

# Moving Toward Improved Strategic Planning in U.S. Foreign Policy

*by Jeffrey Grieco*

## **“Futures Analysis” Grows Unevenly in Importance within Principal U.S. Foreign Assistance Institutions**

In 2005, the Department of State (State) and the U.S. Agency for International Development (USAID) undertook a detailed program with over 24 civilian, counterpart, federal agencies entitled “Project Horizon.” Project Horizon, inspired by USAID Administrator Andrew Natsios, looked at various “world scenarios” using trend and futures analysis and focused on what capabilities the U.S. government maintained to deal with those scenarios. Project Horizon even went so far as to conduct scenario planning exercises and strengthened U.S. interagency coordination. After two years of implementation, the U.S. government partners were likely overcome by other pressing requirements (i.e., Afghanistan, Iraq, Pakistan earthquake response, famine in the Sahel, etc.) and abandoned the exercise.

In November 2011, a new, focused exercise was launched looking exclusively at international development with a partnership between USAID; Department of State, Bureau of Intelligence and Research; National Defense University (NDU); and the Wilson Center (WC). The goal of this exercise was to host a definitive international symposium on “Futures Analysis” so as to provide an “over the horizon view of development.”<sup>1</sup> Given Project Horizon’s fate, this was a bold undertaking. On November 4, 2011, the “USAID Symposium on Future Development Challenges” (SFDC) was held in Washington, D.C., at the Wilson Center. It was divided into three main sessions: Evolutions—using traditional trend and futures analysis; Revolutions—looking at events and shocks to the system that produce game-changing effects; and Vision 2025—exploring combined visions of what development will look like in 2025 using various alternative future scenarios.

The program introduced four cross-cutting themes within each of the three sessions to help

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focus discussion: populations, science and technology, politics and economies, and environment.

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The SFDC dug deeper into emerging trends and unknown challenges not easily assessed through past events or more linear causal thinking. For the Obama Administration, this likely affirmed (from an institutional standpoint) that global development was changing quickly, and USAID and U.S. foreign assistance needed to adapt or become less relevant.

For USAID, the SFDC meant it could take its current 3–5 year “Country Development Strategies” and dramatically expand their trajectory by identifying characteristics of future trends in development looking out 10–15 years.

Prior to the SFDC, the *USAID Policy Framework (2011-2015)* identified the following key future trends:

- Globalization and the global economy are growing at multiple speeds.
- Population and demographic trends are making development harder.
- Freedom of access to education is growing rapidly as connectivity explodes globally.
- Humanitarian, political, economic, and other “shocks” are reverberating more speedily and with more dispersion.
- Democratic governance is expanding but not necessarily steadily or evenly.
- There seems to be a new “development

ecosystem” where new partners and new models and approaches are being used quickly.

**The National Intelligence Council and the 2012 Global Trends 2030 Report**

In December 2012, the National Intelligence Council (NIC) published the fifth installment (now completed every four years) of its series *Global Trends 2030: Alternative Worlds*. It was one of the more collaborative research exercises, engaging all organs of the U.S. government involved in foreign policy, national security, and related disciplines. It expanded its reach overseas to include input from 20 countries so as to convey the most accurate ideas and trend analysis. The NIC held meetings in more than ten U.S. states, established a public blog to receive input from experts on key themes in the draft report, and marshalled writers and analysts from inside and outside the NIC.

This exercise was a whole of government effort and was not focused on international development or foreign assistance only. The *Global Trends Report* is intended to help the U.S. government think about the transformative aspects of the world today—characterized by rapid geopolitical change. The NIC did not seek to be predictive of the future, but to instead provide “a framework for thinking about possible futures and their implications.”<sup>2</sup> It differs from the USAID Futures Analysis Project (and its predecessor Project Horizon); they were focused on identifying future international development scenarios and tackling how a government should respond from a policy and program perspective.

The NIC identified three major pillars of change that will impact the international system. Within each pillar it identified major influencers of future impact through 2030:

### ***Megatrends:***

- Individual empowerment: accelerating, poverty reducing, growth increasing.
- Diffusion of power: Vanishing hegemonic power, rise of networks, and multi-polarity.
- Demographic patterns: 60 percent of world will live in urban areas, lower arc of instability.
- Food, water, and energy nexus: Demand to grow substantially as will related problems.

