

# Controlling Chaos: New Axial Strategic Principles

*Richard L. Kugler*

The dawn of a new century and millennium coincides with the arrival of a new era in world politics. The coming era likely will be one in which economics and security share center stage in determining how the world evolves. Rather than one dominating the other, the two will play equally powerful roles, and they will interact closely, exerting great influence over each other. In this setting, globalization is important partly because it is reshaping how the world economy operates and how people communicate with each other. But what makes it more significant is its potential impact—direct and indirect—on international politics and security affairs. This chapter does not definitively answer questions about the impact of globalization, for they are clouded by too many uncertainties for clear answers. Instead, this chapter provides a simple framework for thinking about these questions in illuminating ways. Based upon the previous chapter, its goal is to provide added tools for assessing globalization's impact in the strategic arena, where the great issues of war and peace will be decided. It assesses the implications for U.S. national security strategy, including the core endeavors and goals that are to drive its efforts in the coming years.

This chapter's thesis is simply stated: Globalization is not only creating opportunities but also dangers if worrisome trends are not handled wisely. *Whereas the great drama of the 20th century was democracy's struggle against totalitarianism, the defining issue of the early 21st century will be whether the democratic community can control chaotic strategic affairs in the vast, troubled regions outside its borders, which are not being made permanently peaceful by globalization.* Although the democratic community is making progress within its borders, it will face the challenge of fostering greater strategic stability at key places outside them, not only to protect its own interests and values but also to help progress take hold there. This challenge of suppressing new-era dangers while promoting healthy trends will especially fall on the United States. As superpower leader of the democratic community, it will need to blend its security and economic policies together and to use its military power wisely, as well as to mobilize help from its allies and partners. These tasks do not promise to be easy. Performing them effectively could play a major role in determining whether

---

*Richard L. Kugler is a distinguished research professor in the Institute for National Strategic Studies at the National Defense University. He formerly was a research leader at RAND and a senior executive in the Department of Defense. Dr. Kugler is the author of many books and studies including Commitment to Purpose: How Alliance Partnership Won the Cold War.*

the future produces growing tranquility, or instead goes up in smoke. The bottom line is that while globalization and other unfolding dynamics have the potential to elevate much of the world onto a higher plane of peace and prosperity, they also have the capacity to tear it apart in ways that produce a dark future. The challenge is to ensure that the former unfolds, not the latter.

## The Need for a Simple but Powerful Framework

The strategic questions raised by globalization are critical. How will globalization affect foreign policy, diplomacy, and defense strategy around the world? Will it produce spreading tranquility and community-building, growing political conflict and strife, or some of both? What implications does it pose for U.S. policy and strategy abroad? Globalization necessitates that U.S. policy see the world as a whole, think globally, and act globally—while not losing sight of each region’s unique features. What goals and priorities should the United States embrace in responding to globalization’s opportunities, challenges, and dangers? In strategic terms, how should the United States act in a globalizing world? What should be its core strategic concepts, its aims, and its visions?

These questions require discriminating answers because our understanding of globalization’s effects is maturing. A few years ago, a popular view held that globalization would make nearly the entire world peaceful by influencing countries everywhere to seek democracy, market economies, and cooperative relations with each other. This hope still prevails in important ways, but since then, a more complex reality has become apparent. Recent trends suggest that globalization may have a powerful impact in some regions, but not all regions, especially where traditional state interests, geopolitics, and aggressive instincts still abound. Even in places where globalization will shape the future, its impact will not always be positive. In some places, it likely will be an engine of progress. But in other places, it may have damaging effects, thereby exacerbating already serious problems. Globalization thus is likely to be uneven and hydra-headed. Its diverse strategic consequences need to be grasped if its weighty policy implications are to be understood.

Addressing these questions requires an intellectual framework for identifying the key factors at work. *For this framework to be potent, it must be simple.* Analysis will get nowhere if it portrays globalization in terms of 50 different activities affecting the world’s 200 countries in separate ways. This approach will result in a picture of such hideous complexity that nobody, not even the authors, will be able to discern clear strategic messages. In virtually all disciplines, the best theories are those that reduce great complexity to a few simple ideas. Such theories lay a rock-solid foundation upon which increasingly elaborate formulas can be built. This is the case in analyzing globalization, where a blizzard of events can be understood only if the basics are brought into focus.

Accordingly, this chapter puts forth a set of six “axial strategic principles” for accomplishing the task. These principles deal with the fundamentals and essential elements from which everything else flows. They are propositions for organizing scholarly thought, not axioms for proclaiming irrefutable truths. They are not cast in

concrete, but instead can evolve as knowledge of globalization matures. They aspire to simplicity because that is exactly where good analysis normally finds its strength: by bringing clarity and order to a picture of confusing complexity. Obviously, the world is more diverse than portrayed here. But the purpose of theory-building, however, is not to grasp every detail. Instead, theory-building works best when it offers a few ideas that have great explanatory power: covering not everything, but much of what is important.

## The Phenomenon: Globalization in a Changing World

The first two strategic principles set the stage, first by distinguishing between structure and process in contemporary international affairs, and then by probing globalization's core features. By analyzing the dynamics of change and integration in some depth, they further highlight the extent to which the modern world of economics and security differs greatly from that of the Cold War, when change and integration seemed like foreign ideas.

Principle 1: In analyzing world affairs, today's structure does matter, but change-producing processes that will shape the future are more important.

If globalization's strategic impact is to be understood, analysis must address *both* the current structure *and* the process of change in contemporary world affairs. There is a big difference between the two. As used here, "structure" refers to the physical characteristics of today's international system: the main actors, their relationships to each other, and their interactions. By contrast, "process" refers to the key dynamics by which the international system is changing in ways that alter today's system and create a different one tomorrow.<sup>1</sup>

During the Cold War, structure mattered most because the world was so frozen into rigid bipolarity that little change was occurring. *In today's setting, structure is still important, but analyzing the process of change is more critical to understanding the future.* The reason is that today's setting is fluid. Immense changes are at work, and many are neither linear nor evolutionary. They ensure that tomorrow's structure will be quite different from today's. Moreover, tomorrow's structure will not be frozen in concrete. The world is experiencing a period of great dynamism, spontaneous organization and reorganization, and perpetual novelty as it rapidly moves from one temporary structure to the next. The strategic situation is more akin to that of the first half of the 20th century, when the international system changed its core features four times in rapid succession, rather than to that of the last half of the century, when bipolarity formed early and hardly changed afterward.

This process of change may appear random, even chaotic. But at its fundamentals, it is being driven by forces that often have logic and purpose and that are capable of combining to produce orderly outcomes. As a result, things eventually may settle down and a new structure with enduring characteristics will emerge. This will not happen for a while—probably not for many years. In the interim, the United States and other countries will face the principal challenge of dealing with an ever-

changing world, not a status quo world or even a world of features that last long enough to become familiar.

What lies ahead is to be seen, but it will be primarily determined by how nation-states act and interact. To a degree, the ability of national governments to control their destinies is being eroded by external constraints and internal pressures. Transnational actors now abound, and in some ways, the old Westphalian system is giving way to a post-Westphalian politics in which countries are no longer fully sovereign, much less supremely independent in everything they do. Within countries, moreover, pluralist politics is becoming the norm; interest groups in one country sometimes cooperate with those in other countries. Yet the nation-state will remain the most powerful actor on the world scene. Indeed, the number of countries has been increasing as old empires have collapsed. The growing importance of events abroad dictates that virtually all countries will have to pay more attention to foreign policy, including the three key components of politics, economics, and security. Because countries will be responding to their own interests and strategic situations, they will not behave in uniform ways. What unites them is that all will be dealing with a setting of major changes in the globalizing world.

Principle 2: Globalization is a process producing a worldwide system and faster change.

Globalization involves the growing cross-border flows of trade, finance, capital, technology, information, ideas, and people that are driving countries and regions into an expanding web of ties. It is best seen as being mostly a process of change, not an already existing structure. Eventually, a fully globalized world structure may emerge, but it has not yet arrived. *What matters is the great transformation being brought about by globalization's dynamics.* Globalization's twin features—its impact on domestic affairs and on international affairs—merit discussion here.

The changes taking place in the domestic political and economic affairs of many countries, especially those within the democratic community, go back more than 20 years, long before globalization became a noticeable trend. One of these changes was democratization. Between 1978 and 1998, the number of democracies doubled: from only 43 countries to 88. As many as 53 other countries were partly free.<sup>2</sup> This trend was a result of political upheavals, demanding not only freedom but also better economic conditions in Latin America, Eastern Europe, and parts of Asia. A second big change was a major switch from state-owned and command economies to market economies in various guises. Prime Minister Margaret Thatcher's Britain was a pacesetter in its pursuit of denationalization and privatization, but its example was followed by many countries in Eastern Europe, the former Soviet Union, Latin America, South Asia, Asia, and Africa. A third change was the switch from protectionist economic strategies to export strategies, which was led by Asian countries but now is being followed by many others. In powerful ways, these three changes worked together to alter the world political and economic scene greatly. Whereas authoritarian governments, command economies, and protectionism often seemed the wave of the future in earlier decades, now they were in sharp retreat: not everywhere, but in many places. Replacing them in key regions, with

varying degrees of fervor, were democratic governments, market economies, and a willingness to participate actively in the world economy.<sup>3</sup>

These three changes helped set the stage for today's globalizing dynamics. By drawing many countries into closer contact with international markets, globalization is putting added pressure on them to modernize their governments, societies, economies, and businesses to compete better. Not all are responding vigorously, but those trying to adapt are experiencing considerable change in their domestic arrangements. The transition is easiest for already modern countries, such as the United States, that possess democratic governments, capitalist economies, free-trade practices, skilled workforces, and information-era businesses capable of producing goods and services that sell profitably in international markets. It is more difficult for countries that are less well endowed with these assets. It is quite hard, sometimes impossible, for the many ill-prepared countries that lack virtually all of these assets. Around the world, as a result, some countries are responding effectively with alacrity, others are struggling, but making progress, and still others are falling behind the power curve, stagnating, or even regressing.

