandonment or unreliability on the part of Washington.[98]

To be clear, there remain limits to the growth of Russian influence in the Middle East, mostly due to the narrow and limited material base of Russian hard power. Yet insofar as great power competition has returned to the Middle East, the United States is likely to find itself with less of a free hand regionally, and it will increasingly confront a situation where regional actors seek to play Moscow and Washington off one another to obtain the best deal for themselves.

Middle Eastern borders are artificial constructs that bear little resemblance to geographic or demographic reality, yet the costs of redrawing those borders nonetheless exceed the costs of preserving them. This assumption has shaped U.S. policy in the Middle East for many decades. It remains valid today in the sense that the United States still supports the maintenance of existing national borders in the region, primarily because it fears the violence and instability that might be unleashed by any deliberate move to redraw those borders.[99] Yet this assumption is still becoming somewhat more tenuous because events on the ground are leaving the existing system of national borders in the Middle East with decreasing credibility and connection to reality on the ground.

Although ISIS is on the path to being defeated militarily, it has shown the ability of non-state or quasi-state actors to redraw national borders in the region, at least for a time. Moreover, both the rise of ISIS and the destruction caused by the Syrian civil war have raised difficult questions about whether key countries, such as Iraq and Syria, will be able to function

97 The point about dual containment was first made in Anthony Lake, "Confronting Backlash States," *Foreign Affairs* 73, no. 2, March/April 1994.

98 These dynamics are discussed in Walter Russell Mead, "Russia Re-Emerges as a Great Power in the Middle East," *The American Interest,* September 12, 2016; and John Hannah, "Russia's Middle East Offensive," *Foreign Policy,* September 13, 2016.

99 Indeed, the current U.S. counter-ISIS campaign is premised on the idea that Iraq and Syria will be reconstituted as functioning states.

as unified entities over the long run. As the director of the Defense Intelligence Agency, Lieutenant General Vince Stewart, remarked in September 2015: "I'm having a tough time seeing it come back together."[100]

Additionally, the conflicts of recent years have empowered actors, such as Iraqi and Syrian Kurds, that ultimately desire to redraw existing borders in the region. Finally, the weakening or toppling of long-standing authoritarian regimes in a number of states in the region has raised questions about whether some of the traditional constraints on fragmentation of existing states are themselves eroding. As a result of all this, it is increasingly conceivable, but perhaps still unlikely, that this assumption might change more significantly in the next 10 to 20 years. In this scenario, the United States would confront sharper dilemmas about whether to pay rising costs in order to preserve the region's political map or to accept the different costs and risks associated with redrawing it.

The resolution of the Israeli-Palestinian conflict is essential to regional stability and the achievement of U.S. national interests in the Middle East; the two-state solution is the only feasible route to peace. Although this assumption dates back decades, it gained increasing prominence in the post-Cold War era. This was in part because the rise of mass-casualty terrorism focused increased attention on alleged root causes, such as the Israel-Palestinian conflict, and in part because the disappearance of the threat formerly posed by Soviet meddling in the region removed a competing diplomatic priority for U.S. officials. Most U.S. policymakers still appear to believe this assumption, and every post-Cold War administration, even those that initially seemed skeptical of the peace process, has made intensive, costly, and unsuccessful efforts to broker peace on the basis of a two-state solution.[101] Nevertheless, both halves of this assumption are now being tested to a greater degree than at any time in the past quarter-century.

First, it is increasingly debatable just how central the resolution of the Israeli-Palestinian conflict is to the advancement of other U.S. security interests, such as counter-terrorism and non-proliferation. Indeed, the fact that recent disruptions in the region—for instance, the Arab Spring revolts, the rise of ISIS, and the emergence of a more aggressive Iran and a sharper Saudi-Iranian rivalry—have little or nothing to do with Israel indicates the decreasing strategic salience of this issue. Moreover, the fact that Israel enjoys increasingly close, if still often-unacknowledged, security and counter-terrorism cooperation with a range of key Arab states in the region further undermines notions regarding the conflict's strategic centrality.[102]

Second, the feasibility of the two-state solution has increasingly come into question. Some observers argue that Israeli settlement construction in the West Bank, including outside the

100 Ken Dilanian, "DIA Chief: Iraq and Syria May Not Survive as States," *Military Times,* September 10, 2015.

101 For an account of one such endeavor, see Elliott Abrams, *Tested by Zion: The Bush Administration and the Israeli-Palestinian Conflict* (New York: Cambridge University Press, 2013).

102 Zena Tahhan, "Egypt–Israel Relations 'At Highest Level' In History," *Al Jazeera,* November 20, 2016; and "Netanyahu: Saudi Arabia Sees Israel as an Ally," *PressTV.com,* January 23, 2016.

major consensus settlement blocs, is making a contiguous, independent Palestinian state impossible. The growth of failed states and radical Islamist movements in the region, along with the weakness of and divisions within the Palestinian leadership, may also be undermining the appeal of an independent Palestinian state for many Israeli observers. Similarly, the fact that neither side's leadership has appeared able or willing to take major steps in the direction of a settlement in recent years, and that the political climate in both Israel and the territories seems to be trending against any decisive move toward a peace accord, casts further doubt on the viability of a two-state solution.[103] American officials may nonetheless continue to treat this assumption as though it were true because the diplomatic costs—with both regional partners, such as Saudi Arabia, and extra-regional partners in Europe—of not promoting a two-state solution are seen to be prohibitive. But at least in the near-term, and as President Trump's recent statements on this issue demonstrate, the underlying logic of that policy is likely to become more contested.

