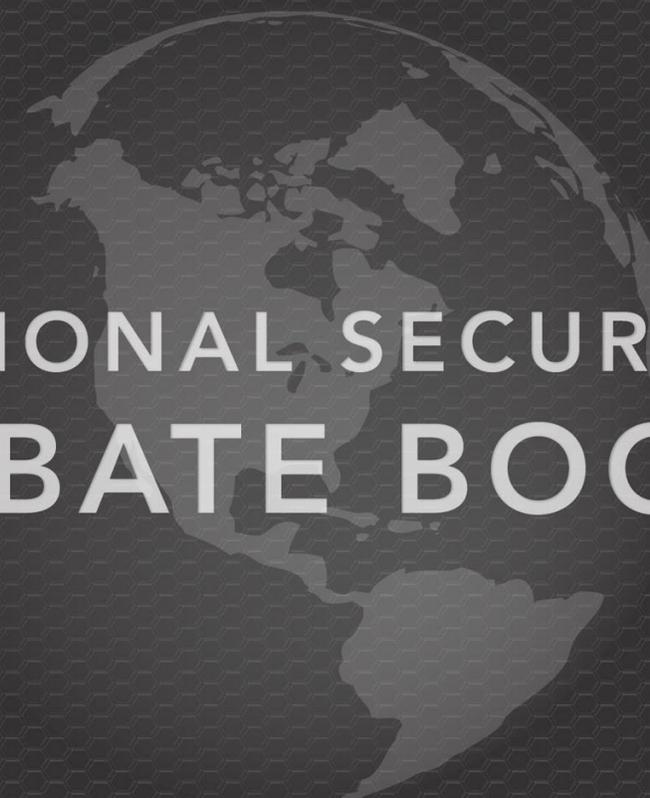




NATIONAL SECURITY
ACADEMY



NATIONAL SECURITY
DEBATE BOOK

2012

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July 2012

TO: Interested Parties
FROM: Ron Klain
RE: Debate Prep

As we move into the final few months before the election, many candidates are facing the most significant test of the campaign—head-to-head debates with their opponents. Debates can be dry recitations of well-rehearsed talking points or they can be dynamic and hard-hitting exchanges. Either way, a candidate's performance in a debate can help propel them to victory or can derail their campaign. Consequently, there are few activities that candidates undertake that hold so much opportunity and so much risk.

After 20 years of work on Presidential, Vice Presidential, Senate and Congressional debate prep, I have developed a few "rules" for how to get candidates ready for this very important element of a campaign. While each candidate, campaign, and state is different, this advice should be helpful (at least to some extent) in most situations.

Developing an Approach for the Debate: Preparing to Prepare

Some of the most important debate preparation work is done before you engage in formal "debate preparation." There are the obvious things—assembling briefing books, reading up on key issues, and locking in dates and locations. But here are a few less obvious points to consider in this period:

- 1) **Start by writing your "dream" post-debate headline.** The starting point for developing a debate strategy is figuring out what your ideal headline, the day after the debate, would be. ("Jones Smashes Smith" is not realistic.) Potential headlines can be about a particular substantive point you press ("Jones Questions Smith's War Stance"), a point about your opponents credentials ("Jones Calls Smith Unqualified,"), or some point about your own stands or record you want to emphasize ("Jones Says He Has Delivered for State"). Your debate strategy—what answers you give, what posture you strike, what points you emphasize—should be driven with this objective in mind. As you consider potential answers, or lines, or any other element of debate strategy and tactics, ask yourself: Is this approach helping to win that "dream" headline?
- 2) **Develop a list of the three items you MUST say in the debate.** Everyone comes to a debate with an agenda: the questioners, the audience, your opponent. You should come with three points—about yourself, your opponent, the race, or whatever—that you WILL make in the debate. These three points can be one-liners, or new attacks, or just a key argument you want to get across. They should be

chosen because they will help achieve the headline you have developed per point #1 above. The goal of your debate performance is to make sure that, whatever else happens, you make these three points. When you step to the podium on debate night, write the points down on the pad of paper before you, and use it as a “checklist” before **each** answer—see if you can fit one in your answer. And, as discussed more below (see point #13), make sure you make at least two of these three points in the first 30 minutes of the debate.

- 3) **Study what your opponent has been saying, especially in the days just before the debate.** All candidates are creatures of habit. You can use that to your advantage: 90% of what your opponent will say in the debate will have come out of his mouth in the week before the debate. Make sure you have transcripts of everything he has been saying, and study them for counter-punching opportunities. The most famous take down line in political debating—Bentsen v. Quayle—came from such an exercise: in debate prep, a briefer showed Bentsen a recent transcript of Quayle comparing his credentials to JFK’s, and Bentsen exclaimed, “You mean he’s comparing himself to Jack Kennedy? I knew Jack Kennedy...” The rest is history.
- 4) **Study the local papers where the debate is being held for the few days before the debate.** If the debate is a “town hall” style debate, with audience questioners, research shows that 4 out of 5 questions will be based on articles the audience members have read in their hometown paper in the days just before the debate. Even journalists are similarly influenced. Most of the apparently “offbeat” questions at a debate (from a journalist or a citizen) are not pulled from thin air: they are pulled from a feature in the local news.
- 5) **Devote sufficient time to trying to identify the questions.** A typical 90-minute televised debate will involve just 18 questions. More than 2/3rds of them are absolutely, positively predictable. Study local news outlets (as discussed above) to get a leg up on questions. If journalists are asking questions, look at questions they have asked in previous debates and interviews, and read their stories: like scouting a baseball pitcher, awareness of past “curve balls” the journalist has thrown is the best predictor of what will be hurled at you in the debate. Consider the questions you have been asked in recent interviews. *Your goal should be to build a list of 25 likely questions that will be the focus on your debate prep*—the odds are high that 15 of those 25 questions will be asked at the debate. Your debate prep should be focused on these core questions (and their answers).

Preparing for the Debate: The Most Important Part

Most of the time, debates are won or lost long before the debate itself. Almost always, the candidate who has prepared more effectively wins (or at least avoids defeat). Here are a few pointers for this critical process.

- 6) **“Practice, practice, practice.”** When *Newsweek* asked me, as director of Sen. Kerry’s debate prep operation in 2004, to explain how John Kerry achieved a stunning defeat of George Bush in their first debate, my answer was simple: “practice, practice,

practice.” Even if you are an experienced candidate, and an experienced debater, you need to devote sufficient time to practicing. An acknowledged failure to practice cost experienced candidates George Bush and George W. Bush devastating debate defeats in 1992 and 2004—even Bill Clinton was rocked in mock debates in 1996 until he buckled down and practiced. Your scheduler, your political director, and your fundraising chair will all seek to squeeze your debate prep time: don’t let them! Taking the time to prepare for the debate, and doing very well, will do more to boost your political and fundraising success than anything else you can do. One more (or less) rally or fundraiser cannot win (or lose) the campaign. But a better (or inadequately) prepared debate performance can be dispositive. In all of my years of working on debate prep, I’ve never had a candidate leave the debate hall, turn to me, and say, “You know, we really should have put **less** time into getting ready.”

- 7) **No practice is more effective than mock debating.** There are many useful ways to get ready for a debate. Read the debate briefing books. Do some Q-and-A. Chat about the debate with advisors. BUT, whatever you do, make sure you devote considerable time to engaging in “mock debates” where you practice your answers with a stand-in opponent in the format that will be used in the actual debate. No form of practice is more valuable than mock debating. No less than half your time in debate prep should be devoted to this sort of practice—making sure you leave plenty of time for evaluation and learning from mock debates (see point #11 below).
- 8) **The key to effective mock debate practice is the “stand-in” for your opponent.** The two best that I have worked with—Bob Barnett and Greg Craig—make no effort to imitate the candidate they are portraying, or write new, clever lines for him. Rather, they meticulously study the candidate they are portraying, and base their mock debate performances on lines and statements the opposing candidate has already used publicly. They also aren’t afraid to launch harsh attacks on the candidate: batting practice isn’t very useful if the pitcher only lobs softballs. Also, make sure you don’t let your stand-in’s political biases color his performance: one reason why Jack Kemp did poorly in his 1996 debate with Al Gore is that the Gore stand-in used during Kemp’s debate prep played Gore as an ultra-liberal, dogmatic ideologue. Kemp was completely unprepared for the moderate, reasonable, pragmatic Gore who showed up for the real debate.
- 9) **Practice the basics, inside and out, backwards and forwards.** The most common—and serious—mistake candidates make in debate prep is spending too much time making sure they practice *every possible* question—and not enough time really running to ground their answers on the *most likely and central questions*. As noted above, good preparation and analysis can identify 25 highly likely questions, from which 80% of the questions asked on debate night will be drawn. Spend the vast majority of your time in debate prep working on those questions, not exotica or esoterica. For key questions, practice answering them both as the first and the second responding candidate; practice them with a mock opponent who is on the attack and one who is more defensive; practice them with more critical material and more affirmative material. If debate formats include some longer and some shorter replies, practice these questions in both formats.