Those involved in efforts to forecast globalization's future impact on domestic affairs should remember that industrialization, modernization, technological growth, and communications have been at work for two centuries. Countries and cultures have responded in different ways (for example, Europe became democratic and capitalist, but until recently Russia remained authoritarian in its politics and economics). The result is a world of great diversity. This deeply entrenched diversity is not going to disappear overnight in response to globalization, which is, after all, only the latest in a long line of trends. Yet globalization is a powerful force. It likely will not propel the world toward a single model of domestic affairs, but because it brings about changes, it will help produce the multiple ways in which the future's diversity is manifested. Democracies likely will respond in one way, authoritarian countries in another way, and traditional countries in yet a third way. When the dust settles, these three types of countries may resemble each other in some features but still be significantly different in others. What unites them is that all will be significantly altered by globalization.

*Equally important is globalization's impact on how modern international relations are being carried out in politics, economics, and security affairs. Here, too, a future of continuity and change seemingly lies in store.* National foreign policies are influenced by geostrategic facts of nature that will not change. U.S. foreign policy, for example, is powerfully shaped by the country's sheer size, its location in the Western hemisphere, and its reliance on the Atlantic and Pacific Oceans for access to foreign markets. Comparably important but different geographical features help determine how Germany and Russia, or China and Japan, interact. The same applies in many other places. These geostrategic factors will remain constant, and all countries will bring their own values, perceptions, and attitudes to policymaking. Even so, globalization will be an influential factor, among many, bringing about important changes in how many countries view their premises and priorities in foreign policy.

The consequence will be a world of continuing great diversity in foreign policies, but, in one way or another, virtually all policies will be affected by globalization in two key ways. First, as outlined earlier, globalization, acting as a relentless but un-

even dynamic, is fostering integration in the sense of bonding separate places and activities together in ways that make them increasingly connected and interactive. The consequence can be enhanced peace, but not necessarily so, for a variety of outcomes are possible, depending upon how these closer interactions play out. In the economic arena, for example, growing trade relations can draw countries closer together in political terms, even leading them to bury their hatchets over old conflicts. Conversely, history shows that economic changes can have the opposite effect, especially when they unfold unevenly. Some countries may take advantage of their growing wealth and power to bully vulnerable neighbors. Countries doing less well in economic markets might employ their military strength to gain resources and wealth through coercion or simply to lash out in frustration against more fortunate nations. In the geopolitical arena, globalization may prove to have similar hydra-headed effects. It may help to lessen some existing rivalries, but leave others untouched, while fanning still others and giving rise to entirely new ones.

The key point is that globalization is creating, for the first time in history, a true “international system”: actors and actions in one place are starting to affect those in other places in important ways. In earlier eras, some regions were bonded internally to create a unified political and economic system: Europe before World War I is an example, one that ended unhappily. Worldwide, the globalization process has been under way since the mid-1800s, when the telegraph and modern naval vessels began drawing widely separated regions closer together. But never has the entire world been bonded together in the close ways emerging today. This trend is likely to intensify in the coming years.

A true system does not exist simply because key actors are located near each other. For a system to exist, these actors must interact like billiard balls—powerfully bouncing off each other as they roll across a pool table. Seen in formal terms, a fully developed system exists when a change in one component part, located somewhere on the system’s outer periphery, causes a significant change in another part positioned on the opposite periphery. Chaos and complexity theorists call this the “butterfly effect” (for example, a political coup in Paraguay can cause policy tremors in Peking).<sup>4</sup> Simply stated, globalization’s process of outward-spreading developments in multiple areas is making the world’s actors more interconnected and interdependent.

As a consequence, separate regions are starting to affect each other more than in the past. The actions of a growing number of countries, not just the big superpowers, are starting to influence the policy calculations of other countries located far away. Also, separate functions and subsystems are now affecting each other more powerfully. Not only is a true “world economy” evolving, but its dynamics also are influencing security affairs in important ways. Conversely, globalizing security dynamics are starting to influence world economic trends in increasingly potent ways. The same is true in other functional areas. For example, global warming, struggles over natural resources, weapons of mass destruction (WMD) proliferation, and international organized crime are separate activities that are starting to influence each other significantly.

A good example of how regions may now influence each other is the recent Asian economic flu. It began in Southeast Asia, but quickly spread like a contagious

disease around the world, damaging economies as far away as Russia and Latin America. Security affairs are still heavily regional and have not yet shown such contagious properties, but signs of growing cross-regional interactions are emerging. One reason is that the United States and other big powers are acting in multiple regions on behalf of global strategies. For example, China's diplomatic intervention in the Kosovo conflict shows how the influence of a powerful country now can be projected far beyond its immediate region. Many analysts believe that if WMD proliferation begins accelerating, it will have contagious properties and will engulf several regions. Even short of this, globalization means that future regional security affairs will not take place in isolation but will be increasingly influenced by the larger international setting.

The growing connection between economics and security affairs is already becoming manifest. For example, North Korea has been selling weapons abroad to earn hard currency, and its flirtation with long-range missiles may be intended to extract economic blackmail from the United States and other countries. Iraq continues menacing Kuwait and Saudi Arabia, not only for political reasons but also to gain control of Gulf oil and its profitable sale. A few years ago, China tried to intimidate Taiwan with missile tests apparently intended to deflate Taiwan's stock market and influence its elections. Elsewhere, key actors with more constructive goals in mind are showing an awareness of the connection between security and economics. In Europe, the Western democracies are trying to bring Eastern European countries into their fold by extending membership to them in both the North Atlantic Treaty Organization (NATO), their premier security body, and the European Union (EU), their premier economic body. Almost everywhere, countries face the task of harmonizing their foreign economic policies with their national security strategies. China and Russia both face this challenge, as do the countries of Europe and Japan. So does the United States.

These trends probably are a forerunner of bigger things to come. In today's world, a full-blown international system does not yet exist; however, because of globalization's tendency to accentuate interconnections, such a system is coming. In tomorrow's world, separate regions and functional subsystems will still exist, but they will no longer operate in a cocoon, driven solely by their internal structures and processes. Instead, they also will be influenced importantly by the larger international system as a whole.

Second, globalization is accelerating the rate at which changes occur on the world stage. Earlier, changes to the world structure tended to move slowly. No more. Owing to the Information Age, the emergence of new technologies, and other globalization dynamics, change is now taking place more rapidly, and its pace likely will continue accelerating in the coming years. Moreover, globalization by no means is the only change under way. In many places, countries are redefining their identities, goals, governments, and societies for reasons that go beyond globalization. As a result, the world is headed toward a future in which developments that once took decades to unfold will take only a few years, or even less. In this setting, swift and surprising reversals of direction will come with growing frequency. A good trend can quickly be replaced by a bad trend, and then reverse itself just as promptly. Something valued by the United States can suddenly disappear and be replaced by some-

thing dreadful, or the reverse. Also important, events will have contagious effects and cascade upon one another, creating rock slides and avalanches for good, or ill, or a combination of both. What exists today may not exist tomorrow—not only at sunset but also at sunrise.

This pace of globalization has major strategic consequences and implications for how the United States sees the world. As globalization gains momentum, it will acquire a growing capacity to alter the fundamentals of the world's structure, and it will do so far more rapidly than anything experienced in the past. This does not mean that globalization will rule the world or make it a homogeneous place. Its limits need to be recognized, for other powerful factors also will be shaping the future. Yet globalization will exert a substantial influence, bringing about changes of its own, some of which will help make the world more heterogeneous, not homogeneous.

*As a result, the United States will need to think in properly responsive strategic terms.* Rather than trying to manage an already existing and enduring world structure, it will need to focus primarily on channeling an ongoing process of change and bonding. It will need to grapple with a future whose destination is not only uncertain but also capable of moving in multiple directions, depending upon how key countries act and events play out. In this key sense, the future will always be “up for grabs,” with the capacity to produce good or ill. The never-ending task will be one of continuously trying to grab the future, to shape it, and, sometimes, to hold on for dear life.

## The Strategic Consequences of Globalization

Amid this setting, the strategic consequences can best be analyzed by first portraying the current international structure and then examining how globalization may alter it in the coming years. Axial principles 3 and 4 perform this task:

Principle 3: Globalization is washing over an international structure that is mostly bimodal, composed of the democratic community and the outlying world.

In its fundamentals, the current international structure is bimodal because it is composed of two parts. This structure is not highly polarized; it is not organized into two competing camps in confrontation with each other. But in their politics and economics, these two parts of the world are about as different as different can be. This is the case not only in their physical characteristics but also in their current peacefulness and capacity for progress.

The bimodal nature of today's international structure can be seen by examining 10 key attributes of peace and progress in the various regions:

1. Democratic governments and rule of law
2. Market economics
3. Stable, modern societies
4. Wealthy economies
5. Constructive involvement in the world economy and the information era
6. Benign foreign policies and stable, nonconflictual security affairs

7. Benign economic policies that help promote political collaboration, not conflict
8. Major participation in multilateral institutions
9. Unthreatening defense policies and military preparedness
10. Support for democratization and community-building

For the most part, the democratic community scores quite high on all of these attributes. This especially is the case in North America, Europe, and democratic Asia. Latin America and some other democratic zones score lower, but this largely owes to their economic and social conditions, not to authoritarian governments or stressful security affairs. By contrast, many regions of the outlying world score low when all 10 attributes are taken into account. To be sure, there are pockets of peace and progress. Overall, however, these regions typically lack democratic governments, and their economic and social conditions are often troubled, their countries do not cooperate heavily in multilateral institutions, and their multipolar security affairs are often conflict-laden. Together, these conditions add up to a setting of potential strategic chaos far different from what prevails across the democratic community.

*The democratic community includes those countries that not only have democratic governments but also participate in democracy's multilateral institutions in politics, economics, and security.* For most of the 20th century, the democracies were besieged by deeply endangering totalitarian threats. Since the end of the Cold War and the Soviet-led bloc a decade ago, this troubled situation has been transformed into something far better. The democracies now find themselves not only free and prosperous but also possessing far greater strategic power, unity, and wider appeal than any rival. Moreover, their numbers have increased greatly, for their ability to combine liberal political values with successful economic performance through capitalist markets has proven attractive worldwide. The democracies, especially those with modern economies and high-technology industries prepared for the Information Age, are the countries best able to adapt successfully to globalization's pressures.<sup>5</sup>

With a recently enlarged membership of about 80 to 100 countries (depending upon how "democracy" and "membership" are defined), this community now includes about one-half of the world's nations, more than 70 percent of its wealth, and nearly one-third of its population (45 percent if India is counted). Its members vary greatly in their size, strength, culture, and unique features. What gives this community homogeneity is its agreement on common values. Inside their borders, its members regard political democracy and free-market economics as ideals, and, in varying degrees, most of them practice these values. Outside their borders, they pursue their legitimate interests, but they respect their neighbors and international law, and most readily participate in international organizations. Few show any sign of lingering ultranationalism or imperialism. This especially is the case among the older, well-established democracies that lead this community, which now are mostly secure from invasion and have the luxury of shaping their foreign policies with community-building, economic gain, and related priorities in mind.