The United States and Saudi Arabia have no feasible alternative to a close security and economic partnership. This assumption significantly predates the post-Cold War era, dating back to the origins of Saudi-American diplomacy during World War II. And in contrast to some other assumptions discussed here, the hold of this particular assumption remains fairly strong in light of the patterns of cooperation created by the longstanding bilateral relationship, the common security threats that the two nations face from Iran, radical Islamist groups and other sources, and the persistent lack of truly attractive alternatives to one another.[104] Nonetheless, there have been some indications in recent years that the robustness of this assumption, and of the U.S.-Saudi relationship, may be declining in non-trivial ways.

For example, if the shale revolution and other global energy trends leave the United States (and, perhaps, eventually other countries) less dependent on Gulf oil supplies, it could weaken the economic and strategic logic of the partnership. Moreover, trends in U.S. domestic politics, particularly the passage of the Justice Against Sponsors of Terrorism Act (JASTA) in 2016, could cause a cooling of the relationship by bringing to the fore conflicts over issues such as alleged Saudi financing or support for extremist groups.[105] Additionally, if Saudi dissatisfaction with the U.S. response to regional threats, such as Iranian meddling and the Syrian civil war, continues to grow, it could promote an effort to diversify Saudi security relationships by cultivating stronger intra-regional groupings, such as the Sunni Arab counter-terrorism force announced in late 2015, or by expanding security ties with extra-regional powers, such as Russia and China. Finally, the emergence of a younger and more impulsive leadership in Saudi Arabia, perhaps headed by the current Deputy Crown Prince

103 For one such assessment, see Ian Lustick, "Two-State Illusion," *New York Times,* September 14, 2013.

104 Certain of these dynamics are discussed in "Why the U.S. Is Stuck with Saudi Arabia," *The Atlantic,* January 24, 2015.

105 Bruce Riedel, "What JASTA Will Mean for U.S.–Saudi Relations," *Lawfare,* October 4, 2016.

Muhammad bin Salman, could work against stability in the relationship, but it might also signal greater Saudi openness to outside ideas.[106]

Turkey is a difficult ally, but one whose interests align with our own more often than not. Despite occasionally significant disagreements, this assumption became particularly strong in the years following 9/11. It reached a high point during the early Obama-Erdoğan years when U.S. observers frequently saw Turkey not just as a treaty ally and a generally constructive influence on Middle Eastern affairs but also, perhaps, as an emerging example of the mixture of democracy and moderate Islam. More recently, however, this assumption has become quite questionable due to developments in Turkey's internal and foreign policies alike.

Internally, Turkey has become steadily more authoritarian in recent years. Erdoğan and his government have worked to perpetuate themselves in power and to erode the democratic checks and balances that previously constrained them. Erdoğan has also increasingly cracked down not just on genuine internal security threats, such as the PKK (Kurdistan Workers' Party) and those involved in a failed military coup in July 2016, but also on a wide range of peaceful domestic political opponents.[107]

Meanwhile, the idea that Turkey's interests still substantially align with those of the United States has also been challenged. Although there remain important aspects of cooperation in areas, such as the counter-ISIS campaign and the containment of Russian influence in the Black Sea, Turkey has also pursued policies that run decidedly counter to U.S. interests. These would include the policy of hostility and isolation toward Israel for several years after 2010, as well as the policy of, at the very least, turning a blind eye to the operations of extremist groups that were using Turkish territory to participate in the Syrian civil war from 2011 onward.[108] Moreover, the fact that the United States has relied heavily on the Syrian Kurds as a principal ground force in the counter-ISIS campaign has introduced additional, serious strains into the relationship, as has Turkey's growing entente with Russia. Notwithstanding persistent sources of bilateral cohesion, the idea that the United States will eventually, and perhaps soon, be faced with an increasingly illiberal and hostile Turkey is becoming steadily more plausible.

Iran represents the gravest threat to U.S. interests in the Persian Gulf now that Saddam Hussein's regime has been eliminated; the issues dividing the United States and Iran are so profound and numerous that any meaningful rapprochement is highly unlikely. On the merits and in light of recent Iranian behavior in Yemen,

106 A good source on this dynamic is David Ignatius, "A 30-Year Old Saudi Prince Could Jump-Start the Kingdom—or Drive It Off a Cliff," *Washington Post,* June 28, 2016.

107 See, for instance, Ceylan Yeginsu and Safak Timur, "Turkey's Post-Coup Crackdown Targets Kurdish Politicians," *New York Times,* November 4, 2016.

108 See Simon Tisdal, "Turkey Paying a Price for Erdogan's Willful Blindness to ISIS Threat," *The Guardian,* June 29, 2016.