- 10) **Punches are good, counterpunches are better.** While the importance of one-liners and “zingers” in debates is probably overestimated, preparing a set of such material is an important part of debate prep. But in addition to working on such “punches,” be sure to also devote some time to developing “counterpunches:” lines you will deploy in response to your opponents’ favorite lines. If you develop five zippy replies to your opponents’ five most commonly-used lines, the odds are high that you will get a chance to use two or three. And remember to also game out your opponents’ likely replies to *your* most common lines: nothing is more effective in a debate than a counter-counter punch!
- 11) **Make sure you get feedback from a prep team that is compact and candid.** Of course, all the practicing in the world is only useful if you are learning from practice sessions—a key part of debate prep is getting good advice about what is working and what isn’t; what needs to be improved and what needs to be scrapped altogether. While you obviously want the best possible team of debate prep advisors, there is such a thing as too much of a good thing—i.e., you need to keep the debate prep team small (no more than six) if it is to be effective. Having too many advisors means you will hear too many different opinions—which is almost always unhelpful. Your advisors should huddle during breaks in practice to develop a consensus on their counsel, and speak to you with a single, clear point-of-view. Nothing undermines the effectiveness of debate prep as when sessions become debates about advice, strategy, or feedback. But as you narrow your circle of advisors, don’t weed out truth-tellers: make sure the team includes folks who can tell you when your answers stink, your jokes aren’t funny, and your attacks have missed the mark. Say “no” to “yes men” in debate prep.
- 12) **On debate day, insist on a walk-through of the site, and bring your media advisor.** When you hear about a debate where the audience inside the hall believed that one candidate won, and the audience who watched it on TV scored it the other way, it is probably because the TV “loser” failed to complete his prep with a thorough understanding of the television production elements of the debate site. Particularly when the debate site is NOT a permanent TV studio, the odds are high that one candidate will be lit improperly, have an odd camera angle, or be positioned on stage to his disadvantage. Go to the debate site, and practice under the lights. Can you easily see the questioners and any timing system? Where are the camera sight lines for various shots? Where will your opponent be? And have a media advisor look at a TV monitor as you test these various angles and TV shots to see how they actually look, on screen. You’ll be surprised how big a difference this can make in how your debate performance is perceived on TV.

During the Debate: Advice on Presentation and Style

If you have prepared well for a debate, you should have few (or no surprises) on debate day and come with a real game plan. Having done these things, you are most of the way to success. Still, there are a few tips for the debate itself.

- 13) **While you can lose a debate any time, you can only win it in the first 30 minutes.** A stumble, fumble, or gaffe can cost you a debate, right up to the last second. But while you can LOSE a debate at any point, you can only WIN a debate in the first 30 minutes. The viewers, the reporters, and even your opponent form a sense of the debate dynamic in the early going. Indeed, for debates held at night, reporters (on deadline) usually write first drafts of their stories before the debate is half over. Analysts and observers form a sense of the debate early on (e.g., “Smith was on the defensive,” “Jones seemed sure of himself,” “Smith couldn’t defend his position on jobs”), and spend the final two-thirds watching for proof points for the story line they have adopted. Hence, the most important issues you want to raise; the most important attacks you want to launch; the most important points or lines or contrasts you want to suggest MUST come in the first 30 minutes of the debate.
- 14) **Assume that you are on camera, and that your microphone is live, at all times.** An obvious point. But even the President of the United States forgot it during the 2004 debates (making un-Presidential faces, which he assumed would not be broadcast, while his opponent was talking), and the list of candidates who have made this mistake is too long to provide here. Once you are within earshot of a mike, say nothing that you wouldn’t want on TV—and once you are on stage, assume that you are onscreen at all times.
- 15) **You are there to debate your opponent—not the moderator or the rules.** On air complaints about the fairness of the proceedings (e.g., “He’s gotten three follow-ups and I’ve only gotten two...”) or adherence to the format (e.g., “I thought these were supposed to be foreign policy questions...”) or your opponents’ fidelity to the debate rules (e.g., “No props are allowed in this debate...”) will almost certainly do you more harm than good. At best, you will come off as a lawyerly, picky, and whiny—hardly qualities that voters want in a candidate. At worst, you will be seen as exhibiting weakness to observers and the press. You’ve got a staff: assume that they are backstage, screaming at producers, demanding redress on your behalf, and pointing out your opponent’s transgressions to the press. Your job is to rise above such pettiness, and deliver on your debate game plan. And remember: no one ever lost a debate because their opponent got an extra minute out of a 90-minute program.
- 16) **Begin answers with “yes” or “no” if possible: answer first, then explain.** For many voters—especially undecided ones, late in a campaign—debates are more about assessing a candidate’s character than her positions. And for these voters, evasiveness is the ultimate character defect. The more questions you begin with a simple “yes” or “no” reply, before going on to elaborate or qualify—rather than doing it the other way around—the more voters will see you as candid and responsive. Similarly, if you want to use an answer to a question to also cover unrelated ground, or to bring back a previous point, answer the question FIRST, and go off on the digression SECOND. The four worst words you can use to start a debate answer are: “Before I answer that...” Answering candidly and directly doesn’t mean that all your answers have to be sympathetic with the question posed. Don’t be afraid to disagree flatly with a questioner, so long as you do so civilly.

- 17) **Know where you are looking, and why.** In your pre-debate walk through (see point #12 above), you will hopefully have developed some sense of your sight lines and camera shots for the debate. While the approach will vary somewhat based on layout, staging, and camera positions—and must be customized for your circumstance—in general, you will appear most natural on camera if, for most of the time, you look at the questioner and deliver your answer to her. However, you will want to depart from this general approach in two instances. First, when you want to make a particularly pointed or direct attack on your opponent, don't hesitate to pivot and direct that point—physically, and with eye contact—at your opponent. And second, for special emphasis (not to be overdone, not more than a few times in the debate), pick some times to look directly in the camera and address your answer to the viewers at home.
- 18) **Do not be ossified in your approach to answering questions.** The temptation to develop a standard answer template is often strong (e.g., Start with a one-liner; make a contrast point; offer your vision; end with a specific proposal). While standard answer structures have their appeal, they can wind up sounding canned or tedious to listeners. And you might leave your best points on the debate hall floor if you try to shoehorn all answers into a single structure. Some answers will fit a particular template—but others might best be devoted to an entirely critical/negative response, or others an entirely positive/agenda-oriented response. Variation keeps your answers fresh and natural sounding.
- 19) **Listen, listen, listen.** The best debate coach I have ever worked with—Bob Shrum—always made the cornerstone of his debate advice the simple injunction to “listen, listen, listen.” Your real counterpunching opportunities (see point #10 above) will come from things your opponent says—but you cannot seize on those opportunities if you are not listening to what she is saying. Don't let a focus on what you are going to say next (or your frustration with what you just said or failed to say) distract you from listening to your opponent and seeing what openings for counterpunches she has created for you. While you can overdo this—do not repetitively pick on your opponents' words, or repetitively point them out—the only way you can hit a debate home run is to see the pitch coming—and in this instance, that means listening for your opponent to give you an opening.
- 20) **If in doubt, don't.** The moment will come in the debate when there is a point you think you want to make—but you just aren't sure if it will come out right, or if your facts are right. At that moment remember the advice that some elementary school teacher once gave you: “If in doubt, don't.” Better to fail to make a point during a debate (leaving open the possibility it can be made post-debate) than to make a point that goes awry. Very few candidates blow their debates because of statements made with *certainty*. Almost always, debates are lost due to statements about which, after the fact, the candidate says, “You know, I just wasn't sure, but...”

After the Debate: The Work Has Just Begun

- 21) **The end of the debate is only the beginning of the winning.** The number of voters who will learn about the debate from what they read in the papers, or see on the news, is almost always five or even ten times as large as the number of voters who actually saw the debate when it was broadcast. Consequently, shaping the post-debate coverage is, in many ways, even more important than the debate itself. Ross Perot's win in the first debate in 1992, and George Bush's win in the first debate in 2000, were public perceptions that developed over the days that followed the debate—not the assessment of viewers or voters in the immediate aftermath of the debate. Make sure your campaign puts as much effort into winning the post-debate spin war as you have put into winning the debate itself—with a focused strategy (it goes back to the dream headline question identified in point #1 above); effective attacks on your opponent; and quick responses to any negative trends in coverage that emerge.

