

America's Role in the World
Scope Paper #3
Capacity to Conduct Foreign Policy
Domestic Constraints
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Introduction / Why Capacity Matters

- American power and global influence depend on foreign policy choices our leaders make but also on other factors as well:
 - American “standing” abroad to include our standing in polls but also both popular and elite judgments on the wisdom and legitimacy of our foreign policy decisions.
(Others make judgments – fairly or unfairly – as to whether the U.S. is only acting in its narrow interests or is incorporating the interests of other countries into its policies.)
 - The credibility of our military instrument both as a deterrent to attacks on our friends and as a potential instrument for use against our enemies.
 - The openness of our markets and borders to foreign investments and foreign visitors and the availability of our investment capital and technology to assist the economic growth of other nations, and, by extension, the health of our economy to include, the judgment by international investors about the attractiveness of holding dollar assets.
 - Our tangible commitment to participating in and sustaining institutional and bilateral responses to global problems from the environment, to combating AIDS, to responding to world hunger.
 - The effectiveness of our diplomatic representation abroad to include the quality and credibility of our public diplomacy efforts.
 - The functioning of our governmental decision processes.
 - The visible commitment of the American people to a continuing, significant U.S. international role.
- This is not an exhaustive list but, it captures the range of factors that help determine America's standing in the world and our ability to transform power into influence. All of these indicators relate directly to government actions but, of course, there is the private face of America in the world which also influences our international standing – our music, films, our citizens traveling abroad and intangibles relating to foreign perceptions of American arrogance, tolerance, and generosity.
- As the paper is written, (April 2007), the following broad – if debatable – observations can be made about how we stand on this check list:

- (1) America's standing abroad has rarely been lower since the onset of international polling. In some key allies of the United States (Spain, Turkey, Korea), popular approval of American policies is barely in the double digits. In the Middle East / South Asia – a region critical to our interests – disapproval of President Bush, U.S. policies and America are at historic highs. (It has been said that the Clinton Administration raised international doubts about America's capacity for global leadership and the Bush Administration confirmed them.)
- (2) The U.S. does not face a credible, peer, military competitor, though a trend toward anti-U.S. balancing is clearly visible. The credibility of American military power is eroding as we bog down further in Iraq. Extending tours of American ground units and calling up for a second time National Guard and Reserve units is bringing into question America's capacity to respond militarily to other contingencies should they arise.
- (3) The U.S. market remains the most open in the world but the beginning of a protectionist backlash in America is evident. Resistance to President Bush's generally free trade policies has risen with Democratic control of the Congress. The President has lost his fast track negotiating authority and is unlikely to regain it during his presidency.
- (4) American foreign assistance levels are at historic highs but our leadership in and commitment to the International Financial Institution (IFIs) and other multilateral organizations is broadly questioned.
- (5) Our embassies abroad have turned into fortresses – inhospitable to those seeking entry, confining to those American diplomats trying to venture out to practice their profession. Our public diplomacy is largely failing in the face of publics abroad who are not persuaded that a good story trumps bad (in their judgment) policies.
- (6) The staggering ineptness of America's handling of Iraq after April 2003 has become a symbol for many of an American government that cannot decide and implement policies effectively. Foreign observers see a failure of the United States to act wisely whether with complete Republican control of the legislative and executive branches of government or in the early days of divided government after the 2006 election. Foreigners (and many Americans for that matter) have been struck by how ideology and loyalty to the president trump competence and smart decision making. They fear that America has become an ideological nation bent on imposing its values on others and applying litmus tests to friends and foes.
- (7) Many foreigners worry about (though some hope for) a return of American isolationism. Polling data indicates that the driving foreign policy issues in the U.S. is Iraq, followed by concern over jobs lost to foreign competition, and immigration – a very narrow agenda in the view of most non-Americans. Foreigners see a deeply divided U.S. polity and are genuinely uncertain about what will be the consequences of our Iraq travails for American global engagement, particularly as budgetary pressures begin to kick in with the fast approaching retirement of the baby boom generation.