Syria, Lebanon, and elsewhere, this assumption probably still holds.[109] Nonetheless, particularly during 2014–2015, there were some efforts to test this assumption by the Obama administration, apparently based on at least four widely reported considerations: 1) that the rise of ISIS had provided a common enemy and common interest that had previously been lacking; 2) that the nuclear deal with Tehran might open the door to a broader reduction in bilateral tensions; 3) that a fairly "moderate" leadership was being empowered in Iran, partly by the nuclear deal; and 4) that the flaws of U.S. partners in the Gulf, namely Saudi Arabia, made a search for better relations with Tehran worth pursuing.[110]

Since then, Iranian actions—from Tehran's increased role in supporting Bashar al-Assad to its capture of eleven U.S. sailors in early 2016 and its ongoing support for terrorism and advancements in its ballistic missile program—have made it seem unlikely that any meaningful rapprochement will take hold or that this assumption will be fundamentally overturned. But this ferment within U.S. strategy may nonetheless presage ongoing debates about what type of policy—confrontation or engagement—is most likely to yield constructive changes in Tehran.

In the long run, the Middle East will not become more stable unless it becomes freer. In the short-term, however, greater freedom will yield greater instability and compromise important U.S. objectives such as counter-terrorism. The salience of this assumption has been particularly acute since the 9/11 attacks focused attention on the Middle East's freedom deficit as well as Washington's longstanding ties to authoritarian regimes. For a time, the George W. Bush administration came down decisively on the side of seeking greater freedom in the Middle East despite the short-term costs, but momentum for the Freedom Agenda flagged during Bush's second term. More recently, events have pushed U.S. policymakers in conflicting directions when it comes to issues of authoritarianism versus liberalization in the Middle East.[111]

On the one hand, the Arab Spring and related political upheavals in the Middle East have reinforced the idea that the lack of responsible governance and political freedom is a fount of political instability and ideological radicalism. They have also signaled that the authoritarian state model through which many Middle Eastern states were governed was being stressed to the point of fracture, and they have provided one example—Tunisia—of a moderately successful transition to democracy. On the other hand, the experience with Muslim Brotherhood's rule in Egypt following Mubarak's fall and the political disintegration of Libya

109 See Eliot Cohen, Eric Edelman, and Ray Takeyh, "Time to Get Tough on Tehran: Iran Policy after the Deal," *Foreign Affairs* 95, no. 1, January/February 2016.

110 These ideas were obliquely articulated by President Obama in late 2014 when he remarked that Iran could become a "very successful regional power" in the wake of the nuclear deal and that it might thereby be "reintegrated into the international community." See Raf Sanchez, "Barack Obama: Iran Could Be a 'Successful Regional Power' If It Agrees to a Nuclear Deal," *The Telegraph,* December 29, 2014.

111 For an assessment of the advantages and disadvantages of reviving a strategy along the lines of the Bush-era Freedom Agenda today, see Hal Brands and Peter Feaver, "Trump and Terrorism: U.S. Strategy after ISIS," *Foreign Affairs* 96, no. 2, March/April 2017.

after Qaddafi have underscored that the costs of breaking with the authoritarian model can indeed be quite high.[112] Similarly, the counter-ISIS campaign has highlighted the need for effective counter-terrorism cooperation with Middle Eastern regimes, even as it has also reminded U.S. officials of the explosive discontent that heavy-handed rule (in this case, in Iraq under Nuri al-Maliki) can cause. It is thus difficult to nail down precisely what is becoming of this assumption; what can be said is that it is likely to be the focus of continuing debate and contestation.

U.S. security assistance and military presence in the Persian Gulf are a stabilizing factor in the region and make a positive contribution to American security. This assumption dates back principally to the 1980s, when the United States first began to build a meaningful military presence in the region, and hardened in the 1990s, when that presence—augmented by the quasi-permanent deployment of forces in Gulf countries—was necessary to contain Saddam Hussein and, to a lesser extent, the Iranian regime. Following 9/11, this assumption was strongly contested by academic observers, who argued that U.S. military presence was actually the cause of anti-American terrorism and regional political instability.[113] Policymakers, by contrast, largely did not embrace this critique, but they did nod in its direction by undertaking initiatives—namely, the invasion of Iraq—that had the benefit of at least allowing the redeployment of U.S. troops from Saudi Arabia, the country where the U.S. presence had long been of greatest political sensitivity.

Today, this assumption has a somewhat ambiguous status. In the post-Iraq climate, large-scale, semi-permanent deployments of American troops remain politically toxic, and some observers have argued that those deployments remain a magnet for terrorist attacks. Yet the aftermath of the complete U.S. drawdown in Iraq in 2011, which led to the destabilization of that country and the rise of ISIS, has underscored the benefits of some American presence and the dangers of removing that presence altogether.[114] As of this writing, it remains unclear what type of U.S. military presence and relationships will endure past the end of the counter-ISIS campaign, but it seems unlikely that the United States would revert fully to the minimal footprint approach taken from 2011 to 2014.[115]

112 For an analysis along similar lines, see Seth Jones, "The Mirage of the Arab Spring: Deal with the Region You Have, Not the Region You Want," *Foreign Affairs* 92, no. 1, January/February 2013.

113 See Robert Pape, *Dying to Win: The Strategic Logic of Suicide Terrorism* (New York: Random House, 2005), pp. 237–250; and Eugene Gholz and Daryl Press, "Footprints in the Sand," *The American Interest*, March/April 2010.