What distinguishes the democratic community is the high degree of peace and tranquility within its boundaries. Its members often squabble over various issues: economic fissures were worrisome a decade ago and may be on the rise again. But on

the whole, this large community contains few sharp interstate frictions and stressful geopolitical maneuvers in strongly polarized ways. Any lingering fear of war among them is fading into history. *Not only are they at peace with each other, but they also tend to cooperate in diplomacy and security even as they compete in the economic marketplace.* Their economic competition, moreover, tends to be mutually profitable. For most, Ricardo's model of comparative advantage is at work, and the rising tide is lifting all boats.<sup>6</sup> Globalization compels them to adjust their economies and sometimes to make painful changes, but provided they remain competitive, their long-range economic prospects are good. As a result, they tend to regard the increasingly integrated world economy as a good thing, and they mostly favor the idea of Western-leaning democracy enlarging further, thereby expanding their already large zone of peace and prosperity.

To be sure, this democratic community is not internally uniform or fully pristine. It has an "inner core" of about 30 powerful members, including the United States, Canada, the European Union, Japan, and a few other Asian democracies. These countries mostly have stable governments, liberal societies, and wealthy economies with an annual per capita gross domestic product (GDP) of \$20,000 to \$30,000, which is well above the worldwide average of only \$7,000 (see table 1).<sup>7</sup> They are also united in collective security and defense alliances that cover most of them and in their foreign policies, they cooperate closely in a variety of bilateral and multilateral forums, such as the G-8 and NATO.

**Table 1. Democratic Community**

	<i>Population (millions)</i>	<i>Total GDP, 2000 (\$ trillions)</i>	<i>GDP per Head, 2000 (\$)</i>
North America	311	9.3	30,000
Europe	480	9.8	20,420
Asian Democracies	217	5.0	23,040
Latin America	492	3.0	6,100
Other	150	0.8	5,300

**Note:** Table 1 excludes India, which is a democracy but is counted in the outlying world because of its independent foreign policy and strategic circumstances.

The community's "outer core" includes about 50 countries in Latin America, plus parts of Asia, Africa, and other regions. These countries qualify as democracies in the sense of having elected governments, but for many, the commitment to liberal values and free-market economies tends to be weaker than in the inner core. The outer core countries are not nearly as wealthy as those of the inner core, nor do they cooperate closely in their diplomacy and security affairs. Lying beyond this outer core are about 35 countries struggling to adopt democracy and market economies, but making uncertain progress, facing tough struggles, and not cooperating in important ways.

Eastern Europe stands out as a region that has done a great deal to enlarge democracy's ranks. Little more than a decade ago, all of its countries had communist governments. Now, nearly all of them are democracies that are adopting market economies and beginning to join NATO and the European Union. Several Asian countries, includ-

ing South Korea and Taiwan, have also recently joined the ranks. Latin America has added even more countries to the total. Over the past two decades, most of its 25 countries have abandoned traditional rule and corporatist economies to adopt democracy and capitalism. Many are now cooperating in various multilateral institutions, such as the North American Free Trade Agreement (NAFTA) and the *Mercado Común del Sur* (MERCOSUR)—the Common Market of the South. Latin America continues to face formidable problems. Most of the region is still poor, and several countries are afflicted with serious social tensions and shaky politics. Drug trafficking and organized crime in Colombia and some other countries add to the region's troubles. Yet Latin America, as well as Eastern Europe and parts of Asia, are steadily making progress and seem pointed toward becoming even fuller members of the democratic community in the coming years. Not coincidentally, many of these countries are benefiting from globalization more than being harmed by it.

Despite its internal diversity and blurred edges, this large democratic community is a readily identifiable strategic cluster on the world scene. In many ways, it is a well-developed "subsystem" in itself, with a widely perceived "sense of the whole" that marks it as distinctly separate from the rest of the world. Simply stated, its members have a great deal in common. They mostly view each other as friends and partners, and they behave accordingly. While this is especially true within the inner core, many countries in the outer core are trying to draw closer to the center, thereby further tightening the community's bonds and sharpening its already well-defined identity.

*Beyond the borders of the democratic community, there lies the second part of the bimodal structure: the "outlying world," which is composed of multiple, diverse regions.* This large cluster also totals about one-half of the world's countries, albeit a few have one foot, or at least a few toes, in the democratic community. It is primarily located in the huge geographical expanse of Eurasia, Asia, the Greater Middle East, and Africa. It is decidedly heterogeneous, not only in its physical structure but also in its values. Indeed, its lack of a common identity makes it highly amorphous and fragmented, lacking any sense of the whole. This outlying cluster contains many of the countries that are most ill-prepared to adapt to globalization, or at least to face the greatest transformations, because they lack the necessary foundations in government, society, and economics.

This strategic cluster includes such major powers as Russia, China, and India; a number of medium-sized, but locally potent, countries; and many small countries. Its members embrace a wide spectrum of political and economic ideologies that find expression in different internal policies. Democracy and market economics are sprouting up in key places, but in large part, this cluster is ruled by authoritarian or traditional regimes, and its national economies are often state-owned or otherwise corporatist. This cluster's societies, moreover, tend to be traditionalist, embracing values and structures not well suited for energetic participation in capitalism and the modern world economy.

The foreign policies of these numerous countries cover a wide spectrum. Perhaps the dominant stance is that most countries pursue their "national interests," defined in state-centric terms, rather than collectivist values or universalist visions. The majority of these countries are responsible in their intentions and peaceful in their conduct.

But not all act this way, and the presence of a few troublemakers can cause significant tensions in regions that lack the capacity for collective action. Even a setting of countries pursuing ostensibly legitimate interests can create difficulty when these interests are not fully compatible. In any event, the plethora of different foreign policy models, carried out by multiple countries of varying size, accounts for the various regions of the outlying world being so heterogeneous in their makeups and so significantly different from each other to boot. Eurasia, the Balkans, the greater Middle East, sub-Saharan Africa, South Asia, and nondemocratic Asia all have unique strategic contours that make them quite different from each other. What unites them is that all lack the democratic community's sense of unity and readily achievable progress in a globalizing world. Indeed, all are struggling to cope with the unique and multifaceted problems facing them.

In these multiple regions, several countries are trying to adopt democracy and market economies and to join the democratic community. Some actively cooperate with the United States and its close allies in security and economic affairs. Others admire or accept the democratic community, but choose to live quietly outside it, pursuing their independent values and interests in nonprovocative ways. Still others are mostly intent on preserving their traditional cultures and politics and thereby are preoccupied with warding off the intrusive effects of the democratic community and of globalization, not actively opposing them on the world stage.

Others, however, have different attitudes. *Russia, China, and India are large powers that can best be portrayed as "strategic challengers."* They bring dissimilar domestic arrangements to the strategic table, but they are similar in the sense of using their size to pursue traditional geostrategic interests in their foreign policies. All three seem eager to participate in the world economy to profit from it, but they are less enthused about accepting the security structure created by the United States and its democratic allies. Instead, they aspire to be influential strategic powers in their own right, at least in their own regions and perhaps beyond. Their strategic stance seems to be one of becoming wealthy on the world economy in order to gain the strength needed to put an imprint on the security structure, in ways that elbow aside the United States and its close allies to advance their interests and conceptions. If these three countries get their way, Russia will play an important role in Eurasia and Europe, China will dominate Asia, and India will hold sway in South Asia. The resulting global security system will differ considerably from that of today, and the world economy may change along with it.

Great powers have the capacity to contemplate such designs. As for lesser powers, some are angry and frustrated with the democratic community and their own lots but do not pursue aggressive foreign policies aimed at altering the status quo. Others, however, are so angry, frustrated, and ambitious that they are aggressively willing to challenge the status quo and to victimize their neighbors while menacing Western interests. The result can be nationalism, as witnessed in Serbia, or classic, raw-boned geopolitical behavior, as seen elsewhere. A few fall into the category of being genuine outlaw states and potential aggressors: North Korea and Iraq are examples. Elsewhere, several countries are troubled or failing in the sense that their governments are losing internal control and their societies are plunging into ethnic clashes, tribalism, and violence. Finally,

a few are becoming a new breed of predator: criminal states that seek economic profit through terrorism, drugs, weapons profiteering, and other contraband.

*Despite the heterogeneity of these diverse regions in the outlying world, core similarities unite many of them.* They are not part of the democratic community, and owing to their preferences or conditions, most are unlikely to join it anytime soon. They are not wealthy: per capita GDPs hover at about \$1,000 to \$5,000 annually (table 2). While their economic fortunes vary, most of them are not prospering in the world economy in ways that point to great wealth in the future. For example, Russia has been victimized by a collapsing economy and a staggering loss of wealth in recent years. Although it has privatized much of its economy, only lately has it started to rebound. China has been strongly on the upswing, and some of its regions are modernizing rapidly; overall, however, it remains a poor country with a per capita GDP of about \$4,000. With only a few exceptions, the countries of the greater Middle East and South Asia are poorer still, and Africa is mostly poverty-stricken. Apart from some pockets of progress, these countries mostly do not have Information Age economies. Many are still positioned in the Industrial Age or, in multiple cases, the Agrarian Age. To compound matters, many are saddled with dysfunctional governments and political systems, growing populations that cannot be housed, teeming masses living in decaying cities, weak medical systems, and poorly educated workforces. Such conditions leave many of these countries struggling to survive, not eagerly awaiting the beneficial effects of a globalizing world.