### ***Game-Changers:***

- Crisis-prone global economy: Greater resiliency from multi-polarity or crisis?
- Governance gap: Can governments adapt or will they be overwhelmed?
- Potential for increased conflict: Will intrastate and interstate conflicts now arise?
- Wider scope of regional instability: Will Middle East and South Asia instability spillover?
- New technologies: Impact on population growth, urbanization, and climate change?
- Role of the U.S.: Can the U.S. help reinvent the international system?

### ***Alternative Worlds:***

- Stalled engines: Interstate conflict rises, U.S. draws inward, and globalization stalls.
- Fusion: China and U.S. collaborate on a range of issues.
- Gini-Out-Of-The-Bottle: Inequality explodes, global tensions rise, U.S. turns inward.
- Nonstate world: Nonstate actors use technology to solve global challenges.

## **The Impact of the Symposium and the Follow-on Book *The Future Can't Wait***

Was there an “Over the Horizon View on Development”? Well, maybe yes, but not just one view but several plausible interpretations were discussed. For example, Steve Radelet, now Professor in the Practice of Development at Georgetown University’s School of Foreign Service and former Chief Economist at USAID, posited that there are at least three possible scenarios concerning development’s future:

### ***Scenario 1:***

Continued progress toward rapid global development as has occurred in the last twenty years. More trade and investment (both global and regional) will yield more growth and further political, economic, commercial, military, and skill development.

### ***Scenario 2:***

Increased instability and global conflict will bring greater strains and economic uncertainty and increased tensions between competing elites and populations. As Professor Radelet said: “In short, the world goes to war. Those who think this is far-fetched need only remember that the last great era of global development, the expansion of Europe and the United States in the late 19th and early 20th centuries, ended abruptly with the descent into the first World War, followed shortly thereafter with the Great Depression and World War II...”<sup>3</sup>

### ***Scenario 3:***

Increased pressure on the planet earth. There will be rising populations and diminishing incomes from a slowdown in global growth (or recessions in major developed countries) combined with greater demands (perhaps by China and India) on energy resources, water supplies, precious minerals, and air quality. These pressures could bring the global economy to a breaking point or at least bring us

to Scenario #2 above.

However, I feel the likeliest scenario, a combination of all three, was not discussed. The next ten to twenty years in the developing world are likely to see continued globalization and growth but at sometimes sizable cost to populations, economies, and environments. The developing world will likely see increased conflict and instability as governments fall and fragile democracies rise up while terrorism and extremism spread across and within borders. There will also likely be no let-up in China's or India's thirst for natural resources to sustain their growth or in developing countries aspirations to rapidly industrialize and doing so in an environmentally harmful way. Planning for these scenarios seems the most realistic.

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### **Is Futures Analysis Here to Stay in the U.S. Foreign Policy and Foreign Assistance Community?**

The SFDC and follow-on book attempted to make a strong case for “futures analysis” as an integral component of U.S. foreign policy and assistance planning. Several SFDC speakers and panelists expounded on the need to include “foresight or futures analysis” into strategic planning for U.S. foreign policy and national security.

The real argument should be focused on how the U.S. government accomplishes that mission. Unfortunately, since the SFDC occurred in November 2012, and the book was published in September 2013, the Futures Analysis Program

and U.S. government's strategic partnership has dissolved. USAID has opted to move forward with several small, limited “futures analysis” by engaging targeted USAID missions and regional programs. In short, the Futures Analysis Project of 2011–2013 seems to have suffered the same fate as its predecessor Project Horizon in 2005. Below are some ideas on how to better align this effort with established institutional systems and planning.

### **Did the SFDC and subsequent book *The Future Can't Wait* effectively address how the U.S. government should deal with future scenarios and the challenges they represent?**

I should begin by recognizing that “futurists” tend to be more focused on identifying trends and offering foresight. They are not offering predictions but merely identifying where things are moving and perhaps why. They prefer to stay away from policy promulgation or program and strategy prescriptivism. However, the SFDC and its follow-on book laid out a powerful and highly readable contribution that did just that. Ten essays by leading development thinkers, political and social scientists, aid practitioners, and foreign policy wonks helped to explain several trends and then laid out multiple ways the U.S. government should consider preparing for and managing those trends. Some of scenarios require policy and program development beginning immediately. For example, nanotechnology, additive manufacturing, telephony, connectivity, and robotics will all change tomorrow's foreign policy and development landscape. Realizing that nonstate actors will control and implement more of this change in the future will require re-wiring traditional thinking about growth and development. The government will need new ways to collaborate both diplomatically and development wise. Institutions must be better at adaptability, flexibility, and accepting

change—not the hallmarks of traditionally staid, bureaucratic enterprises like State and USAID.