114 See Rick Brennan, "Withdrawal Symptoms: The Bungling of the Iraq Exit," *Foreign Affairs* 93, no. 6, November/December 2016.

115 See "Carter: U.S., Partners Need to Stay in Iraq After ISIS Defeat," *NBC News,* December 3, 2016, available at http://www.nbcnews.com/news/world/carter-us-partners-need-stay-iraq-after-isis-defeat-n691611.

Conclusions and Policy Implications

For the last 25 years, the United States has had the luxury of operating on the basis of broadly optimistic ideas about the state and trajectory of international affairs and about America's role within the international system. That state of affairs is now changing, however, in ways that are sharply testing the key intellectual precepts of American statecraft. At a global level, and within the three regions most crucial to U.S. grand strategy, a number of core assumptions of American policy are becoming harder to sustain; the international environment is becoming more uncertain, more challenging, and more difficult for U.S. officials to handle. Indeed, as assumptions are undercut and new uncertainties take the place of old verities, American officials should expect that longstanding policies will be harder to execute and that the same level of exertion will produce gradually diminishing returns. As the conceptual foundations of American strategy weaken, American strategy may itself grow weaker.

Is Retrenchment Imperative?

So does this mean that American grand strategy has become so untenable that it must be altered dramatically in order to remain viable and, specifically, that the United States must undertake radical geopolitical retrenchment in light of adverse global trends? This is the argument made by a number of academic observers today.[116] As the foregoing analysis shows, there are real reasons for concern regarding American grand strategy today, and it is indeed necessary to deeply probe America's core geopolitical precepts ourselves—lest they be probed and found wanting by an unforgiving world. Yet it is also important to avoid overreacting to the dynamics discussed in this report for four reasons.

116 See Stephen Walt, "The End of the U.S. Era," *The National Interest,* November/December 2011; and Christopher Layne, "This Time It's Real: The End of Unipolarity and the *Pax Americana,*" *International Studies Quarterly* 56, no. 1, March 2012. For a contrary view, see Joseph Lieberman and Jon Kyl, *Why American Leadership Still Matters* (Washington, DC: American Enterprise Institute, 2015).

First, although many key assumptions of American strategy are now being undermined, it is a significant stretch to say that they have been invalidated altogether. U.S. military primacy is being tested, for instance, but it remains quite impressive by most historical comparisons. Democracy has receded modestly from the height of its post-Cold War advance, but again, by historical standards, it remains quite prevalent, robust, and certainly the most attractive political system. The U.S.-Saudi relationship is being buffeted by various disruptive forces, but a decisive break remains unlikely. The world is changing, in other words, but it is hardly coming to an end. U.S. grand strategy is being stressed today, but those stresses have not yet reached the point of breaking the strategy.

Second, and related to this first point, there remain a number of core assumptions that are still quite robust—and that in some cases appear even stronger than just a few years ago. Consider, for example, the assumption that the dollar will remain the primary international reserve currency, with all the benefits that status bestows upon American economic power and global statecraft. That assumption looks quite solid today, just a few years after it was widely questioned amid the 2008–2009 international financial crisis.[117] Similarly, the assumption that the United States possesses and will continue to possess one of the strongest long-term demographic profiles of any major power has also been strongly affirmed. Washington's medium- and long-term demographic profile now appears far healthier than that of any significant geopolitical actor (friendly or hostile), with the possible exception of India.[118] From the perspective of strategic planning, it is probably more profitable and prudent to focus on the assumptions that are being challenged than the ones that remain robust, but it is worth noting that the fraying of American strategic assumptions is far from universal.

Third, even where assumptions are shifting or being contested, the dynamics are hardly uniformly disadvantageous to the United States. As little as five years ago, it was still common to assume that the United States would remain a net importer of energy, that the world was approaching "peak oil," and that this status would remain a point of pronounced economic and strategic vulnerability for America. A half-decade later, the shale revolution has fundamentally upended this assumption, transforming the United States into an energy exporter and opening up tantalizing opportunities—most of which have yet to be realized—for converting what had been a geopolitical weakness into a source of strategic leverage.[119]

117 Eswar Prasad, "The Dollar Remains Supreme, By Default," *Finance & Development* 51, no. 1, International Monetary Fund, March 2014. If the Trump administration were to pursue highly protectionist or erratic economic policies, however, this assumption could once again be cast into doubt.

118 See, for instance, the demographic comparison available at http://www.china-profile.com/data/fig_WPP2010_CEU_Total-Population.htm; and Karen Eggleston et al., "Will Demographic Change Slow China's Rise?" *The Journal of Asian Studies* 72, no. 3, August 2013.

119 See Robert Manning, *The Shale Revolution and the New Geopolitics of Energy* (Washington, DC: The Atlantic Council, 2013), available at http://www.atlanticcouncil.org/images/publications/Shale_Revolution_and_the_New_Geopolitics_of_Energy.pdf.