**Table 2. Outlying World**

	<i>Population (millions)</i>	<i>Total GDP, 2000 (\$ trillions)</i>	<i>GDP per Head, 2000 (\$)</i>
Russia and Eurasia	282	1.5	5,400
China and Asia	1,750	5.0	2,800
South Asia	1,316	1.7	1,300
Greater Middle East	315	1.8	5,700
Sub-Saharan Africa	560	0.6	1,100

This characterization of widespread troubles is not meant to imply that domestic conditions across the entire outlying world are uniformly glum and that future prospects are bleak everywhere. Although traditional or authoritarian regimes hold power in most countries, their behavior varies: some are cruel and exploitative of their societies, but others are more caring and enjoy popular support. Economic conditions also vary in ways resulting in a hierarchy within each region. In Asia, Malaysia's annual per person GDP of \$11,000 is well above Indonesia's \$4,500. In the greater Middle East, Saudi Arabia's per capita GDP of \$10,000 is far higher than Jordan's \$4,700. Even in relatively poor countries, there is often a wealthy upper class. This small elite presides over a large lower class whose income is very low. The missing element is a vibrant middle class. In these countries, the attitude of the lower classes varies: some are deeply frustrated by their poverty, but others seemingly are content because their values are not highly materialist. Thailand's countryside, for example, is poor but tranquil because many Thais are content with their lifestyles. Moreover, a

number of countries are witnessing at least parts of their economies being energized by globalization in ways producing greater wealth, at least for some people. To a degree, truth in this arena is relative: it lies in the eyes of the beholder. Sometimes poor people are happy, as are people who lack liberty. Nonetheless, the basic point remains valid: most countries of the outlying world lack—by a wide margin—the health, wealth, freedoms, and safety enjoyed by the industrial democracies.

Across the outlying world, these struggles in domestic affairs recently have been accompanied by a worrisome surge of chaos, conflict, and violence in interstate affairs: not everywhere, but at sensitive spots in all key regions. In Europe, the Balkans have plunged into ethnic warfare in Bosnia and Kosovo in ways necessitating NATO intervention. In Eurasia, Russia, itself struggling in its politics and economics, has brutally invaded breakaway Chechnya, but with uncertain success. In the Persian Gulf, U.S. airplanes regularly bomb Iraq in enforcing no-fly zones even as Iraq and Iran both pursue WMD systems. In South Asia, India and Pakistan have detonated nuclear weapons and are building missiles even as they continue struggling over Kashmir. In Asia, China is threatening to invade democratic Taiwan if it proclaims independence. North Korea seems equally capable of collapsing of its own weight or of suddenly launching a powerful military attack on South Korea. In Southeast Asia, Indonesia recently experienced an internal upheaval, and the accompanying violence in East Timor was bad enough to necessitate intervention by international peacekeepers. In Africa, so many wars are being waged that the casual observer is hard-pressed to keep track of them. To be sure, these negative trends have been accompanied by positive signs—for example, the Israeli-Arab peace process and Iran's steps toward moderation. But the bottom line is clear. The idea that the outlying world is marked by strategic chaos is not a prediction of the future. Ample chaos, of a violent sort, already exists there. The only issue is whether that chaos will abate or grow as globalization gains steam and other changes take place.

While the future is uncertain, a key strategic reality is that nearly all countries in the outlying world are mostly left on their own in the international arena. Apart from a few alliances and partnerships of convenience, they seldom cooperate with one another, nor do they enjoy the benefits of powerful collective security mechanisms that underscore their safety. In the arena of security and defense affairs, they live in a setting of structural fragmentation and anarchy. They do not have the luxury of focusing their foreign policies on economic gain because they cannot take their physical safety for granted. Some are deeply endangered by their neighbors, and even those living in peace face the possibility that this situation could change overnight. Still others are deeply endangered by the political frictions, ethnic clashes, and tribal impulses that divide their own societies. In varying ways, and to greater or lesser degrees, all of these countries are being buffeted by the adverse chaotic trends that, along with positive trends, are now sweeping over the outlying world.

What are the strategic consequences of this bimodal structure? They are twofold and profound. Life for the democratic community is basically good: very good for the inner core, and reasonably good, or at least hopeful, for the outer core. Most of its members have the luxury of being able to focus on happiness and wealth. Their basic needs are being met. Their governments, economies, and societies are functioning

effectively. With the Cold War gone and their strategic power no longer matched by menacing adversaries, they do not have to worry about their safety and survival being taken away by dangerous power politics outside their borders.

For much of the outlying world, by contrast, life is considerably worse and sometimes, wretched. Many of these countries are not being elevated by their internal health, by the globalizing world economy, or by a surrounding community of cooperating neighbors. In many places, the exact opposite applies, for many countries are struggling internally even as they face serious dangers externally, and globalization is pressuring them to make changes beyond their ken. Whereas the democratic community makes John Locke look like a prophet, the outlying world too often confirms Thomas Hobbes's worst instincts of life being nasty, brutish, and short. This basic difference between the good life for one-half of the world and a troubled life for much of the other half is what gives today's international system its distinctly bimodal structure, in ways that have immense practical consequences for people everywhere.

Principle 4: Future directions point toward further progress for the democratic community and some other places, but chaos and turbulence for key parts of the outlying world.

Where is this bimodal structure headed? How will globalization affect it? Over the long term (50 to 100 years), it is possible, but far from certain, that democracy, markets, and cooperative communities will spread across the entire globe. The coming 5 to 20 years, however, are a different matter. During this shorter time, as matters now stand, these two components seemingly are headed toward different fates. For the democratic community, life in a globalizing world seems destined to become ever better: wealthier, more democratic, more peaceful, and more cooperative. For the outlying world, the future is uneven and not nearly so optimistic. While globalization is part of the solution there, it is only a partial solution of indeterminate power, and, in some respects, it is also part of the problem. For democracies and others situated to benefit from the positive effects while warding off the negative effects, globalization offers major opportunities to make further progress. But for many countries in the outlying world that are less favorably endowed to separate the good from the bad, globalization's hydra-headed effects not only offer opportunities but also spell trouble by adding new problems atop still existing old ones.

*The democratic community is not only headed toward ever-growing prosperity and cooperation but also seems heavily on autopilot in key areas. That is, its progress has become so deeply embedded in underlying dynamics that it is sustainable almost on its own.* True, governments must act to handle fissures and to ensure that temporary roadblocks and potholes on the road to progress are overcome. But they no longer have to labor at creating the road itself, for it has been largely built, and much of it is already paved. A good example is European unity. To be sure, the European Union faces many policy dilemmas and challenges in its efforts to broaden and to deepen. But the underlying impulse to create a unified and peaceful Europe is now so deeply entrenched and widely shared that the EU task is limited to creating an institutional architecture, not forging a basic political consensus on the wisdom of the fundamental enterprise.

The same judgment applies to the idea of sustaining the transatlantic and transpacific communities that bond the United States to its major European and Asian partners. In the coming years, many policy challenges will have to be faced in continuing to nourish and further develop these two communities as Europe unites and Asia's strength grows. But foundations have been laid already in common values, cooperative security, and mutually profitable economics. Provided future challenges are handled wisely, few sensible observers worry any longer that these communities will somehow fracture or drift apart in any fundamental way. The Americans, Europeans, and democratic Asians still quarrel about specifics, but these quarrels arise within a stable family. Barring some colossal strategic infidelity by one or more members, divorce is not in the cards.

Ten years ago, many observers feared for the future of the democratic core. Two concerns motivated them. One concern was that the Cold War's end would remove the need to keep alliances intact, and the alliance members consequently would drift slowly apart in security affairs. The other concern was that in this era of eroding security bonds, their mounting economic competition would drive core countries sharply apart, perhaps to the point of viewing each other as adversaries, not partners.<sup>8</sup> These concerns are still a preoccupation in some quarters. Yet the events of the past decade lead this study to judge that today's reality is more hopeful. Instead of dismantling their alliances, the democratic partners have been preserving and refurbishing them for new missions in a still dangerous world. With the world economy propelling all of them toward greater prosperity, the democratic partners have been using diplomacy to seek common approaches and have been more preoccupied with making their internal economies competitive rather than one-upping each other. None of this necessarily means that cooperation and progress will be the case in the future. Things could still fall apart if the partners do not cooperate adequately on new security missions, or if they allow normal economic competition to become strategic rivalry, or especially if both adverse trends unfold. The key point is that these countries already possess the well-oiled practices and common strategic perspectives not only to prevent disaster but also to build upon their successful legacy.

Within the democratic community, a key issue will be the extent to which the large outer core of about 55 countries will join the inner core of 30 countries. Heavily affected here are Latin America, Europe's peripheral countries, and parts of Asia and Africa. Progress probably will be made in this arena, and some countries that are only partly democratic and capitalist today likely will advance further in their transition. Southeast Asia is a region where economic gains and greater democratization may both occur, provided countries there can restart their sputtering economies. Nonetheless, an emerging reality is that the democratic community seems unlikely to grow in big ways in the coming years. *The rapid enlargement of the democratic community in recent years has been breathtaking, but it now seems to be slowing and approaching its limits.*

Democracy already has been adopted in most places likely to adopt it any time soon. Many parts of the outlying world are proving to be much harder nuts to crack. The core reason is that the conditions for creating democracy and market capitalism are not present in the necessary strength. Countries there typically lack the internal conditions for democracy to take hold: moderate pluralist politics, effective govern-

ments, cohesive societies with a strong middle class, and a hopeful economic future. They also lack the necessary external conditions, for democracy is hard-pressed to take hold when a country is deeply menaced by dangerous neighbors. This sobering reality has immense strategic consequences. *It means that democracy and capitalism cannot be relied upon to continue sweeping over the entire world, expanding on autopilot to bring stability and progress to the huge zones that continue to lack them.* Much of the outlying world will continue to face its current troubles, without democracy and capitalism to cure them.

This chaotic prospect does not necessarily mean that a catastrophe is looming everywhere in the outlying world, but it does mean that steady progress everywhere is not necessarily in the offing either. In important ways, a future of struggle, change, and turbulence apparently lies ahead. *Already today, an intensifying struggle is under way between two competing dynamics: progress leading to peaceful cooperation versus backsliding leading to fragmentation and conflict.* The outcome is uncertain and likely will vary from one region to the next. Depending on the specific place, things could get better, get worse, or at least mutate in ways that leave a welter of different but still imposing problems. The result will not only determine the fate of the outlying world but also will profoundly affect the safety and contentment of the democratic community.

Globalization enters the picture here. As said earlier, it likely will operate in most places as a dynamic that has an important, but not wholly transforming, impact. Its positive features will affect how many countries determine their future internal political and economic institutions. It also will influence how many countries pursue their relations with each other, and often to the good. But its overall impact likely will be moderate because it will be operating in a setting where the terrain often is not fertile to major progress and where other powerful dynamics, some of them not for the good, will also be at work. Globalization itself, moreover, seems likely to have hydra-headed effects, spawning a mixture of good and bad results. This reinforces the conclusion that it should be seen as a variable, not a constant, and that along with other factors, it will help propel the future in uneven ways and in multiple directions.