Ron Klain is a President of Case Holdings, and General Counsel of Revolution LLC. He has served as Chief of Staff to Vice Presidents Biden and Gore, Chief of Staff and Counselor to Attorney General Reno, Associate Counsel to President Clinton, Staff Director of the Senate Democratic Leadership Committees, Chief Counsel of the U.S. Senate Committee on the Judiciary and Law Clerk to Supreme Court Justice Byron R. White. Over the course of his career, he has been a senior debate prep advisor to a number of campaigns, including his work as Director of Debate Preparation for the Kerry-Edwards Campaign in the 2004 General Election. Earlier, he served on the debate preparation teams of then-Governor Clinton in 1992; Vice President Gore in 1996 and 2000; and General Wes Clark during the primary campaign in 2004. Ron is a member of the Third Way Board of Trustees.

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DEBATE PREP | JULY 2012

World Leaders: A Pronunciation Guide

By Mieke Eoyang and Julie Zelnick

This guide lists the names, titles, and pronunciations of a wide range of foreign political leaders in the following regions.¹

- Africa
- Asia
- Australia/Oceania
- Europe
- Middle East
- North America/Central America
- South America
- Multilateral Organizations

AFRICA



Egypt

Defense Minister:²

Mohamed Tantawi

(mow-HAH-mehd tahn-TAH-wee)

Since: February 11, 2011

President:

Mohammed Morsi

(moh-HAH-meh MOOR-see)

Since: June 30, 2012



Kenya

President:

Mwai Kibaki

(m-W-EYE kee-BAH-kee)

Since: December 20, 2002

Prime Minister:

Raila Amolo Odinga

(rah-EE-lah oh-DIHN-gah)

Since: April 17, 2008



Libya

Chairman TNC:

Mustafa Abdul Jalil

(MOO-STAH-FAH ABH-dll jah-LEEL)

Since: March 5, 2011



Morocco

Head of State:

King Mohamed VI

(mo-HAH-mehd)

Since: July 23, 1999



Nigeria

President:

Goodluck Jonathan

Since: March 9, 2010



Rwanda

President:

Paul Kagame

(kah-GAH-meh)

Since: March 24, 2000



South Africa

President:

Jacob Zuma

(JAY-khub ZOO-mah)

Since: May 9, 2009



South Sudan

President:

Salva Kiir

(SAHL-vah KEER)

Since: July 9, 2011



Sudan

President:

Omar al-Bashir

(OH-mahr ehl baa-SHEER)

Since: June 30, 1989



Zimbabwe

President:

Robert Mugabe

(RAH-behrt moo-GAH-beh)

Since: December 31, 1987

Prime Minister Designate:

Morgan Tsvangirai

(MOHR-gehn CHAHN-gihr-EYE)

Since: February 11, 2009

ASIA



Afghanistan

President:

Hamid Karzai

(haw-MIHD Kahrz-EYE)

Since: December 7, 2004



India

Prime Minister:

Manmohan Singh

(mahn-MOH-hahn SING)

Since: May 19, 2004



Burma

President:

Thein Sein

(TAYN-SAYN)

Since: March 30, 2011

Human Rights Activist:

Aung San Suu Kyi*

(AWN SAN SOO CHEE)

*1991 Nobel Prize recipient



Indonesia

President:

Susilo Bambang Yudhoyono

(soo-SEE-low BAHM-BAHNG YOO-doh-YOH-noh)

Since: August 20, 2004



Japan

Prime Minister:

Yoshihiko Noda

(yoh-SHEE-hee-koh NOH-dah)

Since: September 2, 2011

Emperor:

Akihito

(ah-kee-HEE-toh)

Since: January 7, 1989



China

President:

Hu Jintao

(HOO JIHN-TAH OH)

Since: November 15, 2002

Premier:

Wen Jiabao

(WUHN JAH-BAH OH)

Since: March 16, 2003



North Korea

Supreme Commander of the Korean People's Army:

Kim Jong Un

(KIHM JAWNG-UHN)

Since: April 11, 2012



South Korea

President:

Lee Myung-bak

(EEE MYUHNG BAHK)

Since: February 25, 2008



Pakistan

Prime Minister:

Yousuf Raza Gilani

(YOO-SOOF RAY-ZAH GHEE-LAH-NEE)

Since: March 25, 2008

President:

Asif Ali Zardari

(AH-sihf AH-lee zahr-DAH-ree)

Since: September 9, 2008

Chief of Army Staff:

Gen. Ashfaq Kayani

(AHSH-fahk kah-AH-nee)

Since: November 29, 2007



Taiwan

President:

Ma Ying-jeou

(MAH YEENG JOH)

Since: May 20, 2008

AUSTRALIA/OCEANIA



Australia

Prime Minister:

Julia Eileen Gillard

(JOOH-yah GIH-lahrd)

Since: June 24, 2010



New Zealand

Prime Minister:

John Key

Since: November 19, 2008

EUROPE



France

President:

Francois Hollande

(frahn-SWAH oh-LAHN-deh)

Since: May 15, 2012



Germany

Chancellor:

Angela Merkel

(ahn-GAY-lah M-AIR-kl)

Since: November 22, 2005



Greece

Prime Minister:
Antonis Samaras

(ahn-TOH-ness sah-mah-RAHS)

Since: June 20, 2012



Ireland

Prime Minister:
Enda Kenny

(EHN-dah KEH-nee)

Since: March 9, 2011



Italy

Prime Minister:
Mario Monti

(MAHR-yoh MAWN-tee)

Since: November 16, 2011



Russia

President:
Vladimir Putin

(vlah-DEE-meer POO-tihn)

Since: May 7, 2012



Spain

Prime Minister:
Mariano Rajoy

(mah-ree-AH-noh rah-HOY)

Since: December 21, 2011

Head of State:

King Juan Carlos I

(HWAHN KAHR-lohss)

Since: November 22, 1975



United Kingdom

Prime Minister:
David Cameron

(DAY-vihd KAM-uh-ruhn)

Since: May 11, 2010

Head of State:

Queen Elizabeth II³

Since: June 2, 1953

MIDDLE EAST



Bahrain

King:
Hamad

(HAH-mahd)

Since: March 6, 1999



Iran

Supreme Leader:

Ayatollah Ali Khamenei

(Eye-ah-toe-LAH ah-LEE hahmehn-a-EE)

Since: June 4, 1989

President:

Mahmoud Ahmadinejad

(mah-MOOD ahh-mah-dee-nee-ZHAHD)

Since: August 3, 2005



Iraq

President:

Jalal Talabani

(jah-L AHL tah-lah-BAH-nee)

Since: April 7, 2005

Prime Minister:

Nuri Kamil al-Maliki

(NOOR-ee KAM-ihl al MAL-ih-kee)

Since: May 20, 2006



Israel

President:

Shimon Peres

(shee-MOHN PEH-rehs)

Since: July 15, 2007

Prime Minister:

Binyamin Netanyahu

(behn-yah-MEEN neht-an-YAH-hoo)

Since: March 31, 2009

Defense Minister:

Ehud Barak

(eh-HOO- D bah-RAHK)

Since: March 28, 2007



Jordan

Head of State:

King Abdullah II

(ahb-DUHL-lah)

Since: February 7, 1999



Lebanon

President:

Michel Suleiman

(mee-SHELL soo-lay-MAHN)

Since: May 25, 2008

Hezbollah leader:

Hassan Nasrallah

(HAH-sahn nahs-RAH-lah)

Since: February 16, 1992



Palestinian Authority

President of the PA:

Mahmud Abbas

(mah-MOOD ah-BAHS)

Since: January 15, 2005



Saudi Arabia

Head of State:

King Abdallah

(ahb-DUHL-la)

Since: August 1, 2005



Syria

President:

Bashar al-Assad

(bah-SHAHR ahl AH-sahd)

Since: July 17, 2000



Turkey

Prime Minister:

Recep Tayyip Erdogan

(reh- JEHP t-eye-YIHP ERR-doh-ahn)

Since: March 14, 2003



Yemen

President:

Abdurabu Mansur Hadi

(AH-bd RAH-boh mahn-SOOR HAD-ee)

Since: November 23, 2011

NORTH/CENTRAL AMERICA



Canada

Prime Minister:

Stephen Harper

(Stee-phen HAR-pur)

Since: February 6, 2006



Mexico

President:

Enrique Peña Nieto

(En-REE-kay PAYN-yah nee-EH-toh)

Since: July 2, 2012



Cuba

President:

Raúl Castro

(rah-OOL KASS-troh)

Since: April 19, 2011



Nicaragua

President:

Daniel Ortega

(dahn-YEHL or-TAY-gah)

Since: January 10, 2007

SOUTH AMERICA



Argentina

President:

Cristina Fernandez de Kirchner

(fehr-NAHNdehs-day KEERCH-nehr)

Since: December 10, 2007



Colombia

President:

Juan Manuel Santos

(HWAHN mahn-WEHL SAHN-tohs)

Since: August 7, 2010



Bolivia

President:

Evo Morales

(E-voh moh-RAH-lays)

Since: January 22, 2006



Peru

President:

Ollanta Moises Humala

(oh-YAHN-tah oo-MAH-lah)

Since: July 28, 2011



Brazil

President:

Dilma Rousseff

(JEEL-mah ROO-sehf)

Since: January 1, 2011



Venezuela

President:

Hugo Chávez

(OO-go CHAH-vehs)

Since: February 2, 1999



Chile

President:

Sebastian Pinera

(seh-bahst-YEHN peen-YEH-rah)

Since: March 11, 2010

MULTILATERAL ORGANIZATIONS



European Union

President, European Council:

Herman Van Rompuy

(HER-mahn fuhn- ROOM-p-eye)

Since: December 1, 2009



United Nations

Secretary General:

Ban Ki-Moon

(BAHN GHEE-MOON)

Since: January 1, 2007



International Monetary Fund

Managing Director:

Christine Lagarde

(Krihss-TEEN lah-GAHRD)

Since: July 5, 2011



World Bank

President:

Jim Yong Kim

Since: July 1, 2012



NATO

Secretary-General:

Anders Fogh Rasmussen

(AN-dehrs FOH RASS-muh-sen)

Since: August 1, 2009

ENDNOTES

1 This is not a comprehensive list. The names and titles are from the CIA World Factbook and recent media sources. Pronunciations are from the Voice of America pronunciation guide.

2 The Defense Minister is currently in charge of the provisional government; elections are currently ongoing.

3 Queen Elizabeth II is the head of state to 15 Commonwealth countries including: Australia, New Zealand, Canada, Jamaica, Antigua and Barbuda, The Bahamas, Barbados, Grenada, Belize, St. Christopher and Nevis, St. Lucia, the Solomon Islands, Tuvalu, St Vincent and the Grenadines, and Papua New Guinea.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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Explaining the Pentagon's New Defense Strategy

By Mieke Eoyang and Julie Zelnick

The purpose of this paper is to translate the long and technical national security strategic directive the Obama Administration laid out on January 5, 2012 into plain language and provide policymakers with guidance on how to make the case for the President's plan. The directive has four over-arching goals, which are reflected in the budget:

Geopolitics

1. Concentrating on the Asia-Pacific and Middle East regions.
2. Maintaining a global U.S. military presence.

Shape of the Force

3. Transforming and modernizing the force.
4. Cutting costs and embracing new technologies like drones.¹

- ▶ The new directive represents a shift from a Cold War military to a mobile, targeted, lethal fighting force. It is shedding outdated systems and missions so that the U.S. can better meet the demands of the future. And we have to do all of this with an eye toward fiscal responsibility in a time of constrained budgets.
- ▶ Change is hard. Those who protect old ways will accuse the Administration of gutting our security. But there is no question that under this strategy, the U.S. will remain the world's largest, most experienced, and most effective fighting force.

GEOPOLITICS

The new strategy shifts where the U.S. will concentrate its presence geographically. These changes include:

Concentrating on Asia and the Middle East

The U.S. Pacific Command (PACOM) is responsible for 50% of the world's population and about half of the world's surface. This includes North Korea, China, India, and Pakistan, where rising tensions and population growth demand U.S. attention.² Therefore, the new strategy will maintain, or increase in some areas, military personnel and assets to help ensure regional



stability and freedom for ships in the Pacific and South China Sea. This began with a small increase in troop presence in Australia late last year.

Of course, we are not starting from scratch. The U.S. currently has a major military presence in Asia with 28,500 troops in Korea,³ 53,000 in Japan,⁴ and around 180 ships in the Pacific.⁵ U.S. troops are also based in the Philippines, Guam, and elsewhere on the Pacific Rim, and we routinely station a number of additional carrier groups in the area. But increased emphasis will not result in an immediate increase in military ships in the Pacific.⁶

Meanwhile, the Department of Defense (DOD) will continue to focus on the Middle East, especially with:

- **The war in Afghanistan.** Currently there are between 135,000 and 150,000 U.S. troops in the region designated U.S. Central Command (CENTCOM) AOR.⁷ Of those, around 90,000 troops in Afghanistan, which will fall to 68,000 through 2013.⁸ Combat operations will last until at least mid-2013, and troops could remain after 2014.⁹
- **The Arab Spring.** With delicate transitions happening in Tunisia, Libya, and Egypt, and a potential civil war in Syria, the U.S. military will need a significant presence across the region.
- **Heightening tensions with Iran.** As we try to prevent Iran from obtaining nuclear weapons, we are facing real threats to our interests and our allies, especially Israel.

Maintaining a Global U.S. Military Presence

The new directive envisions keeping a military presence in Europe, Latin America, and Africa, increasing military-to-military trainings, and establishing new partnerships. Overall, DOD will focus on providing more diplomacy, development, and security force training assistance with our allies, all of which are vital to maintaining and deepening those relationships.

In Europe, the U.S. now funds most of NATO. We will need to negotiate a more equal burden-sharing agreement.¹⁰

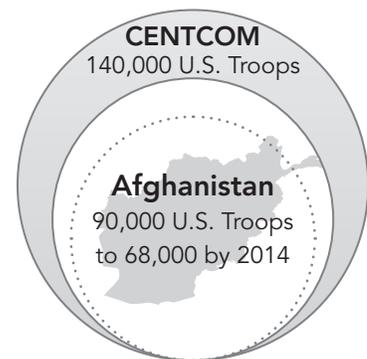
The DOD will maintain a small presence in Africa and South America. In South America the U.S. provides security trainings and exercises, but has no bases.¹¹ To put troops on the ground there, DOD may use the model it has developed successfully in the Horn of Africa, where small military operations are conducted.¹²

MAKING THE CASE

As we end wars in Iraq and Afghanistan, our focus is shifting to Asia to ensure stability and security in a fast-growing region.

MAKING THE CASE

We will stay in the Middle East to ensure the security of our allies and protect our vital interests there.



SHAPE OF THE FORCE

Evolving American Ground Forces

The strategy will move DOD to a more lean, agile, and flexible force. The U.S. military will counter threats or help in humanitarian efforts quickly and anywhere. Therefore, the current composition of troops worldwide will shift. For example:

- The military will increase the use of Special Operations units to perform smaller, more targeted missions, which have had great success over the past decade. These units will maintain or increase their funding levels and personnel.
- Active-duty end strength will decrease. There are currently over 560,000 active-duty Army soldiers and 202,000 Marines. Total ground force end strength will be reduced over the next decade to 490,000 and 180,000 respectively.¹³
- As the active-duty force shrinks, the Reserve and National Guard will help maintain combat capabilities. These components will be activated if the military needs to rapidly increase its troop levels to fight a major war.
- The new directive calls for moving two brigades from Europe to the U.S. by 2014. They will be replaced by smaller rotating units of battalion or company size.¹⁴ Secretary Panetta and Army Chief of Staff General Raymond Odierno argue that this will help diversify NATO capabilities.¹⁵ No reduction in troop end strength is expected from the Asia Pacific area.¹⁶

Embracing New Technologies

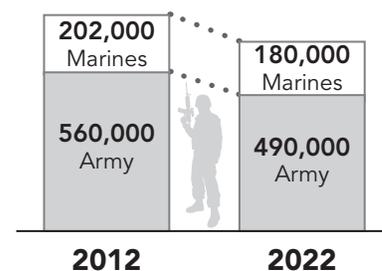
The new strategy shifts away from Cold War systems to more modern platforms, as well as investing in the technologies for the future. The plan calls for increased Research and Development (R&D) funding for satellites, intelligence gathering, energy independence, cybersecurity, and unmanned systems like drones. These technologies will allow our servicemembers to protect the nation from a distance, identifying threats before they emerge, and eliminating them without extensive use of ground forces.