Other assumptions have been upended favorably as well. A decade ago, many prognosticators assumed, either explicitly or implicitly, that China's economic trajectory would continue sharply upward for years or even decades to come. Today, there is much debate about China's true growth rate, but there is widespread agreement that growth is slowing significantly and that Beijing will face enormous economic challenges, from a rapidly aging workforce to an alarmingly large debt burden, in the years ahead.[120] Similarly, a longstanding assumption of U.S. policy in South Asia, dating back to the Cold War, was that India's history of non-alignment would thwart a genuine U.S.-India strategic partnership. Yet that assumption has been steadily undermined over the last decade, dating back to the Bush administration's successful opening to New Delhi in 2005–2006. It has appeared even more tenuous lately, with the conclusion of additional military and defense agreements, greater strategic cohesion resulting from China's rise, and other factors.[121] As this assumption weakens further, Washington may be able to exploit a shifting global environment to realize significant strategic gains with one of the world's foremost emerging powers. The list of assumptions that have evolved in favorable ways could go on, but the basic point is that shifting global conditions bring opportunity as well as vulnerability.

Fourth, even if the assumptions underpinning America's post-Cold War grand strategy are being challenged, that does not necessarily mean that dramatically different grand strategies are superior or that their underlying assumptions are any less contested. Consider, for instance, the idea of offshore balancing (sometimes called "restraint" or "retrenchment") that is frequently advocated in some academic circles.[122]

This concept advocates a sharp reduction of America's global role and is often supported by analysts who believe that changes in the international environment have rendered America's post-Cold War strategy untenable. In brief, offshore balancing holds that the United States should eliminate or at least significantly roll back its forward deployments and alliance commitments in Europe, East Asia, and the Middle East, going back "onshore" only when a potential regional hegemon threatens to conquer or otherwise dominate one of these key regions militarily. Offshore balancing also holds that the United States should not concern itself with internal political conditions in other countries and thus forego efforts to promote democracy and human rights overseas, that it should strictly circumscribe any use of military force that is not directly related to preserving acceptable regional balances, that it should

120 See, for instance, John Lee, "China's Economic Slowdown: What Are the Strategic Implications?" *The Washington Quarterly* 38, no. 3, Fall 2015.

121 See Sourabh Gupta, "How the U.S.–India Defense Partnership Came to Blossom Under Modi," *The Diplomat,* May 13, 2016; and Ashley Tellis, "The Merits of Dehyphenation: Explaining U.S. Success in Engaging India and Pakistan," *The Washington Quarterly* 31, no. 4, Winter 2008.

122 On offshore balancing, see Christopher Layne, *The Peace of Illusions: U.S. Grand Strategy from 1940 to the Present* (Ithaca, NY: Cornell University Press, 2006), pp. 159–192; Mearsheimer, "Imperial by Design"; Barry Posen, "Pull Back: The Case for a Less Activist Foreign Policy," *Foreign Affairs* 92, no. 1, January/February 2013; Stephen Walt, "The End of the U.S. Era," *The National Interest,* November/December 2011; and Mearsheimer and Walt, "The Case for Offshore Balancing."

de-emphasize—or at the very least de-militarize—efforts to prevent rogue state proliferation, and that it should make significant cuts in military force structure and otherwise shift toward a more minimalist statecraft.

Yet although offshore balancing is often touted by its proponents as a more realistic approach to American grand strategy in a changing world, in reality this strategy rests on an array of critical assumptions that are uncertain at best and dubious at worst.[123] A representative sampling would include the following:

International security is inherently robust; the United States is an extremely secure nation that faces few meaningful threats. It is true that the United States is quite secure compared to other nations and that the international system has been relatively stable and peaceful in recent decades. Yet this assumption confuses an effect of American global engagement, the relatively high levels of international stability and security that have prevailed since the Cold War and even since World War II, with the natural condition of the international system.[124]

Doing less in the world will force others to do more. If the United States does not play the same role in providing global public goods, others will do so in ways that accord with U.S. interests. There is no way to know whether this assumption is true until this approach is tried. It is probably unrealistic, however, to expect that countries with their own national interests and political systems will seek to shape the international order in ways that the United States finds congenial. It is also risky to assume that foreign countries will overcome the collective action problems and disputes that often hindered the effective management of the international system and the effective provision of public goods prior to the rise of American primacy. Recent experience is not reassuring; when the United States held back from a post-conflict stabilization mission in Libya in 2011 and after in an effort to force the Europeans to do the job, the job simply did not get done.[125] Similarly, American passivity in Syria was followed by a Russian intervention that has been decidedly contrary to American interests.

123 For critiques of offshore balancing, see Hal Brands, "Fools Rush Out? The Flawed Logic of Offshore Balancing," *The Washington Quarterly* 38, no. 2, Summer 2015; Hal Brands and Peter Feaver, "Risks of Retreat," *Foreign Affairs* 95, no. 6, November/December 2016; and James Holmes and Toshi Yoshihara, "An Ocean Too Far: Offshore Balancing in the Indian Ocean," *Asian Security* 8, no. 1, March 2012.

124 For an example of this mistake, see Micah Zenko and Michael A. Cohen, "Clear and Present Safety: The United States is More Secure than Washington Thinks," *Foreign Affairs* 91, no. 2, March/April 2012. For a rebuttal, see Paul D. Miller, "Be Afraid," *Foreign Affairs* 91, no. 4, July/August 2012.

125 President Obama later acknowledged as much in his interviews with Jeffrey Goldberg. See Goldberg, "The Obama Doctrine," *The Atlantic,* April 2016, available at http://www.theatlantic.com/magazine/archive/2016/04/the-obama-doctrine/471525/.