The good effects of globalization are well known. Globalization likely will combine with other dynamics to produce economic growth across major parts of the outlying world in the coming years. Annual growth rates of 2 to 4 percent will not make countries rich overnight, but will help improve conditions there. Opportunities for economic progress and access to information will help encourage adoption of democratic values. The bad effects are less well known but are real. For example, some countries doubtless will benefit in big ways from participating in the world economy's growing trade and financial patterns. But many others will benefit only modestly, some will remain largely unaffected, and a number seem likely to be damaged—in ways leaving them still poor, frustrated, and angry. What globalization likely will produce is not a homogeneous zone of prospering, happy capitalists, but instead a diverse pattern of winners, losers, and canoe paddlers—that is, countries struggling to stay afloat.<sup>9</sup>

Likewise, modern communications increase public awareness in more ways than one. One effect can be to spread enthusiasm for democracy and other liberal political

values; another effect can be to fan anti-Western backlashes, nationalism, religious extremism, cultural antagonism, ethnicity, terrorism, and crime. Globalization can also erode the sovereignty of governments and weaken their ability to control their societies. To a degree, the recent revolutionary upheavals in East Timor, Chechnya, Africa, and the Balkans may be partly caused by the ability of modern communications to mobilize resentful social groups into action. Typically, nondemocratic governments presiding over societies with deep social cleavages find their stability threatened, not enhanced, by globalization. The collapse of such governments, and even of entire states, can unleash pent-up violence as ethnic groups and tribes are given license to attack each other.

Above all, the limits of globalization should be recognized. Globalization is washing over regions whose politics, economics, and security affairs are influenced by many other factors, some of them immensely powerful and capable of diluting globalization's positive impact. The notion that market economics and the information era will create a common political culture across the outlying world—complete with pro-Western attitudes—seems more facile by the day. The diverse political cultures in the outlying world are far too deeply entrenched for any such wholesale transformation, irrespective of how many multinational businesses, Hollywood movies, and McDonald's hamburger stands appear on the scene. The Russians will remain mostly as they are today and as history has made them: Slavic in their thinking. Likewise, the Chinese, the Asians, the Middle East Muslims, the Indians, the Pakistanis, and the sub-Saharan Africans will continue to see modern life through the lenses of their own experiences and values, and they will behave accordingly.

Amid this diverse cultural and economic setting, traditional geopolitics is not going to give way entirely to a new era of growing multilateral cooperation. Progress in some areas may be gained, but today's tensions probably will continue to exist in many places and even intensify in others. *The key reality is not solely that many countries in the outlying world dislike and distrust the democratic community. The more important reality is that they often dislike and distrust each other, including their immediate neighbors.* As a result, many of today's longstanding hot spots may continue to exist, and others may appear. Notwithstanding globalization, the Balkans, the Caucasus, the Middle East, South Asia, and sub-Saharan Africa are not likely to become zones of peace anytime soon.

Behind the scenes, a new era of geopolitics among the big powers may be emerging, partly spawned by globalization's diverse effects. Of special importance is that Russia is losing power while China is gaining it. Long a respected power, Russia seems likely to continue resenting its loss of status and to be left increasingly desperate to control deteriorating events around its borders and in its immediate Eurasian region. China will be feeling its oats as its power grows, and it increasingly will be prone to assert its strength and interests in Asia and elsewhere. Meanwhile, India, whose own power is growing, seems likely to assert itself in South Asia. All three of these countries will be pursuing traditional state interests, and none seems likely to have the United States in its gun sights. While they probably will not become close partners of the United States, neither will they be implacable enemies. But they may menace other countries around their borders that are closely tied to the United States,

often in deeply binding security treaties. What the United States should fear is not direct rivalry with these big powers, but instead growing trouble in Russia's relations with Germany and the European Union, Russia's relations with China, China's relations with Japan and other Asian countries, and India's relations with China and Pakistan. If not managed carefully, these four key relationships have the potential to deteriorate into major geopolitical rivalries, in ways drawing in the United States because of its own interests and security ties with close friends and allies.

Looking at this complex geostrategic setting and knowing history, some experts forecast trouble ahead. Samuel Huntington foresees a cultural clash pitting the West against the rest of the world. Henry Kissinger and Zbigniew Brzezinski are worried about a world of restored geopolitical tensions. Hans Binnendijk frets about a new bipolar rivalry, pitting the U.S.-led Western alliance system against a new, interest-based bloc that unites Russia, China, and a large cast of regional rogues and troublemakers. While these forecasts are helpful, only time will tell how the outlying world evolves. What can be said is that today, this part of the world is littered with worrisome conditions. The list includes big powers pursuing traditional geopolitical interests, regional outlaws primed to commit aggression if the opportunity arises, and multiple interstate frictions. It also includes frustrated countries not making progress, failing states, criminal states, and transnational threats. Finally, there are a host of other countries that are well-meaning but that live isolated and vulnerable lives in fragmented zones utterly lacking in collective security. Globalization or not, this situation adds up to a future of turbulence and trouble in many places, not tranquility everywhere.<sup>10</sup>

*The globalization trend especially to be feared is WMD proliferation, accompanied by changes in regional conventional military balances brought about by modern weapons and doctrines.* Many regions in the outlying world are already pockmarked by dangerous military imbalances and security vacuums. In several cases, strong potential predators are located next door to weak and vulnerable neighbors whose security is important to the Western community. The oil-rich Persian Gulf is but one example. Especially because WMD proliferation will take place in an already unstable setting, it has the potential to transform, in highly damaging ways, strategic relationships along the entire southern belt stretching from Southeastern Europe, through the Middle East, to South Asia and Asia.

Russia and China already have nuclear weapons and long-range delivery systems. A growing danger is that WMD arsenals might be acquired by such countries as India, Pakistan, Iraq, Iran, and North Korea. An accompanying danger is that other countries might seek WMD systems in reaction. An especially serious danger is that aggressor countries might combine WMD arsenals with improved conventional forces capable of swift offensive strikes against their neighbors. These trends are already emerging and may be robustly on the scene within a decade or less. The exact consequences are hard to foresee, but they could be highly disruptive. Widespread WMD proliferation and other damaging military trends could alter already unstable security relationships in many places, making today's situation considerably worse in multiple regions.

As table 3 shows,<sup>11</sup> nearly 20 million active duty troops remain under arms worldwide—apart from the 1.4 million troops of the United States. What matters

most in the strategic calculus is the unbalanced distribution of forces in key regions that already are unstable for political reasons. In Eurasia, Russia today fields only about 1.2 million troops and has a decaying military. It no longer has the offensive power to menace Europe, but it is far stronger than its immediate neighbors. In Asia, the Korean standoff is constantly tense, but the long-term concern is China's huge military force of nearly 3 million troops. China's military currently lacks the assets to project major power beyond its borders, but over time, modernization could provide this capability in ways that could menace its outnumbered Asian neighbors. In South Asia, India's military is twice the size of Pakistan's. In the Persian Gulf, Iraq and Iran both field forces that are considerably larger than those of Saudi Arabia and other Arab sheikdoms. Elsewhere, the sheer amount of well-armed military forces provides a major capability for violence if they are unleashed. The Balkans is an example.

**Table 3. Military Forces in Key Regions**

	<i>Active Military Personnel (thousands)</i>	<i>Defense Spending (\$ billions)</i>
NATO and Europe	3,400	190
Russia and Eurasia	2,278	78
Greater Middle East	2,768	66
South Asia	2,009	30
Asia	6,815	202
Africa	1,005	25
Latin America	1,325	30
<b>Total</b>	19,600	621

These military imbalances might not be worrisome if they occurred in settings of stable political relations; however, many of them arise in settings that are highly unstable, even volatile. In particular, situations where potential aggressors enjoy a big military advantage over outnumbered victims are an open invitation to war. The lack of collective security mechanisms in most of these regions further exacerbates the problem because aggressors are not deterred from attacking and potential victims are not assured of their security. Often, the result is an atmosphere of chronic anxiety and, occasionally, war—as has occurred in the Persian Gulf and the Balkans in the past decade. As potential aggressors modernize their forces with weapons capable of offensive doctrines, this situation may worsen. WMD proliferation is deeply menacing because it promises to exacerbate these unstable situations further, thereby heightening anxieties and setting the stage for additional conflicts.

The troubled security conditions in key parts of the outlying world contribute importantly to their prospects for progress as globalization occurs. *The key issue is not whether globalization's positive features that are conducive to progress will be helpful in outlying regions, but whether these features alone can be relied upon to break the back of chaos at vital, unstable places where progress is hard to come by. An outcome this optimistic seems improbable.* Globalization alone probably will not stop savage ethnic war in the Balkans, prevent the Persian Gulf from remaining a permanent hot spot, cure Africa's poverty, prevent confrontation in South Asia, make Russia favor-

able to the European Union and NATO, or turn China into an ally of the United States. *Globalization will not solve these security problems, primarily because it operates in the sphere of economics and associated politics, which is outside the domain of security affairs.* If these problems are to be solved, it will be primarily through security politics and policies, not through globalization.

While the future is impossible to predict, hope for quick, sweeping progress in security affairs across nearly all of the outlying world seems misplaced. The idea that economic markets and natural political dynamics will empower such a wholesale transformation almost overnight is comforting. But it seriously underestimates the deeply rooted, intractable, and mounting security troubles facing the outlying world's diverse regions. Progress is not a forlorn aspiration, but a more plausible path is a slower, evolutionary progress, a checkered one that brings greater gains in some regions than in others. Over the long haul, an evolutionary progress that gradually chips away at problems—lessening some while preventing others from exploding—could have a strong cumulative effect. Even this gradual progress will not come, however, if economic markets and natural political forces are left to operate on their own devices. If this progress is to be achieved, it will have to come from the U.S. Government and other countries collaborating together in several key arenas: politics, security, diplomacy, and economics.

*Looking at where the outlying world is headed, a future of major progress everywhere seems unlikely, but a steep descent almost everywhere seems equally improbable.* If a steep descent begins, the Western democracies and other countries doubtless will act to halt it. Equally important, the emerging picture in the outlying world is far from entirely bleak. Although countries there will be pursuing their own interests in a setting of autarchy, most will remain inward-looking and will prefer peace to war. Globalization, moreover, will give many countries incentives to behave responsibly to preserve their access to the world economy and other benefits flowing from cordial relations with the democratic community. Only genuine outlaw states, such as Iraq and North Korea, will be permanent aggressors, but they will be few in number. Other states may be troublemakers from time to time, but mainly in fleeting ways.