The balance of this memo will focus on:

(A) Challenges to the US decision-making and policy implementation of:

- Failures of the interagency process –
- Institutional challenges –
 - A “broken” army?
 - State Department problems
 - A dysfunctional Congress
- Looming U.S. budget and economic issues

(B) Challenges posed by American politics

- A divided country

(C) What “lessons” from Iraq?

- Never again?
- Do it better?

(A) Challenges to Decision Making and Policy Implementation

“The United States is central in world politics today, not omnipotent. Nor is the Federal government organized in such a fashion that would allow it to wield durable imperial power around the world – it has trouble enough fashioning coherent policies within the fifty United States.”¹ Philip Zelikow

- It is starkly clear that the U.S. government was not prepared to take on the challenges thrust on it by post-9/11 threats and presidential policy choices in response to those threats. Many have drawn attention to the gap between the commitment and sacrifice demanded of the relatively few Americans in uniform and other public service and the failure to call on Americans more generally to contribute to meeting the new challenges.
- Failures of the Interagency Process
 - On April 12, 2007 David Sanger writing in the New York Times four years after the start of the Iraq war observed that “once again President Bush and his top aides are searching for a high-level coordinator capable of cutting through military, political, and reconstruction strategies that have never operated in sync, in Washington or in Baghdad.”²
 - Presidents are given wide latitude on how they organize their national security/ foreign policy decision processes. Some have vested enormous authority in the NSC staff (Richard Nixon), others have relied heavily on strong cabinet secretaries (Bush ’43 first term) and still others have been attentive to achieving a balance between an NSC led approach and strong

cabinet leadership (Bush '41). (The contemporary enhancement of the Office of the Vice President adds an unpredictable element to an already complex process.)

- At the risk of oversimplifying, during the Cold War the nature of the threat – a single monolithic and ponderous superpower – motivated the U.S. government to move broadly in the same direction. Further, there were clearly lead agencies in fighting the Soviets – NSC, DOD, CIA, State.
- Today, America faces many challenges / threats – some are state-centered and some stateless; some lend themselves to military responses but many don't. The challenge of organizing not only government decision making but also the effective implementation of those decisions by the responsible agencies is greater today than ever before. The number of agencies active in foreign policy have proliferated making coordination of effort even more challenging.
- A number of “transformations” have been initiated by the Bush Administration in its conduct of national security policy – establishment of the Department of Homeland Security to bring together agencies dealing with domestic security, establishment of the Director of National Intelligence to coordinate U.S. intelligence activities, and the “transformation” of the way the U.S. fights wars in the Department of Defense. Charitably these transformations all remain “works in progress”.
- The administration has also established fusion centers to focus on particular issues which cut across national and functional boundaries – the National Counter-terrorism Center (NCTC) for example.
- The then Vice-Chairman (now Chairman) of Joint Chiefs of Staff, General Peter Pace observed that the current system “does a great job of teeing up the issues of the day for the President...but once the President decides to do something, then our government goes back into the stovepipes for execution.”³ He might have added that what went tragically wrong in the first Bush term was the failure of anyone to impose discipline on a rogue stovepipe – the Department of Defense.
- The essential and missing factor has been the effective integration both of policy formulation and policy execution.

- Institutional Challenges

- The Post 9/11 pressure has built across the U.S. government as a new and unanticipated geo-political environment has put significant pressures on our government. For example:
 - A broken Army – Prophetically, the then Army Chief of Staff, General Eric Shinseki warned in 2003, “Beware a 12-division strategy for a 10-division Army.” Since then, of course, Army and Marine units have deployed repeatedly to Iraq stretching our ground forces. Today the smallest active Army force since World War II has units being deployed three, four, or five times to Afghanistan and Iraq. In April 2007 the Department of Defense announced that active duty Army units now and in the future would serve 15-month tours, three months longer than the standard one-year tour.