U.S. withdrawal will not harm regional stability in key theaters. Adversaries such as Russia and China will be more reassured than tempted by U.S. withdrawal; former allies will effectively balance against revisionist powers. This assumption conflicts with significant scholarship on why regions such as Europe and East Asia have remained peaceful since the end of the Cold War, which points to the crucial pacifying role of U.S. presence. It also assumes that U.S. adversaries are motivated to undertake aggressive behavior only by fear of the United States, a perspective that is both highly-U.S. centric and at odds with significant scholarship produced by historians, political scientists, and regional/country experts.[126] Finally, it is undercut by scholarship that indicates that under-balancing—the failure to create effective balancing coalitions or capabilities promptly enough to deal with rising threats—and bandwagoning have been fairly common in the history of international affairs.[127]

The international economy will continue to function smoothly absent the stabilizing influence of U.S. forward engagement and primacy. This assumption represents an enormous gamble and is contradicted by the performance of the international economy in the era immediately prior to the rise of American global leadership. If U.S. retrenchment were to cause greater instability in regions such as East Asia or Europe, it is difficult to believe that a highly interconnected global economy would continue to hum along—or that the United States would not suffer if the reverse proved to be true.[128]

Rolling back U.S. forward presence and alliance commitments will not harm America's ability to secure favorable trade agreements or cooperation on other priorities, such as counterterrorism. In reality, work by scholars, such as William Wohlforth and Stephen Brooks, has conclusively shown that America's ability to achieve such cooperation derives in significant measure from the leverage and relationships provided by its forward presence and alliances.[129]

The withdrawal of U.S. security guarantees will not cause insecure American allies (or former allies) to acquire nuclear weapons. Rather, U.S. retrenchment will limit proliferation by reassuring rogue regimes that seek nuclear weapons primarily as a defense against U.S.-led regime change. Both halves of this assumption are tenuous. Copious scholarship demonstrates that U.S. security guarantees and forward

126 See, as examples, Kathryn Stoner and Michael McFaul, "Who Lost Russia (This Time)? Vladimir Putin," *The Washington Quarterly* 38, no. 2, Summer 2015; and Friedberg, "The Sources of Chinese Conduct."

127 See Randall Schweller, *Unanswered Threats: Political Constraints on the Balance of Power* (Princeton, NJ: Princeton University Press, 2008); and Randall Schweller, "Bandwagoning for Profit: Bringing the Revisionist State Back In," *International Security* 19, no. 1, Summer 1994.

128 Brooks and Wohlforth, *America Abroad*, pp. 155–189.

129 Ibid; and Art, *Grand Strategy for America*, pp. 201–202.

deployments have historically been critical to dissuading proliferation by allies and partners.[130] Moreover, although U.S. policies have played some roles in fueling the insecurity that has driven countries like North Korea and Iran to seek nuclear weapons, countries pursue nuclear weapons for a variety of reasons, and it is hard to see how American retrenchment today would convince a regime, such as North Korea's, to put its nuclear genie back in the bottle.

Getting back onshore promptly in a crisis scenario would be easy. Policymakers can discern and prevent adverse shifts in crucial regional balances; political constraints and logistical hurdles to reengagement are easily surmountable. In actuality, rolling back the global network of U.S. bases and logistical facilities would make it much harder to project decisive military power in a timely fashion should a crisis erupt. Historically, moreover, it has often been difficult for U.S. presidents to sense when a regional balance is about to collapse or to generate the political consensus for actions to preempt such a collapse. These problems were encountered by Franklin Roosevelt in 1940, by Harry Truman prior to the outbreak of the Korean War, and by George H.W. Bush prior to the Persian Gulf War. Even after Saddam Hussein invaded Kuwait in 1990, Bush just barely rallied the political support necessary to enable American military action to restore a regional balance.[131]

The costs of reestablishing a broken regional balance are lower than those of maintaining it in the first place, even if this means fighting a major war. In fact, the costs of restoring broken balances have historically been quite high, whether in terms of blood and treasure (as in World War II and the Korean War) or simply in terms of requiring enormous military operations and deployments (as in the Persian Gulf War). The costs of maintaining balances via peacetime guarantees and presence are non-trivial, but those costs tend to serve as a hedge against the much higher costs that can be incurred when balances break.

The spread of democracy does not contribute meaningfully to American national security; autocracies can be just as reliable partners as democracies. The United States has indeed cooperated profitably with authoritarian regimes, in some cases over a period of decades. But both social science and historical literature indicate that, on balance, democracies tend to enjoy better relations with other democracies, and that the

130 See, for instance, Mark Kramer, "Neorealism, Nuclear Proliferation, and East-Central European Strategies," in Ethan Kapstein and Michael Mastanduno, eds., *Unipolar Politics: Realism and State Strategies after the Cold War* (New York: Columbia University Press, 1999); Gene Gerzhoy, "Alliance Coercion and Nuclear Restraint: How the United States Thwarted West Germany's Nuclear Ambitions," *International Security* 39, no. 4, Spring 2015; and Francis Gavin, "Strategies of Inhibition: U.S. Grand Strategy, the Nuclear Revolution, and Nonproliferation," *International Security* 40, no. 1, Summer 2015.