*Most likely, tomorrow's outlying world will show progress in some places, coupled with an overall level of shifting tension and danger in other areas that is about the same as, or modestly higher than, that of today.* But this forecast assumes effective Western action. Moreover, tomorrow's dangers likely will be different from today's, and they will fluctuate over time. Some of today's dangers (for example, a new Korean war) may abate, but others may rise to take their place (such as a nuclear war in the Middle East), only to be replaced by others eventually. The United States may find itself temporarily struggling to find common ground with Russia in one period and facing trouble with China in the next. It may have to confront a Balkan aggressor one year and intervene forcefully in a collapsing Middle Eastern or African state the following year. A future of shifting dangers is considerably less menacing than is a worldwide thunderstorm of permanent crises and wars, but it is hardly innocuous. *It will require the United States to show a great deal more flexibility and adaptivity than was needed during the Cold War or even over the last decade.*

This middle-range forecast, however, is not the only plausible outcome. A worse future could transpire if events take a bad course, control of them is lost, and the democratic community does not respond in time. Rampant WMD proliferation is one dynamic that could bring about a steep descent, especially if it unfolds in a setting of stressful regional tensions, growing transnational threats, big power assertiveness, and Western bungling. If a global thunderstorm occurs, it likely will not stem from the appearance of a new superpower or peer competitor to challenge the Western community worldwide. *Instead, it likely will come, at least initially, from the outlying world's sheer fragmentation, multipolarity, chaotic turbulence, multiple dangerous trends, and interactive dynamics.* If so, this outcome will be of small comfort to the democratic community, for a chaotically dangerous world could prove to be quite hard to handle for reasons of its own. After all, the prospect of having to put out multiple forest fires, caused by lightning strikes in many separate places, is hardly a prescription for a tranquil existence.

## Implications for U.S. Policy and Strategy

Globalization thus is combining with other dynamics to make the democratic community increasingly peaceful and prosperous, but the outlying world is still chaotically turbulent, perhaps more so in some places. This strategic trend has important policy and strategy implications in two key areas, both of which will impose significant demands on American resourcefulness and superpower leadership: mobilizing the democratic community to act in the outlying world and setting strategic goals there.

For the United States, the need to craft a strategic policy for the outlying world is not a prescription for being heavily involved everywhere. Because U.S. resources are limited, a clear sense of interests will be needed in determining where to become involved and where to stand back. Recent trends suggest that U.S. interests are enlarging outward into new regions. But not all interests are the same in weight. In theory, U.S. interests are vital, important, or peripheral. Vital interests are so critical that they always mandate large efforts, sacrifices, and risks to protect them. Important interests can be critical, too, but they fall into a lower category and therefore mandate a keen sense of feasibility and cost-effectiveness in deciding whether and how to protect them. Peripheral interests have intrinsic value but normally do not justify expenditure of major resources. This threefold distinction can be hard to apply, especially when gray area important interests are at stake. For example, some important interests can be derivative of vital interests: strongly defending them may be necessary to prevent major threats to vital interests from arising later. Yet the costs and risks of protecting important interests sometimes can prove to be higher than originally thought—sometimes too high. Each situation must be judged on its own merits; in general, U.S. involvement should be selective, focused on matters of truly strategic importance in which the consequences of acting, or not acting, are widespread, not purely local.<sup>12</sup>

The same judgment applies to the role of values in U.S. foreign policy. Especially because the United States is a global power with a major leadership role, the days are long gone when it could anchor its foreign policy in a Palmerstonian concept of pragmatic interests defined in narrow geostrategic terms. U.S. foreign policy nec-

essarily must favor and promote the spread of democracy, humanitarianism, peaceful conduct, respect for law and rules, and international cooperation in zones beyond its old Cold War perimeters. Indeed, the widespread adoption of these values is a powerful way, over the long haul, to promote American and common interests. But recognizing the important role of values does not translate into the conclusion that overly weighty burdens, unnecessary risks, and impossible dreams should drive U.S. policy. Here, too, a prudent sense of selectivity and restraint is needed.

The bottom line is that U.S. interests and values are a powerful prescription for a foreign policy of activism, not passivity, toward both the democratic community and the outlying world. An activist policy must be well construed and guided by a clear sense of strategy; it must embody a coherent relationship between ends and means and apply its scarce resources wisely, through sound plans and programs. In particular, it must be as effective as possible. In the coming years, the hallmark of a sound U.S. foreign policy will be its ability actually to achieve its goals rather than to watch in confusion or frustrated angst as the future unfolds.

Owing to globalization and other dynamics, U.S. foreign policy will need to think globally; it will need to see the world as a whole because it is becoming a single place of tightening geography and shortening time. U.S. policy also will need to focus intently on the future. Nobody can pretend to know what today's changes will produce tomorrow. To a degree, the early 21st century reflects what Charles Dickens said about Europe in the late 19th century: that because it was the "best of times and the worst of times," the world seemed headed both toward heaven and in the opposite direction. If this is the case today, it says something profound about the coming agenda. The United States should not view the future as predestined to unfold along a single, linear path. Instead, it should view the future as a variable, as capable of producing a wide variety of outcomes, ranging from good to ill, depending upon how events play out and key countries act. Above all, the United States should not adopt a passive stance by assuming that great progress is ensured by the natural forces of economics, politics, and human evolution. Some observers have said that the current era resurrects the Enlightenment's long-buried faith in progress. Perhaps so, but if progress is to come, it will have to be created out of a setting that is equally capable of producing the opposite.

The idea that governments can play a positive role in helping shape the strategic future has gone out of fashion in recent years. Whether this is true in economics can be debated, but it is decidedly untrue in security affairs. There, wise government action will be the key to determining whether the future produces progress or descent. An activist U.S. foreign policy seems best advised to focus on three strategic imperatives. First, U.S. policy should endeavor to handle wisely today's opportunities and challenges while adjusting its actions as the strategic situation unfolds. Second, it should try to encourage further progress at places where this is possible. Third, it should work with other countries to set up strong roadblocks against any major descent in global security affairs. If U.S. policy can accomplish these three key strategic tasks, it will enhance its chances to produce a safe and healthy future in which progress is possible because potentially crippling dangers have been surmounted.

Principle 5: U.S. policy toward the democratic community will need to focus on getting it to project organized engagement and power into the outlying world.

During the Cold War, U.S. policy was compelled to focus intently on the challenge of keeping the besieged Western world united and protected, while staying prepared for a global war. That challenge has been replaced by the vastly improved situation of today. The danger of global war is gone, as is rivalry with a determined, powerful opponent. By a wide margin, the democratic community is now the strongest and most unified actor on the world scene, possessing both immense strategic assets and appealing values. In contrast to the course that it took throughout most of the 20th century, Europe is now headed toward unifying peace under democracy, and large parts of Asia and Latin America are pointed there as well. *This development makes the strategic task facing the United States far easier, for it no longer has to worry about the entire world going up in flames.*

Clearly, U.S. policy should continue carefully nurturing the democratic community's health and progress, which cannot be taken for granted. Keeping the United States closely bonded to unifying Europe and key Asia allies will be critical to preserving a stable world as well as to promoting progress. Nonetheless, this central strategic task is far easier than in the past, for the democratic community's further internal development is now heavily on autopilot. Many challenges lie ahead in ensuring that democracy takes hold in new converts and in promoting fair economic competition and burden-sharing, but these are policy particulars. *The unifying strategic essence and upward direction of the democratic community is already established as a core foundation of modern life in a globalizing world.* Barring something truly disruptive, this community will continue becoming more democratic, unifying internally and prospering almost on its own.

*Yet this community faces a demanding strategic challenge. It cannot expect to remain secure and prosperous if it walls itself off from the outlying world.* If this still-troubled portion of the world goes up in flames, the democratic community eventually will be consumed as well. Strategic isolationism is impossible precisely because globalization is making the world ever more connected and interdependent. The need for a selective interpretation of involvements does not alter the fact that for good reasons, U.S. and Western interests and values are marching outward into previously peripheral areas—as was evidenced by NATO intervention in Kosovo and the Balkans. In the coming years, some interests will be truly vital—for example, retaining access to Persian Gulf oil. Other interests will be powerfully derivative—not vital in themselves, but closely tied to vital interests. An example is halting WMD proliferation in South Asia so that it does not spread to the Middle East. Still other interests will be less critical, but often important enough to merit protection and advancement. On occasion, purely humanitarian interests and values will justify intervention, as will the need to enforce international codes of conduct. The presence of serious dangers to such compelling interests and values outside the democratic community's borders is what makes strategic isolationism implausible.

*As a consequence, the democratic community needs a proactive policy of engagement, strategic shaping, and responding to dangerous events in the outlying*

*world.* Indeed, the United States and its democratic partners need to define their interests carefully and act selectively; a new global crusade would be unnecessary and unwise. The larger strategic reality is that the democratic community will need not only to act effectively in the outlying world but also to act together as a whole insofar as possible. Combined action is needed because even though the United States is a superpower, its assets are spread thin by its global involvements, and it cannot be present everywhere at once. It needs help from allies and partners. When the democratic powers act separately, their effectiveness is diluted. But when they join together, their effectiveness is greatly magnified.

*Unfortunately, the democratic community does not have a unified policy and strategy in this arena.* It is good at defending its own borders, nourishing its internal values, and promoting its own prosperity. When it comes to working together to project its interests, values, and power outward, however, it is disunited, weak, and ineffective because it has no combined strategy and comprehensive program. As a consequence, the United States is left carrying too many burdens in the security and defense arena. It singly plays the role of projecting major military power in peace, crisis, and war because its European and Asian allies remain largely focused on defending old Cold War borders against fading threats. Even in the few arenas of security and economics where the allies are active, they heavily pursue incompatible goals and uncoordinated policies—not only in relation to U.S. policies but also in relation to each other.