Richard Cincotta provided several demographic research methods that can be used as tools to support improved program planning and country-level strategy development by both USAID and State. His analysis of Age-Structural Transitions and the impact of these transitions on the political demography of nation-states is compelling reading for the development expert.<sup>4</sup> In addition, Dan Runde’s discussion was timely as to how USAID must become more innovative and creative in its development approaches especially with regard to middle income nations (i.e., Colombia) and working in a more fiscally austere foreign aid environment.<sup>5</sup>

### **Recommendations for Strengthening the Futures Analysis Process in Support of U.S. National Security and Foreign Policy**

Having attended the SFDC and participated in numerous U.S. government interagency policy planning efforts, I feel we have an obligation to better integrate futures, trend, and/or foresight analyses into the work plans of diplomats, soldiers, and development experts. More specifically, how can we better build futures analysis into State and USAID strategic planning, thinking, and training? As one expert noted at the SFDC: “USAID must analyze how traditional activity areas such as human rights, agriculture, nutrition and health, workforce development, disease prevention, and environmental protection relate to the ongoing global revolutions that are creating new challenges and opportunities across the world.” To assist in improving this process, my recommendations follow.

#### ***Recommendation One:***

The Futures Symposium and its dynamic strategic partnership should be institutionalized as part of the Quadrennial Diplomacy and

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Development Review (QDDR) process. This policy and planning is led by State and USAID. It would be appropriate that the NIC *Global Trends Report*, the State-USAID Futures Symposium and Report, and the QDDR research process be dovetailed to provide a thorough and complete understanding of current global trends looking out 5–15 years. The QDDR has a five-year window, and future and trend analysis has a 10–15 year window which should offer important and perhaps strategic insights to policymakers. For example, policymakers need to better understand trends that show how Al Qaeda has perfected the ability to transition their terrorist movements across continents, regions, boundaries, and communities and begin developing implementable, long-term (5–10 years), pro-active, and sustainable solutions focused at vulnerable communities. In addition, adding a section at the back of the QDDR entitled “Over the Horizon Issues” could house an abbreviated NIC Global Trends Analysis to help State and USAID commit to a process that synthesizes these trends into policy and practicum responses as communicated through the QDDR.

#### ***Recommendation Two:***

The Futures Analysis methodology should be more widely integrated into State and USAID Foreign Service Officer (FSO) training programs, especially for mid-career professionals who have gained enough insight and on-the-ground experience to more easily identify trends and help capture them quickly for institutional reporting, analysis, and future

foreign policy and foreign assistance program development. I recommend a regular “Futures Analysis” training course be designed and offered at the State Department’s Foreign Service Institute for both State and USAID FSOs. These officers can be just as helpful in identifying longer-term trends and implications as they do shorter-term developments. This is one of the fundamental problems the strategic planning process is having trouble recognizing. The Departments of State and Defense are largely short-time horizon focused organizations. USAID is not.

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In order for U.S. foreign assistance to show demonstrable impact, it needs sustained and focused investments of 5–10 years in developing countries and especially in vulnerable communities. For example, from 1951 to 1971, U.S. foreign assistance implemented in India helped to establish approximately 20 agricultural research schools and institutes that today are one of the leading reasons why India can feed its own people. USAID also helped fund more than ten engineering and technical schools that are now helping to drive India’s technology revolution. In short, it is important to have diplomats, soldiers, and development experts all in agreement on what needs to be done and how long it will take, so that short-, medium-, and long-term programmatic interventions will be more effective, and the public will see its precious tax dollars used in the most effective and efficient way possible in support of national security and foreign policy interests.

### ***Recommendation Three:***

The State Department utilizes an archaic yet robust “cable” system to disseminate its own political, economic, cultural, and other diplomatic analyses. State generates this information from its diplomatic network based on its in-country strategic findings. With its ear to the ground in every host nation, State is perceived as being more attuned, sensitive to, and knowledgeable of what U.S. interests should be, what trends are developing on the ground, and how our government should respond based on those assessments. It is these assessments, combined with inputs from various State and USAID offices, as well as the professional staff at the NSC and other relevant agencies, that help to shape foreign policy and foreign assistance program responses. And therein lies the problem: these actions tend to be very short term in scope; they are focused on the here and now and can sometimes tether policy and program responses to short term, risk averse, or even least effective responses. Institutional leadership seeks to “get something done” in order to be seen as relevant. This process is in need of change. The government should create new incentives for FSOs to identify trends/threats/future scenarios that are likely to impact security and foreign relations.