131 This point is developed in Brands and Feaver, "Risks of Retreat."

spread of democracy, which has often been facilitated by U.S. policy, has helped foster a world that is more congenial to the United States both ideologically and geopolitically.[132]

American voters will consistently support a grand strategy that jettisons concerns about human rights and democracy and focuses simply on amoral realpolitik. U.S. voters and elected representatives can be brutally cold-blooded—witness Washington's alliances with the Soviet Union during World War II, China during part of the Cold War, and Saudi Arabia throughout this period. At the same time, the history of U.S. foreign policy also demonstrates that U.S. voters and elected representatives do care about values such as democracy and human rights and that a foreign policy that seems entirely rooted in amoral material interests is enormously difficult to sustain over time. Consider, for instance, the upsurge of public and congressional concern with human rights in the mid-1970s or pressures for humanitarian intervention in the 1990s.[133] Leaders can withstand such pressures for a time, perhaps, but they ignore them altogether at their political peril.

In sum, although America's post-Cold War grand strategy is now being challenged to an increasing degree, it does not necessarily follow that the strategy has been invalidated, much less that alternative strategies rest on a firmer intellectual foundation. The United States would, therefore, be wise to take a hard look at the assumptions of its current grand strategy; it would be equally wise not to hastily jettison that grand strategy in favor of a radically different alternative.

Implications for Grand Strategy and Strategic Planning

What, then, are the positive implications of this analysis for U.S. grand strategy and strategic planning? Six key suggestions are worth pursuing.

First, and most broadly, *embrace the need for constructive and fairly significant adaptation*. As the foregoing discussion of offshore balancing indicates, drastically overhauling American grand strategy in light of recent events would be an incredibly risky, and probably unnecessary, endeavor. But simply clinging to stale verities in the midst of a changing international environment is unlikely to prove rewarding, either. Contested assumptions are like warning lights on the dashboard: they indicate that real trouble may be coming if corrective action is not taken. The overarching goal that American policymakers should thus pursue is one of seeking to sustain, to the greatest degree possible, a grand strategy that has been consistent

132 See, for instance, Tony Smith, *America's Mission: The United States and the Global Struggle for Democracy in the Twentieth Century* (Princeton, NJ: Princeton University Press, 1994); and Sean Lynn-Jones, *Why the United States Should Spread Democracy*, Discussion Paper 98-07 (Cambridge, MA: Belfer Center for Science and International Affairs, March 1998), available at http://belfercenter.ksg.harvard.edu/publication/2830/why_the_united_states_should_spread_democracy.html; Bruce Russett, *Grasping the Democratic Peace: Principles for a Post-Cold War World* (Princeton, NJ: Princeton University Press, 1994); and Henry Nau, *At Home Abroad* (Ithaca, NY: Cornell University Press, 2002).

133 On this period, see Barbara Keys, *Reclaiming American Virtue: The Human Rights Revolution of the 1970s* (Cambridge, MA: Harvard University Press, 2014).

and worked reasonably well over the past quarter century, while also understanding that some degree of meaningful adaptation—with respect to specific policies, the level of resources committed, or both—will undoubtedly be necessary to sustain that strategy. The United States has successfully pursued strategic adaptation before at previous moments of geopolitical difficulty, such as in the 1970s and 1980s, and it will need to do so again today.[134]

Second, *pursue offsets and hedges*. When assumptions are at risk of being invalidated, it is generally because key trends in the international environment have become adverse. A core intellectual and policy task for American strategists is to pursue initiatives that hold out the prospect of offsetting or mitigating the unfavorable currents. There are a number of illustrative examples here.

As suggested by the 2014 National Defense Panel, for instance, the United States could offset threatening shifts in the military balance by reinvesting in defense and particularly by devoting greater resources to developing and deploying those capabilities needed to defeat A2/AD and sustain U.S. power projection capabilities in key regions.[135] Similarly, the United States might offset the decline of traditional allies by emphasizing resource-sharing and defense specialization initiatives that will help those allies stretch their defense dollars further, by encouraging them to embrace more resource-effective defense strategies based on deploying their own A2/AD capabilities, and by cultivating new partnerships with friendly and dynamic powers outside the traditional U.S. alliance structure. Likewise, although U.S. strategy assumes that Washington can manage the peaceful rise of China, it would be prudent to continue developing denser webs of relationships with its regional neighbors as a hedge against the possibility that this assumption is faulty. By self-consciously hedging against and offsetting the phenomena that are undermining U.S. strategic assumptions, the United States can help protect its grand strategy from some of the nastier effects and surprises that ongoing global changes might otherwise augur.