*Absent is the sense of democratic commitment and strength that won the Cold War.* What exists instead is a potpourri of disconnected policies, many of them lacking adequate resources and combined strategy. *The specifics of these policies can be debated endlessly, but the bottom line is clear: today's worrisome situation is a recipe for strategic drift and maybe failure.* Something better is needed by the inner core and, to the extent possible, by the entire democratic community. Fortunately, there are signs of progress—witness NATO's new Defense Capabilities Initiative in Europe and Japan's willingness to accept some new military missions in Asia. But much more needs to be done. The United States will need to continue encouraging its allies to respond strongly and to work closely with them in creating combined approaches in economics and security. The allies will need to rise to the occasion with greater willpower and resource commitments. Precisely how this change is to be brought about and how subsequent activities are to take shape are complex issues requiring considerable analysis and political dialogue. But as these problems are addressed, it is critical not to lose sight of the strategic basics. *Mobilizing the power and purpose of the democratic community to act effectively in the outlying world is a main challenge in a globalizing era.*

Action by the democratic community is needed because any attempt by the United States to act unilaterally would both overstretch its resources and brand it as an unwelcome hegemonic superpower. In addition, nearly all of today's existing multilateral institutions—from NATO to the Asia-Pacific Economic Cooperation (APEC) forum and the International Monetary Fund—seem overloaded and hard-pressed both to reform themselves and to cope with the complex challenges of a globalizing world. They can be brought to greater life and refocused only if their key

members join together on behalf of common enterprises. While a global strategic response is needed, multilateral efforts at specific places clearly cannot be mounted by the democratic community as a whole. What will be needed are several smaller coalitions of the committed and able, composed of countries with bedrock interests at stake in key regions and possessing the assets and inclinations to work together. Thus, different coalitions will be needed to carry out strategic activities in Europe and its environs, Eurasia, the Greater Middle East and Persian Gulf, Africa, South Asia, and Asia.

Building such coalitions has already begun in Europe, but the effort is only beginning to make headway elsewhere. The core issue is not the worthiness of the enterprise, but instead its feasibility in the face of today's powerful political constraints. Strong leadership by the United States in all key regions can provide considerable energy and thereby elevate the chances for success. Potential allies and partners will have strong motives to act because their own interests increasingly are at stake, and cooperation with the United States and other countries can greatly magnify their ability to protect these interests. The strategic advantage of multilateralism is that it can allow many countries to commit only modest resources and still aim for ambitious goals. It thus may have more appeal than often is realized, provided countries awaken to the challenges facing them.

Prospects are best in Europe, where the commitment to multilateralism and positive experience with it are strongest, owing to NATO and the European Union. Europeans are accustomed to focusing their security policies on their own region, but their global economic interests and involvements are giving them a growing incentive to think more broadly, if not globally, about security. Experience at multilateralism is less deeply planted in the greater Middle East, but the Persian Gulf War shows that strong coalitions can be assembled during times of great danger. The looming challenge is one of applying this lesson to build greater peacetime cooperation. Progress may be stimulated if the Israeli-Arab peace process gains momentum and WMD proliferation creates growing incentives for countries to bond together in security affairs to protect themselves.

Asia is a region where multilateralism has little anchoring in history and where countries are separated not only by their wary attitudes toward each other but also by their sheer distances from one another. Yet globalization is drawing Asia together in economics and security affairs, impelling greater security cooperation if steady economic progress is to be made by the key countries. Asia already has nascent multilateral institutions: APEC and the Association of Southeast Asian Nations are examples. The issue is whether they will take hold and grow in ways that affect not only politics and economics but also security affairs. Much will depend upon whether U.S. leadership can convince such key countries as Japan, South Korea, Australia, the Philippines, Indonesia, Singapore, and others to begin blending their security policies and defense planning. Prospects seem best in the arenas of peacekeeping, humanitarian aid, and maritime operations, where collaborative efforts can be aimed at protecting key sea-lanes while not signaling hostile intent to the sovereignty and security of any Asian country. Progress at first may be slow, but in the long run, perhaps momentum can be built.

For the United States, the attractions of success make the effort worthwhile. Cooperating with allies and partners is never easy, but history shows that when a coalition acts, it does so with great power in politics, security, and economics. Simply stated, coalitions can accomplish a great deal in enduring ways—far more than can be achieved by countries acting separately. This is the case because coalitions often are synergetic instruments: their whole is greater than the sum of their parts. Clearly, the United States cannot hope to replicate the NATO experience in regions where such intense multilateral cooperation lies decades away. However, efforts to create less formal coalitions in security affairs and economics may offer viable prospects in the sense of being both potentially successful and effective enough to get the strategic job done.

If this agenda of multilateral coalition-building is pursued more intently than now, it doubtless will be complex, demanding, and often frustrating: progress will be measured in small degrees and experienced over a period of years and decades, not months.

If the United States does not achieve progress in this arena, it will increasingly find itself carrying overloading strategic burdens around the world almost alone. If the democratic countries and other friendly powers of key regions do not cooperate and work with the United States, their own regions could go up in smoke, and their interests and safety along with it. To an important degree, globalization leaves all participants no other alternative but to act together: not to achieve strategic miracles, but to strengthen their capacity to handle the challenges ahead.

Principle 6: In dealing with the outlying world, promoting strategic stability is rapidly becoming not only a key goal in itself but also a precondition for attaining progress.

Several years ago, a prevailing hope was that the outlying world would benefit powerfully from the positive trends now sweeping over the democratic community. A common expectation was that owing to irresistible forces of democracy, free markets, and multilateral cooperation, the outlying world would itself go on autopilot, destined for a future of steady integrating progress. Whether because of globalization or in spite of it, this comforting vision recently has been going up in smoke. From Russia to the Middle East and Asia, recent downward trends show clearly that the countervailing dynamics of chaotic fragmentation and deterioration are too powerful for the autopilot mechanism to work on its own. In today's outlying world, there is too much growing political conflict, economic strife, social dislocation, geopolitical maneuvering, military competition, and WMD proliferation to suggest otherwise.

The key policy questions facing the democratic community are: Exactly what is to be done? How should an effective common policy and strategy take shape? *The growing turbulence in the outlying world is ample reason for a basic judgment: before steady progress can be made there, strategic stability must be achieved.* The term *strategic stability* does not mean stasis or a great slowdown in change; in today's world, neither is possible, and in many places, they are not desirable. What strategic stability means is a marked lessening of the damaging conditions and dynamics that create great friction in interstate relations and domestic affairs and that

thereby set the stage for widespread deterioration, conflict, and war. An unstable situation is prone to a big explosion any time a match is lighted. By contrast, a truly stable situation is characterized by strategic affairs that are healthy, enduring, and peace-pursuing.

*If U.S. strategy is to be anchored in sensible goals, it should first be a strategy of stability, and only then a strategy of progress.* The reasons are apparent. Chaos at key places in the outlying world not only endangers U.S. and allied interests but also poses a menace to peace worldwide. If allowed to fester and grow, it could propel major parts of the world, including the big powers, back toward the kind of geopolitical maneuvers and endemic conflicts that set the stage for the 20th century's long-lasting troubles. Because the democratic community's common resources are finite, it must set priorities. Indeed, the democratic community will not be able to aim for strategic stability everywhere; instead, it must focus on the conditions and dynamics that matter most—those that affect not only local places but also multiple regions.

Equally important, a foundation of strategic stability is a precondition for enduring progress. Globalization's good features and other positive trends cannot take hold if they are planted in quicksand. The same holds true for the inspiring values of democracy and free markets, which will not take hold if the preconditions for their success are lacking. The paramount need to foster strategic stability is not a recipe for diluted values and lowered horizons; it merely means that the horse must come before the cart if the cargo is to arrive at its destination. Strategic stability in the outlying world will be difficult to achieve. If stability is attained, however, it will help accelerate the rate at which progress unfolds.

A proactive strategy of promoting stability must be anchored in a clear sense of how the three goals of seeking economic prosperity, healthy security affairs, and democracy-building are to work together. Clearly, all three goals are interactive: success at one helps achieve the other two. Equally clear, U.S. policy in endangered zones cannot aim for economic growth and democratization in the misplaced confidence that peaceful security relationships will flow in the aftermath. To an important degree, the need to create stable security affairs should be seen as a precondition for economic gains and democracy to take hold. This is how the democratic community was built during the Cold War. The same formula of cause and effect likely will apply to taming key parts of the outlying world in the coming era.

In promoting strategic stability as a foundation for progress, should the United States and its democratic partners pursue a truly global strategy or separate regional strategies? The answer seemingly is a sensible combination of both approaches, carried out in ways that harmonize economic and security policies. In the economic arena, as Robert Gilpin has said, global strategies are needed to promote common rules, policies, expectations, and coordinated actions. Regional economic strategies can contribute, but only if they serve as stepping stones, not stumbling blocks, to handling truly global issues.<sup>13</sup> The same applies in security affairs. Global strategies are needed in such critical areas as arms control, diplomacy, and international law. Regional strategies are needed to mobilize the common military and security assets that will be available for use in dealing with regional problems. Whereas global strategies can lack the focused power to handle regional affairs on a case-by-case

basis, regional strategies can lead to fragmentation and localism. Separately, neither approach offers a solution. But together, they can work effectively if they are properly blended in ways that make them mutually supportive.

Globalization's unifying effects create compelling reasons for the democratic community to see the world as a whole, rather than as disconnected regions. A sense of the whole will assist the critical tasks of setting priorities among regions and of coordinating efforts to handle each of them on behalf of a common strategic enterprise. Once this task is performed, policies can then be forged that respond to the unique features of individual regions. Most likely, U.S. strategy will seek to consolidate Europe's unification, preserve stable relations with Russia and China, defuse poisonous nationalism and ethnic hatreds in the Balkans and Caucasus, keep the lid on the explosive Middle East and Persian Gulf while dampening the effects of WMD proliferation, prevent South Asia's troubles from infecting other regions, and prevent Asia from sliding into geopolitical competition as China's power grows.

In each region, U.S.-allied strategy will need to be anchored in the proper combination of goals aimed at shaping the strategic terrain, including reforming alliances, promoting broader multilateral combination, reaching out to new partners, reassuring vulnerable countries, stabilizing competitive dynamics, and deterring improper conduct. As success is achieved in preventing negative trends, emphasis can shift toward pursuing positive developments. In this way, the troubled security affairs of dangerously chaotic regions perhaps can gradually give way to an atmosphere of growing tranquility and cooperation. This improving strategic stability can help set the stage for further progress in building democracy, market economies, greater wealth, and political communities. Progress in these areas, in turn, can help reinforce the trend toward strategic stability in security affairs.