DEFENSE SPENDING

After more than ten years of war and spiraling defense costs, the new strategy envisions a substantial change in the Pentagon's funding levels. Some of these changes are already in place. As prompted by the bipartisan *Budget Control Act* (BCA) of 2011, the new directive plans for a reduction of \$487 billion in DOD's budget over the next

MAKING THE CASE

We need to get our fiscal house in order to retain national power. There's no need to maintain wartime spending levels once the wars are over.



MAKING THE CASE

Investing in Special Operations, drones, and new technology will make our military leaner and more agile at a lower cost.

MAKING THE CASE

Unlike the end of the Cold War, this is a transformation to a modern military, not simply downsizing.

ten years.¹⁷ Savings are coming from cuts to administrative staff and troops, personnel benefit changes, retirement of outdated weapons, and another round of base closures.

Critics of the new strategic directive will say this strategy slashes the budget. This is a distortion. The BCA requires DOD to cut its projected increases in spending. Over the long haul, the Administration is slowing the rate of growth in the Pentagon budget, not cutting it. It is true, however, that this year's base budget is lower than last year's. These reductions reflect the troop withdrawal from Iraq and the savings from the BCA.¹⁸ After next year, defense budgets continue to rise, and our nation will still account for nearly half of all military spending worldwide.¹⁹ But ultimately, what we do with the budget is more important than its size.

Looking forward, policymakers will need to continuously assess the new military strategy and determine if the spending levels it proposes are sufficient over the coming years. Secretary Panetta has warned that if sequestration occurs as a result of Congress failing to achieve another debt deal, the impact on the Pentagon budget would be disruptive.²⁰

DOD believes more efficient spending will cure a variety of bad habits, including a lack of auditability, cost overruns, schedule delays, and redundancies. But that is not enough. To save more tax dollars, policymakers must do a better job of monitoring the acquisitions process, where in many cases there is little or poor oversight.²¹ Under the current system, DOD purchases weapons systems in bulk before they have completed operational testing.²² In addition, DOD must truly embrace energy efficiency. Every time the price of jet fuel goes up by 25 cents, the Department pays another \$1 billion in energy costs.²³ Without focusing on energy efficiency, rising fuel costs will eat the Defense budget from the inside out.

CONCLUSION

As policymakers examine the details of the Administration's new strategy, they must ensure that military spending reflects America's commitment to having the most modern, efficient, and lethal fighting force on the planet in order to protect the nation. ■

MAKING THE CASE

Those wedded to outdated systems and ways will always focus on the size of the budget, rather than how it is being spent.

The National Security Academy is an initiative of the Third Way National Security Program. The Academy will offer insights into complex security questions and deliver them through in-person or virtual briefings and written materials.

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June 2012

TO: Interested Parties

FROM: Matt Bennett, Senior Vice President for Public Affairs
Mieke Eoyang, Director, National Security Program
Michelle Diggles, Senior Policy Advisor, Social Policy & Politics Program

RE: The Politics of National Security

A review of recent public polling confirms the main findings of our 2012 focus groups:¹ this election will feature a Democratic President with some of his strongest ratings in national security. This is extraordinary after four decades of Republican dominance on security issues. But the recent data also confirm that one successful presidential term is not enough to significantly erode preconceived voter notions about the two parties on these issues.

Set forth below are the most pertinent findings of the recent publicly available polling data on national security issues. We offer results for Registered Voters (RV) and, where available, for Independent voters (IND).

President Obama Remains Strong on National Security

Polls continue to demonstrate strong support for President Obama across a wide range of national security issues.

International Affairs

President Obama bests Mitt Romney on who is trusted to do a better job handling international affairs by roughly 20 points (RV: 56% to 37%; IND: 52-30%).²

Terrorism

By a 2:1 margin, Americans believe the President's handling of terrorism is a major reason to support his reelection.³ With RVs, Obama leads Romney 47-40% on who is trusted to do a better job handling terrorism, but INDs prefer Romney 43-40%.⁴

Drones

The President's aggressive use of drones is overwhelmingly popular. A February survey found that 83% approve of his drone policy, including 77% of liberal Democrats.⁵

Afghanistan

A poll in late May found that 78% support Obama's drawdown plan for Afghanistan.⁶

Guantánamo Bay

The President's (grudging) decision to keep Guantánamo Bay open draws support from 70% of RV, including 53% of liberal Democrats and 67% of moderate and conservative Democrats.⁷

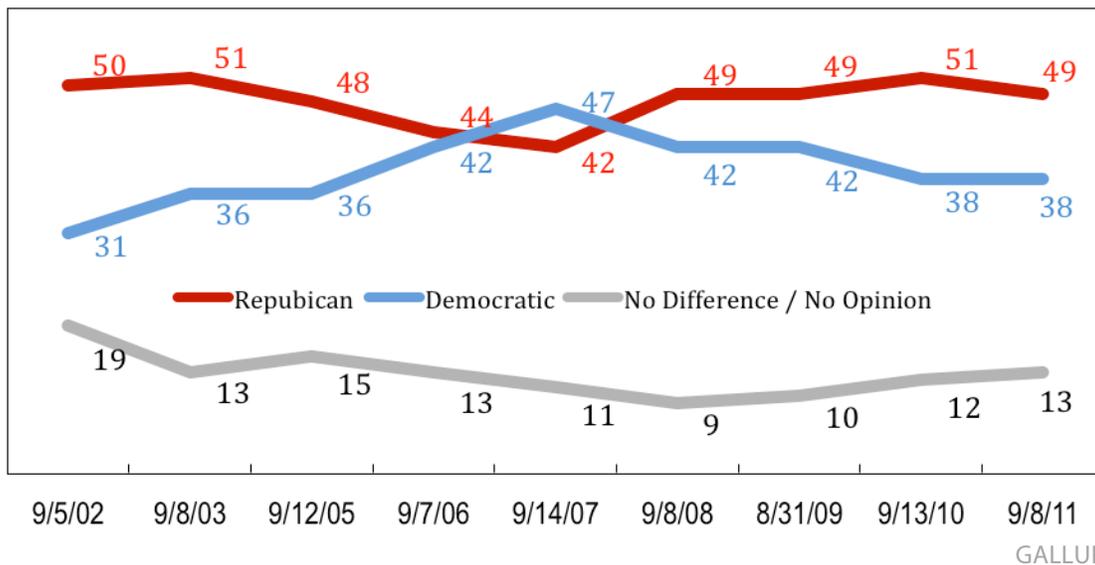
Veterans

Despite the President's support for veterans programs, veterans themselves still lean to the right, favoring Romney by 24 points (58-34%).⁸

The Security Gap Returns

Despite the President's strength, the Democratic Party does not enjoy the same advantage. For decades, Democrats were considered weak on national security, being viewed as indecisive, afraid to use force, and too willing to support defense budget cuts. While this security gap disappeared in late 2006 as concern mounted about Republicans and the Iraq War, it soon reappeared, and the party brands now have largely reverted to their historical norms.

Looking ahead for the next few years, which political party do you think will do a better job of protecting the country from international terrorism and military threats?



As we found in our focus groups,⁹ President Obama's strong ratings on national security issues have not been reflected in his party's brand. Our 2012 focus groups revealed many of the same biases about Democrats that we heard in 2008. And a Gallup poll from fall 2011 found that just six months after the bin Laden raid, Americans favored Republicans by 11 points on protecting the country from international terrorism and military threats.¹⁰

A similar question was asked in a series of polls in 2011 about who is trusted to do a better job of protecting the country, Democrats or Republicans. Republicans began 2011 with a 9-point lead over Democrats. The parties achieved near parity after the bin Laden mission. Then Democrats began a slow decline, bottoming out at 36%—14 points behind Republicans—at the end of 2011, before recovering a bit in 2012.