Third, *double down on the positive trends*. In the past, the United States has emerged most strongly from periods of strategic doubt and dissonance when it has combined proactive efforts to offset negative trends with aggressive initiatives to exploit positive trends. This pattern is worth emulating today. To preserve its geopolitical position at a time of often challenging developments, the United States must make the most of those global forces that are currently running in its direction. That could mean, for instance, going all in on the shale revolution in hopes of maximizing America's energy leverage and decreasing the geo-economic sway of Russia and other hostile regimes. It could entail a concerted push to take U.S.-India relations to the next level of a blossoming strategic partnership. But the basic idea of

134 On this earlier period, see Brands, *Making the Unipolar Moment*.

135 National Defense Panel (NDP), *Ensuring a Strong U.S. Defense for the Future: The National Defense Panel Review of the 2014 Quadrennial Defense Review* (Washington, DC: United States Institute of Peace, 2014), available at http://www.usip.org/sites/default/files/Ensuring-a-Strong-U.S.-Defense-for-the-Future-NDP-Review-of-the-QDR_0.pdf.

identifying and aggressively investing in areas where assumptions are being undermined *in a good way* will certainly be critical.

Fourth, *understand that more resources will be necessary*. As noted, what happens when assumptions are undermined is that the same level of investment or effort tends to result in decreasing marginal gains. If the United States is to avoid the danger that its grand strategy might eventually crack and that it will have no choice but to shift to a far more austere approach, then it will, logically, need to increase its level of effort and investment. This is most obviously true with respect to defense, where a shrinking American military advantage is central to a number of the key geopolitical challenges that the United States confronts today. Yet it is also true with respect to intelligence, foreign assistance, diplomacy, and other tools of American statecraft. Given that U.S. spending on defense and foreign affairs is low by historical standards—around 3 percent to 3.5 percent of GDP on defense in recent years compared to over 12 percent at the height of the Cold War—the additional investments needed may actually be quite affordable, provided the necessary political will exists.[136] But there is no dodging the fact that more resources will be essential to keeping a relatively good grand strategic thing going in a more difficult environment. "Strategy wears a dollar sign," the great strategist Bernard Brodie once wrote; American strategy will only reap benefits commensurate with its investments.[137]

Fifth, *consider "what ifs" and make contingency plans*. Given the relative success of its post-Cold War grand strategy, the United States should first seek to reinvigorate that strategy to the greatest extent possible. But how might U.S. grand strategy and specific policies change if core assumptions were to be further weakened and perhaps altogether invalidated? What would the United States do if it could no longer maintain acceptable military balances in all three key strategic theaters? What would it do if a nuclear North Korea becomes truly impossible to tolerate? How would it respond if a two-state solution to the Israel-Palestinian conflict were judged no longer to be feasible? Working through these issues beforehand can help develop the intellectual capital that is highly useful in addressing them if and when they do occur; it can also spur creative thinking that can improve the quality of U.S. strategy even if such eventualities do not come to pass.

Sixth, and finally, *engage in more explicit, frequent, and sophisticated assumption-testing exercises*. Testing assumptions is important at all times. It is especially important, in times such as these, when evidence has begun to emerge that core assumptions are under growing strain. This report has offered one analysis of the state of critical U.S. planning assumptions, but only a very preliminary one. U.S. analysts, inside and outside of government, need

136 For historical spending data, see John Lewis Gaddis, *Strategies of Containment: A Critical Appraisal of American National Security Policy During the Cold War* (New York: Oxford University Press, 2005), p. 393; World Bank, "Military Expenditure (% of GDP)," available at http://data.worldbank.org/indicator/MS.MIL.XPND. GD.ZS?page=3. On this point more broadly, see Hal Brands and Eric Edelman, "The Crisis of American Military Primacy and the Search for Strategic Solvency," *Parameters* 46, no. 4, Winter 2016–2017.

137 Bernard Brodie, *Strategy in the Missile Age* (Santa Monica, CA: RAND Corporation, 1959), p. 358.

to conduct deeper and more granular work, on a more regular basis, that can provide greater analytical precision regarding the *degree* to which key assumptions are under strain and help identify the tipping points at which they might simply become unsustainable. As noted at the outset, such exercises are rarer than they ought to be, but there is reason to think that a more self-conscious and productive engagement with assumptions is possible. There are elements of the U.S. government, such as the CIA's Red Cell and the State Department's Policy Planning Staff, that are well-equipped for such tasks. Moreover, assumption-checking exercises have profitably been built into major strategic reviews, such as that leading to the Iraq surge, in the past.[138] Looking ahead, such efforts will be vital to keeping assessments of American grand strategy up-to-date—and to avoiding the unpleasant strategic surprises that can result when due attention is not paid to probing critical assumptions.

138 See National Security Council, "Highlights of the Iraq Strategy Review," Summary Briefing, January 2007, 7.

LIST OF ACRONYMS

A2/AD	anti-access/area denial
ASEAN	Association of Southeast Asian Nations
BCA	Budget Control Act
CIA	Central Intelligence Agency
DIA	Defense Intelligence Agency
ERS	Economic Research Service
EU	European Union
GDP	gross domestic product
IMF	International Monetary Fund
ISAF	International Security Assistance Force
ISIS	Islamic State in Iraq and al-Sham
ISR	intelligence, surveillance, and reconnaissance
JASTA	Justice Against Sponsors of Terrorism Act
MANPADS	man-portable air defense systems
NATO	North Atlantic Treaty Organization
PKK	Kurdistan Workers' Party
PLA	People's Liberation Army
RCEP	Regional Comprehensive Economic Partnership
ROC	Republic of China
SIPRI	Stockholm International Peace Research Institute
TPP	Trans-Pacific Partnership
UN	United Nations
WTO	World Trade Organization

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