In short, U.S. diplomats need new training, better information systems, and expanded diplomatic and development assets to support their ability to execute short-, medium-, and long- term planning and analysis. They are being prevented from understanding broader, fast moving, global trends because old systems are too linear, too host-state centered, and, perhaps, just too inflexible. Also, while the current approach may ascribe great weight or importance to the political, economic, and basic on-the-ground experience of diplomats and development experts, these same diplomats and experts are not sufficiently trained to integrate other strategic influences which may be broader,

more developmental, harder to see, and, in some cases, more threatening in scope. Former State Department Foreign Service Officer and National Security Advisor to the Vice President Leon Fuerth summed up his frustration in the *The Future Can't Wait*:

Current information systems serving senior levels of government are generally sufficient (although not always) for planning for the short term. They are absolutely deficient for long term planning. At their current capacity, they are incapable of tracking the transition of events from prospective to actual. More so than ever before, trends are transitioning more rapidly, and possible events are becoming occurring events in the blink of an eye. These types of transitions have the potential to overwhelm the adaptive capacities of our governance system—presenting major challenges that mature at a rate far in excess of the rate at which we might adjust.... America could be badly damaged by a powerful emergent development recognized too late for effective repositioning.”<sup>6</sup>

#### ***Recommendation Four:***

Expand the reach and audience for futures analysis so it is more widely understood, accepted, and integrated into the U.S. government’s interagency Policy Coordinating Committees and their subcommittees. For futures analysis to survive, it is critical to expand the futures analysis “partnership” to include the Department of Defense (NDU, J5, and the combatant commands); Centers for Disease Control and Prevention; Department of Health and Human Services; Millennium Challenge Corporation; Overseas Private Investment Company; Export Import Bank; U.S Trade Representatives; Trade and Development Agency; Treasury Department; and other foreign assistance implementing agencies. One idea would be to collaborate with the NIC and its *Global Trends Report*, so this research could be better integrated; yet, still recognizing that the two efforts have different objectives.

#### ***Recommendation Five:***

Just as the NIC included more than 20 foreign countries in its research and networking for the *Global Trends Report*, State and USAID futures analysis will be strengthened by having peer review committees composed of leaders from developed and developing nations. Understanding future trends and foresight means being able to understand the international system and how nation-states perceive their self-interests vis a vis the U.S. Gaining their input regarding important trends, foresight, and threats should only strengthen the resultant analysis.

In closing, I am happy to report a positive trend for futures analysis. Even the UN, an organization not known for institutional foresight, has committed to bringing “strategic foresight” into the international development discussion. On May 16, 2014, the UN Commission on Science and Technology for Development held its 17th session in Geneva and overwhelmingly approved two themes for the 2015 development agenda: “Strategic Foresight for the post-2015 Development Agenda” and “Digital Development.” These themes will help shape future discussions and inform the Millennium Development Goals post-2015 Conference agenda. **IAJ**

## NOTES

1 Steven Gale and Sarah Jackson (eds.), *The Future Can't Wait*, USAID; Department of State, Bureau of Intelligence and Research; National Defense University; and the Wilson Center, September 2013.

2 National Intelligence Council, *Global Trends 2030: Alternative Worlds*, Office of the Director of National Intelligence, Washington, 2012.

3 Steven Radelet, "Can Global Development Progress Continue? Three Future Scenarios and What They Depend On," in Steven Gale and Sarah Jackson (eds.), *The Future Can't Wait*, USAID; Department of State, Bureau of Intelligence and Research; National Defense University; and the Wilson Center, September 2013.

4 Richard P. Cincotta, "The Future Out to 2030: According to Demography," in Steven Gale and Sarah Jackson (eds.), *The Future Can't Wait*, USAID; Department of State, Bureau of Intelligence and Research; National Defense University; and the Wilson Center, September 2013.

5 Dan Runde, "Beyond Traditional Foreign Assistance: USAID's Future Role with Middle Income Countries," in Steven Gale and Sarah Jackson (eds.), *The Future Can't Wait*, USAID; Department of State, Bureau of Intelligence and Research; National Defense University; and the Wilson Center, September 2013.

6 Leon Fuerth, "Strategic Vision: Foresight Research for Development," in Steven Gale and Sarah Jackson (eds.), *The Future Can't Wait*, USAID; Department of State, Bureau of Intelligence and Research; National Defense University; and the Wilson Center, September 2013.