- Pressure is also building on the National Guard as a result of the Iraq War. The Pentagon has announced that large units of the Guard may be going to Iraq for a second time despite the fact that almost 90 percent of Army National Guard units are rated as “not ready” because of equipment shortages.

- State Department Problems – The State Department was marginalized during the first Bush term. In the second Bush term, calling for “transformational diplomacy” Secretary of State Condoleezza Rice is asking Foreign Service officers to play roles for which most are not adequately trained and for which proper funding is unavailable.

Secretary Rice is moving FSO’s from European posts to “front line” posts in Iraq, Afghanistan, China, India, and so on. The number of “unaccompanied” posts have steadily increased where officers cannot bring their families. Provisional Reconstruction Teams (PRTs) made up of civilian (including FSO’s) and military personnel are being set-up to support the building of provincial government capacity in Iraq and Afghanistan. Little training or preparation for this duty has been offered.

Typical of the State Department’s challenges has been the sad travails of the Office of the Coordinator for Stability Operations set up in 2004 in the Department of State to help organize and coordinate U.S. post-conflict activities following the dismal performance of the U.S.G. in Iraq. Three years later this office has a skeleton staff and little funding at a time when experts maintain successful counter-insurgency must be 80% “political” and 20% “military.”

Simply put, the U.S. government (executive and legislative) have not made either a policy or budgetary commitment to build its civilian response capacity. The 050 Account in the Federal budget is roughly \$700 billion (with supplements) in FY ’08 or 20% of the budget. The 150 Account, which includes our foreign assistance programs and State Department budget, is roughly \$35 billion.

The National Security Strategy stated in 2002 that “the United States is threatened less by conquering states than by failing ones.” Roughly one in four countries today are “failed” or “failing” yet defense gets 20% of the U.S. budget and foreign assistance less than 1% -- and arguably defense is under-resourced given the huge drain imposed by Iraq.

The United States is unprepared to put the resources necessary against the challenge of maintaining global leadership. A large part of the blame for this – beyond an absence of Presidential leadership and direction – lies with a Congress prepared to vote massive funds for defense while keeping the reins tight on the State Department.

- Dysfunctional Congress – In the November/December 2006 issue of Foreign Affairs two scholars of the Congress – Norman Ornstein and Thomas Mann wrote, “In the past six years...congressional oversight of the executive across a range of policies, but especially on foreign and national security policy, has

virtually collapsed.” They went on to say, “The current 109th Congress is slated to have the smallest number of days in session in our lifetimes”.⁴

Since that article came out, Democrats have taken power in both houses of Congress and executive branch oversight by the legislative branch has returned with a vengeance. What has not changed is the cumbersome – even dysfunctional-nature of Congressional deliberation and action. The Congress’s overlapping committees and arcane procedures are made worse by virtue of the huge fundraising demands placed on members of a Congress eating heavily into their time to conduct the nation’s business. Partisan divisions are such that the Congress spends much time on internal arguments. It is hardly surprising that prior to the 2006 elections polls registered only a 17% public approval of Congressional performance.

As this is written a constitutional battle has been joined between a Republican President and a Democratic controlled Congress over America’s future role in Iraq. This battle has echoes in America’s past, but arguably the stakes today are greater.

* Looming U.S. Economic and Budget Issues

- The United States produces 25% of the world’s GDP. It has a roughly \$3 trillion annual budget. It spends only 4% of its GDP on defense – historically low. (During the Vietnam War the U.S. spent closer to 9.5% of its GDP on defense.) Why worry?
- Defense expenditure are rising and must rise further. Secretary of Defense Robert Gates testified that while the President’s “base” request for FY 2008 was \$481.4 billion the FY 07 emergency supplemental for Iraq and Afghanistan is \$93.4 billion and the FY 08 GWOT funding is \$141.7 billion pushing the overall “defense” number in excess of \$700 billion. Moreover, future costs will have to cover increases in U.S. force levels, recapitalizing the force after huge drawdowns of equipment inventories to fight in Iraq, and escalating veterans costs, including disability costs.
- While generally positive, the IMF’s just released semi-annual World Economic Report, lowers growth projections for the U.S. economy to 2.2% in 2007 from 3.3% last year. The report draws attention to slowing productivity growth in the U.S., continuing problems in the housing market, and vulnerable consumer demand. The report also notes that the U.S. current account deficit now stands at a historically high 6.5% of GDP.