Trust to do a Better Job of Protecting the Country¹¹

Field Dates	Democrats	Republicans	GOP Margin
Jan. 5-10, 2011	39%	48%	+9
May 5-9, 2011	42%	43%	+1
June 16-19, 2011	41%	46%	+5
Aug. 18-22, 2011	40%	46%	+6
Oct. 13-17, 2011	38%	45%	+7
Dec. 8-12, 2011	36%	50%	+14
Feb. 16-20, 2012	40%	48%	+8
Average*	39%	47%	+8

Contextualizing Defense Cuts

In the 2012 election cycle, defense spending will remain a salient issue, especially in the context of deficit reduction. An April 2012 Pew survey reflected another finding from our focus groups: 58% of RV (and 55% of IND) associated “reducing defense spending” with the Democratic Party.¹² At the same time, more than half of Americans think we spend too little (24%) or the right amount (32%) on defense, with just 41% saying we spend too much.¹³

And yet, poll after poll also illustrates that when forced to choose among a series of options for reducing the budget deficit, cuts to defense spending are popular. For example, a recent study asked respondents if we should raise revenues, reduce non-defense spending, or reduce national defense spending to address the deficit. Sixty-two percent (and 52% of IND) selected reductions in defense spending.¹⁴

The more context provided to voters, the more that defense cuts become popular. In an April budgeting exercise, 665 Americans were given the base defense budget for 2012 and asked to set a level for 2013; 76% reduced defense spending, including 68% of IND.¹⁵ The average spending cut was \$127 billion (23%). Among IND, it was higher—\$147 billion (26%) was cut.¹⁶

When respondents are offered comparisons between our defense spending and other spending, some elicit strong responses:

- When comparing defense spending and discretionary spending, 65% said the defense spending was much or somewhat more than they expected.¹⁷
- When looking at defense spending over time (since 1960), 60% said it was more than expected (including 64% of IND).¹⁸
- Comparisons of the U.S. defense budget with the combined budget of our potential adversaries (China, Russia, North Korea, Iran) or allies (NATO, Japan, South Korea) resulted in 56% saying it was more than expected (55% of IND).¹⁹

* The question was not asked in March and April. The May 3-7, 2012 Associated Press/Gfk poll changed the question, asking not about the parties but about “Barack Obama” and “Mitt Romney.” In that survey, 53% selected President Obama and 37% Romney.

By contrast, comparing defense budgets to entitlement spending or framing it as a percentage of GDP did not produce the same result—clear majorities believing that defense spending was too high.²⁰

Mixed Views on Iran

Polls demonstrate that Americans are deeply concerned about Iran, but do not agree on how to address their concerns. Nearly half of Americans approve of President Obama's handling of Iran (40% disapprove), with IND evenly split.²¹ Yet overwhelmingly (64%), Americans believe that tougher economic sanctions will *not* force Iran to give up its nuclear program, including 67% of IND.²²

Nearly 6 in 10 Americans want to prevent Iran from developing nuclear weapons, even if it means taking military action, including 55% of IND.²³ A majority of Americans (54%) are worried the U.S. will wait too long to deal with Iran's nuclear program, and only 34% express the opposite concern of acting too quickly.²⁴ The only group expressing more concern about acting too quickly is liberal Democrats, 50% to 38%.

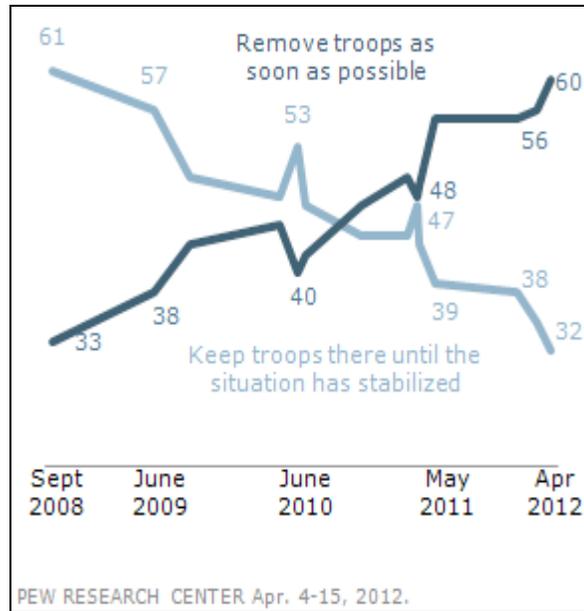
When directly confronted with the option of the "U.S. bombing Iran's nuclear development sites," 51% were opposed—including 51% of Independents and 54% of moderates—and 42% in support.²⁵ A slim majority, 51%, also opposed Israel bombing Iran's nuclear development sites, including 51% of Independents and 54% of moderates.²⁶ If Israel attacks Iran, 51% want the U.S. to remain neutral, including 58% of Independents and conservative/moderate Democrats.²⁷ While the data suggests that the public has appetite for military conflict with Iran, they may not appreciate the odds of success or the magnitude of the consequences.²⁸

Broad Support for Withdrawal from Afghanistan

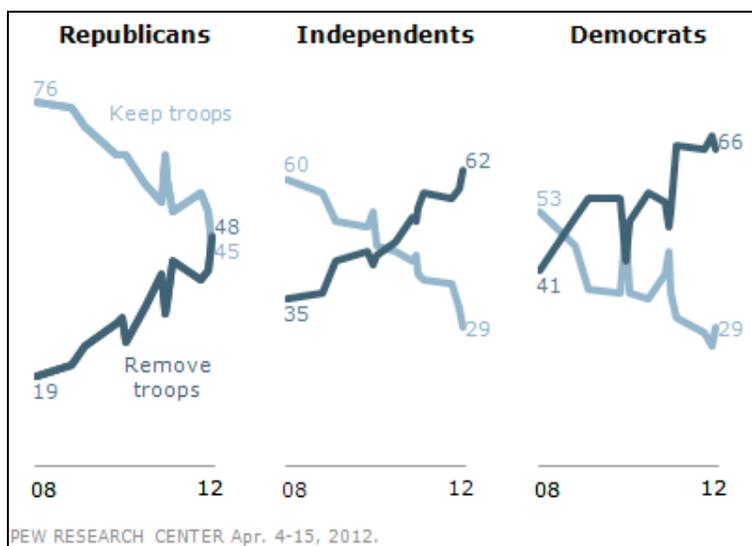
The public strongly supports withdrawing from Afghanistan while support for staying the course has dropped off dramatically. Since the killing of Osama bin Laden, support for keeping troops in Afghanistan has plummeted among all groups. Pew has tracked this issue for a number of years (see charts below), and we are at the lowest levels of support for the war since fall 2009.²⁹ Between March and April of 2012, the percentage of Americans believing the U.S. military effort was going very/fairly well fell from 51% to 38%. The drop-off was evident amongst all partisan groups, including Democrats (-15 points), Republicans (-12 points), and IND (-7 points).

The same Pew analysis found major declines in support for keeping troops in Afghanistan. Sixty percent now support removing troops as soon as possible, including 66% of Democrats and 62% of IND. This trend has accelerated over the past year, as evidenced by the charts (from Pew) below:

Record-Low Support for Keeping U.S. Troops in Afghanistan



Republicans Now Split Over U.S. Troop Presence



On the pace of troop withdrawal, 53% (and 51% of IND) think President Obama is removing troops from Afghanistan at about the right pace, with only 20% (17% of IND) believing it is too quick.³⁰

No Appetite for Intervention in Syria

Americans do not want to see the U.S. embroiled in Syria. Only 25% agree that the U.S. has a “responsibility to do something about fighting in Syria,” with 64% disagreeing.³¹ There is opposition to bombing Syrian forces to “protect anti-government groups” (62%) and “sending arms to anti-government groups” (63%).³²

These are similar to responses given in 2011 about Libya. In March 2011, only 27% thought we had a responsibility to do something about Libya, with 63% opposed.³³ Further, 77% opposed bombing Libyan air defenses and 69% sending arms to anti-government groups.³⁴ As these comparisons demonstrate, Americans rarely support intervention.

A Divide on Interrogation/Detention

Americans are divided over the use of harsh interrogation techniques such as waterboarding. In a November 2011 survey, 45% said it was justified to sometimes use them to get information from a suspected terrorist with 40% opposed (6% volunteered it depends and 9% didn't know).³⁵ Phrased as a response to terrorist threats, 51% favored harsh techniques (26% strongly favored) with 34% opposed and 15% neutral.³⁶

Half of Americans favor (28% strongly) the detention of non-U.S. suspected terrorists for extended periods of time without being charged, including 47% of Independents.³⁷

Conclusion

The polling on national security has been relatively stable over the last several months and consistently shows complexity in the politics of these issues. President Obama is broadly popular and trusted, while his Party is not. There is fairly strong support for his policies on Iran and Afghanistan, but uncertainty that those policies will work. President Obama may run for re-election touting successes in national security, but significant external events could shift public opinion away from the President. That shift would have much more damaging consequences for down-ballot Democrats who are historically disfavored in the area of national security.

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³¹ "Little Support for U.S. Intervention in Syrian Conflict."

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NATIONAL SECURITY | MARCH 2012

National Security Focus Group Report

By Matt Bennett, Mieke Eoyang, and Michelle Diggles of Third Way and Jeremy Rosner, Kristi Lowe, and Amanda Oefelein of Greenberg Quinlan Rosner Research

November's presidential election will feature something not seen in American politics in more than forty years: a Democratic candidate who enjoys some of his strongest ratings on *national security*. Swing voters in a new set of focus groups¹ are generally impressed with the job President Obama is doing in keeping the country safe. Yet his success has not erased old doubts or stereotypes about his party on these issues.