The vision of strategic stability and progress put forth here does not imply that concepts of security order crafted by the United States and its close allies should be, or can be, artificially imposed on key regions. Nor does it mean that the political and economic values of countries in these regions necessarily must mimic those of the democratic community. If stability and progress are to be achieved, they will need to be attained in organic ways that reflect the history, values, and evolving practices of the regions themselves. Ultimately, they will need to be achieved by the countries of each region, not sustained by outsiders in ways not welcomed by insiders. The proper process for defining how the future should be built is multilateral consensus-building among insiders and outsiders. All participants must be guided by legitimate interests and responsible conduct. This is the case for outsiders, but it also is the case for insiders, including those possessing the physical strength and willpower to impose their own unhealthy conceptions on their neighbors. In the final analysis, the world will and should remain a diverse place; however, if stability and progress are to be achieved, some common themes will apply to all regions. The legal rights and legitimate interests of all countries will need to be respected, human rights will need to be honored, and security and economics will need to work together.

Although policies will vary among these regions, similar guidelines will apply. The United States and its partners will need to forge their multiple policy instruments together. Their diplomacy, political activities, economic policies, security efforts, and

defense plans will need to work on behalf of a coherent strategy, rather than operate in separate domains or even at cross-purposes. These policy efforts must be backed by adequate resources and be carried out by economizing plans and programs that gain the maximum mileage from the resources expended. By acting wisely in these ways, the democratic community will enhance its prospects for success in dealing with a turbulent setting where success will not come easy.

One of the biggest challenges faced by U.S. strategy will be that of crafting coordinated, complementary economic policies and security policies. If these two policy components can be forged together on behalf of common purposes, they will greatly magnify the effectiveness of U.S. strategy. If they do not work together, or even compete with each other, their impact will be greatly diminished. The specific challenges to be faced will vary from region to region. In the transatlantic relationship, collective defense already exists, but building a more harmonious economic relationship as the European Union enlarges and deepens promises to be both important and difficult. In Asia, the opposite situation prevails. Prospects for cooperative economics appear good, but the region lacks collective security: its architecture is held together by bilateral ties between the United States and multiple allies. Building upon these bilateral ties to create a greater sense of multilateral cooperation likely will be a key endeavor, for its success not only will affect Asia's stability but also will have an important impact on economic progress. The same judgment applies to the Middle East and the Persian Gulf, where economic progress and democracy-building are badly needed but will remain problematic unless today's crippling security problems can be lessened.

Likewise, coordinated policies will be needed in dealing with key strategic challengers: Russia, China, and India. Ushering these three big powers into the world economy makes sense as part of a strategy for market-building and global economic growth, but this step will be advisable only if there are credible assurances that these countries will use their economic opportunities to play constructive, not destructive, roles in security affairs. An even sterner judgment applies to outlaws and potential aggressors. Until they alter their demeanor, they will continue to need deterrence through political-military pressure and economic sanctions. Offering them economic inducements can be a viable way to influence their behavior only if it ensures that they will act responsibly. Owing to different but equally thorny dynamics, dealing with troubled and failing states in Africa and elsewhere will also require coordinated economic and security policies. For most of these poverty-stricken countries, economic progress is vital, but it will not come easily, and it cannot take hold unless effective governments and security conditions are first created. The United States will not be able to help all of them, but it will be compelled to help some of them. To do so, it will need to blend its economic and security efforts wisely.

*Doubtless, debates will continue raging about how to coordinate economic and security policies in specific cases. But participants in them should be able to agree on one core judgment: these two key policy instruments must be blended to support a common strategy.* The same applies to using other instruments of national power. If this coordination can be achieved, a comprehensive, well-conceived strategy, led by the United States and backed by key allies, will stand a good chance to succeed—perhaps

not everywhere, but at enough places to make a big difference. In this event, dealing with the outlying world's chaos will prove to be less difficult and dangerous than otherwise could be the case. If islands of strategic stability can be built there and gradually expanded outward, the chances for economic progress and democracy-building will increase commensurately. To the extent this effort succeeds, the democratic community will find itself looking outward and seeing opportunities, not dangers.

Diplomacy, politics, economic activities, security efforts, and arms control can make a major contribution to this strategy, but in the final analysis, sensible Western military commitments and actions will be critical. The reason is that in the turbulent outlying world, security and defense conditions will have an important bearing on whether the future produces growing stability or mounting chaos. For the United States and its allies, this reality means that they will need to remain skillful at using military power—not only during crises and wars but also in peacetime.

American military forces will need to remain well armed, capable of winning wars and able to handle the crisis interventions and other operations ahead, including peacekeeping. This will remain a top priority, regardless of how the future unfolds. At the same time, these forces seem destined to play an enduringly important role in U.S. efforts to shape the strategic environment in peacetime, especially in turbulent geographical zones where critical interests and security goals are at stake. Shaping the environment will take many forms, ranging from building coalitions to reassuring vulnerable countries to warning potential aggressors. These disparate activities likely will be guided by a common strategic mission: laying a foundation of stability not only to safeguard U.S. and allied interests but also to help encourage the progress coming from globalization's positive features.

The idea of using U.S. military power to help shape the strategic environment is nothing new, for it was done continuously throughout the Cold War. Back then, however, the task was different: it was to uphold the bipolar order by defending key alliances through such precepts as containment, deterrence, forward defense, and flexible response. Now, the task of creating strategic stability is different because the world is no longer bipolar, but is considerably more complex. Today's world is vulnerable to being torn apart not by the actions of a single large enemy, but by many dynamics capable of conspiring together to create a bubbling stew of interacting troubles. Helping calm these diverse troubles before they reach the boiling point likely will be a core strategic purpose of U.S. military power.

The manner in which U.S. military forces are used also seems destined to be different from that of the Cold War. Then, U.S. ground and air forces, carrying out continental strategies, were the main instruments of peacetime strategic shaping: naval forces normally played important but supplementary roles. In the coming era, the new geostrategic setting of the outlying world is elevating the role played by naval forces and operations in U.S. strategy for peacetime shaping. Clearly naval forces will remain embedded in joint operations: experience shows that "jointness" is the best approach to using U.S. military power effectively. All the same, U.S. strategy faces a new intellectual challenge. It is one of figuring out how to use naval power and joint maritime operations for peacetime political impact in a highly complex, fluid setting where the relationship between cause and effect is anything but clear.

Mastering this challenge does not promise to be easy, but in this era of globalization, few things are easy.

## Conclusion

Globalization is washing over the entire world, increasingly bonding its separate parts together and intensifying the pace of change. The strategic consequence is not preordained. It can be progress, descent, or a mixture of both. Much depends upon how countries everywhere act, for in the final analysis, globalization will become what they decide to make of it. How the future will unfold is impossible to know. What can be said is that there is a major difference between the democratic community and the diverse regions of the outlying world. Whereas the democratic community seems headed toward growing progress, the direction of the outlying world is less clear. It has the potential for progress, but major parts of it also have the potential to slide into chaos in ways that might not only consume them but also damage the democratic community. Controlling this potential chaos is a main strategic challenge: not only to protect the interests and values of the democratic community but also to give the outlying regions a better chance to take part in the undeniably positive benefits of globalization. The future hangs in the balance—for people everywhere. 🌐

## Notes

<sup>1</sup> For an overview of current global security affairs, see the Institute for National Strategic Studies, *Strategic Assessment 1999: Priorities for a Turbulent World* (Washington, DC: National Defense University, 1999). For a journalistic account of globalization, see Thomas L. Friedman, *The Lexus and the Olive Tree: Understanding Globalization* (New York: Farrar, Straus and Giroux, 1999). See also John Micklethwait and Adrian Wooldridge, *A Future Perfect: The Challenge and Hidden Promise of Globalization* (New York: Crown Business, 2000). A scholarly appraisal is presented in Robert Gilpin, *The Challenge of Global Capitalism: The World Economy in the 21st Century* (Princeton, NJ: Princeton University Press, 2000).

<sup>2</sup> For an appraisal of trends in recent decades, see Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman and London: University of Oklahoma Press, 1991). For a more recent overview, see “The Democratic Core: How Large, How Effective?” in *Strategic Assessment 1999: Priorities for a Turbulent World* (Washington, DC: National Defense University, 1999), 189–204.

<sup>3</sup> For more analysis, see Daniel Yergin and Joseph Stanislaw, *The Commanding Heights: The Battle between Government and the Marketplace That Is Remaking the Modern World* (New York: Touchstone, 1998).

<sup>4</sup> Mitchell M. Waldrop, *Complexity: The Emerging Science at the Edge of Order and Chaos* (New York: Simon and Schuster, 1992).

<sup>5</sup> For analysis, see David C. Gompert, *Right Makes Might*, McNair Paper 59 (Washington, DC: National Defense University Press, 1997).

<sup>6</sup> For a technical description of the Ricardo model and other models, see Paul R. Krugman and Maurice Obstfeld, *International Economics: Theory and Policy* (New York: Addison-Wesley, 1997).

<sup>7</sup> For more economic data, see David Held, Anthony McGrew, David Goldblatt, and Jonathan Perrotin, *Global Transformations: Politics, Economics, and Culture* (Stanford, CA: Stanford University Press, 1999).

<sup>8</sup> Lester Thurow, *Head to Head: The Coming Economic Battle among Japan, Europe, and America* (New York: William Morrow and Company, 1992).

<sup>9</sup> For additional analysis, see Robert Gilpin, *The Challenge of Global Capitalism*; for a pessimistic portrayal of where future global economic trends could head, see Paul R. Krugman, "The Return of Depression Economics," *Foreign Affairs* (January/February 1999).

<sup>10</sup> See Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order* (New York: Simon and Schuster, 1996); Henry A. Kissinger, *Diplomacy* (New York: Simon and Schuster, 1994); Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and Its Geostrategic Imperatives* (New York: Basic Books, 1997); Hans Binnendijk, "Back to Bipolarity," *Washington Quarterly* 22 (1999), 4.

<sup>11</sup> For more detail, see "Global Military Balance: Stable or Unstable?" in *Strategic Assessment 1999: Priorities for a Turbulent World* (Washington, DC: National Defense University, 1999), 55–68.

<sup>12</sup> For more analysis of U.S. interests, see Joseph S. Nye, Jr., "Redefining the National Interest," *Foreign Affairs* (July/August 1999).

<sup>13</sup> Gilpin, *The Challenge of Global Capitalism*, 329–357.