Longer term the IMF report draws attention to potential averse worldwide implications from aging populations, rising protectionism, and the environmental consequences of growth.

- Budget Pressures – The U.S. has been running annual budget deficits ranging from \$200 billion to \$400 billion per year. By some estimates roughly 75% of these deficits have been covered by foreign borrowings.
- In 2011, (in the next presidential term), 77 million baby boomers start turning 65. In 2007 Social Security, Medicaid, and Medicare consumed 44% of a \$2.7 trillion budget, (roughly 8.5% of GDP). The Congressional Budget Office (CBO)

estimates that this will rise to 10.5% of GDP by 2015 and reach 15% of GDP by 2030.

- The consequences for U.S. foreign and national security policy of these projections could be huge. Entitlements will increasingly crowd out U.S. defense and foreign policy expenditures unless decisive action is taken shortly.

(B) Challenges Posed by American Politics

- Divided Country
 - There existed a broad national consensus during the Cold War about the nature of the geopolitical threat confronting America. Debates, for the most part, were over the best means to confront Soviet power. Further, for much of the Cold War the political center provided the swing votes in the Congress. Conservative southern Democrats moderated liberal tendencies in their party and moderate northeast Republicans limited conservative excesses in their party. Cross aisle coalitions on foreign policy issues were the norm.
 - Much has changed in the Congress if not necessarily in the country. Gerrymandering has increased the number of “safe” districts in the House encouraging members on both sides to appeal to their base supporters. There are fewer southern Democrats and northern Republicans in Congress and therefore a diminished need for either party to broaden its appeal. In 2002 43% of the electorate defined itself as Democrat or leaning Democrat and 43% defined itself as Republican or leaning Republican. This sharp division placed even more pressure on party discipline.
 - In an article in the March 1, 2007 Washington Post entitled “The Myth of the Middle”, Alan Abramowitz and Bill Bishop, who have examined survey research, found that, “when we combined voters answers to (the) 14 issue questions to form a liberal-conservative scale...86% of Democratic voters were on the liberal side of the scale while 80% of Republican voters were on the conservative side.”⁵
 - Other observers suggest that the real problem is a gap between the electorate, which is more comfortable in the political center, and elected officials who feel compelled to respond to their active political bases, which are more ideologically driven. Politicians, of course, are less interested in broad public opinion than they are in the views of energized their voters.
 - At present, a gap has opened, according to the PEW Research Center, in favor of Democrats with the Democrat/lean Democrat figure at 50% versus 35% for Republicans.
 - PEW also found that “Even as Americans express greater commitment to solving domestic problems, they voice more hesitancy about global engagement. They are also less disposed than five years ago to favor a strong military as the best way to ensure peace.”⁶
 - Republicans and Democrats are clearly sharply divided on Iraq with the former giving the President strong support and the latter sharply critical. There are more reservations in the public – if not in Congress – about the benefits of trade. According to PEW, “Many Americans worry that free trade has had a negative effect on jobs and wages. Nearly half (48%) believe that free trade

agreements lead to job losses in the US, while 12% say trade agreements have created jobs.”⁷

- In summary – Members of Congress are likely to play to their political bases on foreign policy issues and their bases are sharply divided on Iraq and certainly on President Bush. There appears to be little public attention to foreign policy issues beyond Iraq, trade and immigration. Arguably, this means that the Executive Branch has greater latitude to craft policies for regions other than the Middle East. It also means, however, that targeted interest groups and ideologically driven think tanks press their particular agendas. Certainly media, with its 24 hour news cycle, adds to the pressures on elected officials. There is little time for reflection. Finally, there are the beginnings of signs that the American people have diminishing interest in and support for the type global engagement that recent American presidents have supported. Much, of course, may depend on the ultimate outcome of the Iraq War.