Obama's strong image comes in large part from the success of the May 2011 raid on Osama bin Laden, along with a string of other security-related accomplishments. The Democratic Party, by contrast, continues to carry image liabilities on national security that stretch back a half century: indecisive, too hesitant to use force, and tending to heed public opinion over national interests. As a result, while our focus groups tilt toward Obama over his GOP rivals on security issues, they continue to trust Republicans somewhat more as a party.

But while there is a gap between Obama and his party on national security, there is a mirror gap for Republicans. The record of President George W. Bush has dented their strong brand on national security and leaves real doubts about what Republicans would do if they once again controlled the White House. These voters respond coolly to the national security messages of the 2012 Republican candidates.

Below are the main findings from the Third Way-Greenberg Quinlan Rosner research on these swing voters' view of Democrats and Republicans on national security, followed by recommendations for translating the president's success to the broader Democratic brand.

THE DEMOCRATS

Obama's Brand is Strong. The Party's Brand, Not So Much.

Obama's Solid National Security Record Makes an Impression

The headline finding—supported by public polling—is how strongly voters assess President Obama's performance on national security. The swing voters in these groups say that the president is doing “pretty well,” “decent,” and

generally better than they expected. An Ohio man describes Obama's national security performance as "a pleasant surprise: he has continued to protect the U.S.; he hasn't wavered and he's shown that he is not afraid to use military force, which, when he came into office, I didn't think he was going to do."

Obama's ratings on national security were already healthy before last May—three Third Way/GQR polls on national security in 2010 showed it to be a real strength for the president.² But now, the bin Laden raid provides the main lens through which voters see Obama on these issues. As a Florida woman reflects: "That defines [Obama's] future—that was the biggest hunt for a terrorist that there ever was—and they got him."

Bin Laden's death carries subtle layers of meaning for these swing votes: a reduced terror threat; confidence in U.S. Special Operations; evidence that Obama can work across party lines; and proof that he can ultimately "pull the trigger." We show participants seven photographs of Obama in national security settings, and the iconic shot in the Situation Room watching the bin Laden raid makes these swing voters feel most positive about Obama. As a Tampa man explains, "It shows [Obama] can make a tough decision."

Participants mostly agree that the U.S. is in a stronger position in the world today than four years ago, and most feel personally as safe or safer today. But the death of bin Laden does not define the end of an era for these voters, and they remain concerned about terrorism. They talk about the importance of continuing airport security measures. They believe the president has done a good job of consulting with his advisors and looking at the facts to make the right policy calls, from Afghanistan to Guantanamo Bay. The president also gets credit for striking the right balance between diplomacy and force.

There are a few cautionary notes for the president. Some participants give all the credit for the bin Laden raid to the Navy SEALs and broader U.S. military. Others say Obama is simply capitalizing on the security capabilities built up by George W. Bush and other Republicans before him. These are minority views, but there is a risk of going too far in taking credit and sounding boastful.

The Democratic Security Image Still Stuck in the Past

Obama's solid standing on national security, however, has not yet rubbed off much on the image of the Democratic Party. These swing voters see Democrats in much different terms than the president—and trust them less on national security than the Republicans.

"...[President Obama] hasn't wavered and he's shown that he is not afraid to use military force, which, when he came into office, I didn't think he was going to do."

What we hear in these groups is remarkably close to what we found in a 2008 set of focus groups on these issues: Democrats too often are weak, indecisive, afraid to use force; lack grounding in military matters; rely excessively on diplomatic solutions;

“[Democrats] are too willing to come to the bargaining table and ‘50/50’ it, and what’s the advantage to our country?”

respond too quickly to public pressure; and defer too readily to the party’s liberal base. As one man from Cincinnati says of Democrats: “They are too willing to come to the bargaining table and ‘50/50’ it, and what’s the advantage to our country?”

terrorists,” “intelligence and spying,” and “dealing with dangerous nuclear regimes like North Korea, Iran, and Pakistan.”

While the swing voters in this year’s focus groups trust Democrats more on issues like diplomacy and boosting America’s global image, they trust Republicans more on “hard security” topics like “the effective use of military force,” “preventing terrorist attacks here in the U.S.,” “capturing, interrogating, trying, and imprisoning

Their comments show that the roots of this image problem are decades old. “There have been a couple of Democratic administrations that screwed up military-wise,” reflects an Ohio man. “Jimmy Carter tried to rescue some people and then the other guy, Clinton, he threw some bombs down somewhere and that didn’t go too well either.”

Early Signs of a Potential Shift in Perception about Democrats

While the long-standing images of the two parties appear mostly steady, relative to our earlier research, these focus groups provide an early window on potential signs that Obama’s presidency may be slowly starting to change some of the stubborn negative perceptions about Democrats. As one Tampa woman says of the bin Laden raid: “I’d never heard of any Democrats doing something that dramatic, forceful.” And as the word cloud below shows, although these swing voters continue to harbor doubts about Democrats, the dominant association with the party on national security is now “Osama.”

Key Words Associated with the Democratic Party on National Security³



Obama’s strong record also may explain the absence in these groups of some negatives we heard in the past about Democrats. There is virtually no complaint, as in 2008, that Democrats insufficiently support the military, which may reflect Obama’s successful stewardship of the military, as well as the efforts he and the First Lady have made to support military families and veterans. It is also notable that, at a time when Obama has ended the U.S. troop presence in Iraq and begun planning for a drawdown in Afghanistan, not a single participant this year voices the old complaint about Democrats “cutting and running.” Republican attacks on this score appear to have little resonance with swing voters.

THE REPUBLICANS

A Strong Party Brand, But Real Gaps Emerging

GOP Still the “Tough” Party of Reagan...

As the word cloud below suggests, these swing voters tend to see Republicans in stronger terms on national security—again, drawing on a long stream of historical memories. One Ohio man says: “Historically, [Republicans] have always reacted more appropriately and more quickly.”

Key Words Associated with the Republican Party on National Security



...But Possibly Becoming the “Reckless” Party of Bush

But while Republicans’ national security brand mostly remains strong, they may be starting to face some gaps of their own. First, there is a gap between the image of Republicans on national security and impressions of the most recent GOP president—particularly his performance in the Iraq war. Largely as a result of George W. Bush’s tenure, Republicans strike many of these swing voters as too extreme; too aggressive; too quick to take dangerous actions without all the facts; and “too quick on the trigger.” As one woman in Cincinnati says, “They want to go fight and then maybe ask the questions.”

To be sure, just as Obama has not yet erased long-term negative impressions about the Democrats, neither did Bush wipe out the GOP’s long-term perceptions of strength on national security. But these groups suggest the performance of both presidents may be helping to make the scales on these issues more balanced.

Republicans also appear to face the prospect of a gap when it comes to their potential standard-bearers in the 2012 presidential race. Despite the party’s reputation for strength, decisiveness, and a strong military, a number of swing voters are unsure about Mitt Romney’s credentials as commander in chief. “He would let everybody else make his decisions for him,” says one man in Cincinnati. “I just think he would run and hide,” says another. Newt Gingrich also raises concerns on security, with some of these swing voters worrying he would be “arrogant” and “uncompromising.” (We did not explore perceptions of Rick Santorum, since at the time of these groups he was not a real factor in the GOP field.)

Most worrisome for Republicans, their main messages on national security are not resonating with these swing voters. Among a set of messages from the Republican candidates we test, the only one that strongly registers is Ron Paul’s call to reduce America’s presence and spending abroad. Several participants say that although they consider Paul “kooky,” they respond positively to his argument that the U.S. is overextended.

By contrast, national security messages pulled straight from Romney's speeches mostly fall flat. A Romney promise to retain "military superiority" and criticizing Obama for debilitating defense cuts gets positive responses from only about a third of the participants. A call for restoring American strength and leadership, including an attack on Obama for apologizing for America abroad, generates positive reactions from fewer than a quarter of these voters. An attack on Obama's "reset" policy with Russia generates positive responses from fewer than one in twelve of the participants, who have difficulty thinking of Russia as a threat.

Obama's Narrative and Record Trump the Republican Alternative

At the start of these focus groups, participants say they trust Republicans over Democrats on matters of national security by a slim 14-11 margin (5 others say neither or both or are undecided). But after hearing a balanced set of national security messages from both Obama and the Republican presidential candidates, a strong 21-7 majority (2 others say neither or both or are undecided) concludes that Obama and the Democrats have the better argument on national security. (This is too few voters for the results to have statistical validity, but it is still a big and notable shift.)