(C) What Lessons from Iraq?

Never Again

- America’s overseas presence began in 1898 with the acquisition of the Philippines and other Pacific Islands from Spain. Today, in excess of 400,000 US forces occupy bases from Guam to Europe. General William Odon has referred to this as “America’s Inadvertent Empire.” It is driven by America’s dependence on imported energy, significant overseas investment and trade, and an overseas alliance and base structure.
- Realists like John Mearsheimer and Stephen Walt have urged that the U.S. become an off-shore balancer in the style of Great Britain in earlier centuries. They would have the United States abandon much of its military presence in the Middle East. Certainly such a plan would be inconsistent with U.S. plans to build its largest embassy in the world in Baghdad to say nothing of the large bases that have been constructed there. One reaction to the Iraq debacle may be to increase calls for a diminished U.S. military presence abroad and especially in the Middle East.
- Indeed, there may well be active resistance to taking measures outlined below which might actually better prepare the United States for the very type of nation building tasks that are likely to come its way – should we chose to remain “engaged.”

Do It Better

- Far more challenging would be a decision to “do it better” because this would entail a fundamental revision of how the United States organizes and prepares for a global role which has become complex and challenging.
- Reforms would have to occur in the way that the US government makes and implements national security decisions. This suggests fundamental changes to the interagency process to ensure better operational implementation of presidential decisions.
- Beyond this, agencies of government will have to define or redefine their roles. By way of illustration, James Kitfield writing in *The National Journal*, says “The Army is (also) struggling to define itself doctrinally. Is it to be the lean, high-tech

force that toppled the regime of Saddam Hussein in little more than three weeks in a campaign of high intensity, heavy-armored, maneuver warfare? Or will it be the manpower-intense, counterinsurgency force that is slugging it out with guerrillas and trying to secure Baghdad today? Some experts doubt it can be both effectively.”⁸

- The State Department – presuming adequate funding – a big assumption – must determine whether within its confines there should be housed a colonial service capable of playing the critical political leadership role in post-conflict stabilization and reconstruction. During the Vietnam War AID had 1,600 officers in Vietnam alone; today there are 1,000 AID officers worldwide. Do we want to set up a civilian reserve corps, as some have suggested, that could be called on for rapid deployment in crisis? Should the Foreign Service have a “core” of officers prepared to be deployed to danger zones and trained for such duty?
- For the Congress, fundamental decisions about organization and focus would have to be addressed. Moreover, the question remains whether the Congress will provide resources necessary to truly give this country the civilian and military capacity necessary if we are to successfully confront the insurgency and nation building challenges of the 21st century. (Enhanced capacity is fundamental to “doing it better”.) Granted presidential leadership would be required to build America’s capacity for global leadership, but Congressional approval and commitment would be essential to a successful effort.
- These are among the choices that will be discussed in the next meeting of the America’s Role Working Group

¹ Philip Zelikow, “The Transformation of National Security.” *The National Interest*. Spring 2003.

² David Sanger, “Four Years On, the Gap Between Iraq Policy and Practice is Wide.” *The New York Times*, 12 April 2007.

³ Quoted in “Rethinking the Interagency System.” Michael Donley, Hicks and Associates, Inc. March 2005.

⁴ Norman Ornstein and Thomas Mann, “When Congress Checks Out.” *Foreign Affairs*. November/December 2006.

⁵ Alan Abramowitz and Bill Bishop, “The Myth of the Middle.” *The Washington Post*. 1 March 2007.

⁶ PEW – “Trends in Political Values and Core Attitudes 1987 – 2007.” 22 March 2007.

⁷ PEW – “Trade Agreements get a Mixed Review.” 19 December 2006.

⁸ James Kitfield, “For The Army: Code Yellow” *The National Journal*, April 7, 2007.