One reason for the shift is that these voters react much more positively to all of President Obama's national security messages. The strongest Obama message highlights his terrorism record:

Obama says: *In the last 3 years we have taken the fight to al Qaeda and the terrorist groups like never before. The Navy Seals killed Osama Bin Laden. A U.S. drone killed Anwar al-Awlaki, the cleric hiding in Yemen who helped encourage the slaughter of U.S. troops at Fort Hood. These terror groups will remain a danger, but scores of their leaders are now dead, and most of the rest are on the run.*

Over three-quarters of the participants give this message a positive rating,⁴ with most of them giving it a strongly positive score. Participants find the message credible and compelling—"I know what we've done and I know what happened," says a man from Cincinnati. A man in Tampa says, "He can put on his resume what the other up-and-comers can't." This message also is the strongest among the 10 participants who shift during the groups toward favoring Obama and the Democrats on national security.

Despite Obama's strong record and dominant narrative on national security, these swing voters retain some anxieties about Obama and the Democrats. When faced with the hypothetical of whom they want in the White House if there were a new terrorist attack or Iran were to acquire nuclear weapons in 2013, these swing voters are conflicted. Many quickly pick the Republicans because of the engrained associations noted above. Others express faith in Obama because he has the proven record and experience from the last four years. As one Tampa man put it, "I'm not saying that [Obama's] better than Mitt Romney for all the other things, but I know that somebody has America's interest in

there, and can get the job done and make tough decisions. I would go with somebody that can do that on national security." There is an undecided segment of participants who mostly conclude it is best to stick with "the devil we know," but they have to talk themselves into it, rather than responding with a gut instinct.

Some Skepticism of Republicans on Iran

Iran is the top country these focus group participants pick as a threat to the U.S. But some are concerned with how a Republican president might handle the threat Iran poses. A few say that the situation echoes the run-up to the Iraq War, and they are skeptical of the case for war because of the previous flawed intelligence. A woman in Cincinnati says: "I think that if we have a Republican president, I think there would be a war on Iran."

"I think that if we have a Republican president, I think there would be a war on Iran."

When asked how they would respond if a presidential candidate were to propose U.S. military strikes on Iran, even the men most supportive of military action express some concerns about the burden on the U.S. The focus groups suggest a great deal of worry over the threat Iran poses, but also caution about the U.S. taking direct military action to confront that threat.

Gender Differences May Play a Role

The same gender gap that public polling has shown on these issues surfaces in these focus groups, with respect to the images of the two parties. While the men continue overwhelmingly to trust Republicans more on security, the two groups of women are more approving of the Democrats, and they support the perceived Democratic preference for diplomacy over military action. When we ask which party they trust more on the effective use of U.S. military force, the war in Afghanistan, and preventing terrorist attacks at home, these women overwhelmingly choose Democrats, while nearly all the men say Republicans.⁵

Although there are too few participants to draw empirical conclusions, this split suggests women may lead any long-term shift in the relative perceptions of the two parties on national security. Some women in these groups say Republicans take action "without the information" or all of the facts. The perceived confidence that Republicans bring to security can come across to them as "dominating" and "strong-arming."

GOING FORWARD

Using Obama's Success to Improve the Democratic Brand

Divergent perceptions of the two parties on national security were decades in the making and won't flip with a single presidential term or election cycle. But with the wind at their backs on security, there are real opportunities for Democrats to make gains during this election year. As a starting point, Democrats should regularly stress these issues and welcome a debate over national security. Simply making national security a bigger part of the Democratic narrative will show confidence on these issues and associate the party with Obama's record. In addition, these focus groups suggest a number of specific points to emphasize:

Highlight strengths by focusing on results and facts

Voters are notably non-ideological on national security; above all, they want results. And they believe that this president has amassed a record of genuine national security successes. As the word cloud below shows, the most common reason participants say Obama and the Democrats have the better argument on national security is because of the president's proven accomplishments.

Key Words on Why Obama/Democrats Have the Better Argument on National Security



The core of a Democratic narrative on national security at this point therefore should be the string of Obama accomplishments that speak for themselves—the bin Laden raid; repeated strikes taking out al Qaeda's top leaders; U.S. troops withdrawn from Iraq; Gaddafi's dictatorship ended; the war in Afghanistan winding down.

One reason many of these swing voters think Obama produced such clear results, especially in the bin Laden raid, is that he took the time to get his facts right. As one woman in Tampa says, "[Obama] doesn't just go off just to score points, you know, to be the big man or anything. He's going to get all his facts and his ducks in a row." The Democratic narrative should therefore paint the contrast with the Bush era: the war in Iraq based on faulty intelligence versus the bin Laden raid and a string of other successes because of a president who got the facts straight from the start.

MAKING THE CASE

President Obama has produced real results to make America more secure: Osama bin Laden is dead; most of al Qaeda's top leaders are gone; the U.S. war in Iraq is over; Gaddafi's dictatorship in Libya is no more; we are winding down the war in Afghanistan.

Obama's record reflects a determination to get the facts right. America can't afford to launch a war, as we did in Iraq, based on weapons of mass destruction that weren't there. President Obama has based his actions on solid facts, leading to solid results.

Emphasize the link between economic power and national power

These swing voters strongly link economic power to national power, and see America's security in part through the lens of our national economic strength and their own financial security. When they reflect on whether they feel more or less safe than four years ago, many of these voters immediately talk about their personal finances. Even when asked to assess the range of threats from abroad, the conversation quickly turns to issues like China's growing economic strength and the U.S. debts it holds; U.S. reliance on foreign oil; and the success of other countries in improving their skill base faster than the U.S.

Such voters need to hear that, for America, being strong in the world means being strong at home. This does not mean Democrats should simply bash China or downplay traditional military and diplomatic issues. It does mean, however, that they should address voters' economic concerns *as part of* their national security narratives and look for ways to stress the economic benefits of their national security policies. The Democratic case on national security should stress steps we are taking to open new markets for American exports, such as with the new trade agreements with Panama, Colombia, and South Korea; efforts to make China play by the rules of global trade; and steps at home to revive growth and employment.

MAKING THE CASE

America's security in the world depends on having a strong economy at home. President Obama has pursued national security policies that strengthen our economy and help average workers and families. He is working to increase U.S. exports, through new trade-opening agreements with Panama, Colombia, and South Korea; his policies have helped take U.S. reliance on foreign oil to a 16-year low; and he ended the war in Iraq and the billions it was costing American taxpayers.

Stress determination to fight terrorism in new ways

These swing voters clearly believe that despite bin Laden's death, there remains a persistent threat from terrorists. Many suggest "there will be a replacement for him." They don't feel the age of terrorism is over.

These participants volunteer that continued use of airport security screening measures and improved coordination among intelligence agencies make them feel safer. They want the next president to keep up the pace of such measures, as well as an aggressive effort to hunt down terrorist leaders from al Qaeda and other groups.

"They can do more with less now... Our weapons are more sophisticated; we can cut back a lot of manpower and still retain our military might."

Even though they want robust efforts against terrorism and other threats, these swing voters do not show high concern over the prospect of modest reductions in the defense budget. As noted, a Romney message criticizing Obama for his proposed defense cuts gains little traction.

One reason is that many of these participants see the Obama record as proof that America can have strong defenses at lower cost. Many of them spontaneously mention the use of drones, improvements in military technology, and use of the Navy SEALs and other special operations forces, as factors that permit America to stay safe at lower cost.

Obviously, many of these capabilities—especially drones—raise strategic, legal, and moral considerations that these voters do not address. But their focus on these capabilities is an important reason why they are mostly resistant to seeing Obama's military spending reductions as unreasonable or unsustainable. "[Drones] save American lives," says a man in Tampa. A man in Cincinnati says, "They can do more with less now because we have specialized forces. Our weapons are more sophisticated; we can cut back a lot of manpower and still retain our military might... Our technology will allow cuts in the defense budget."

MAKING THE CASE

President Obama has taken the fight to the terrorists. Bin Laden is dead and much of al Qaeda's top leadership is gone. The President's defense plans will keep up the pressure to disrupt, dismantle and defeat the terrorist networks, relying on solid intelligence, drones, our special operations forces, like the Navy SEALs, and ensuring our military strength remains unrivaled.

■ CONCLUSION

After decades of Democrats being seen as the weaker party on national security, we have entered a new period, with a Democratic president who enjoys strong confidence on his national security record. It may well take more years for accomplishments on the ground to translate into fully-revived trust in the Democratic Party on these issues, but there are signs the change has begun. By emphasizing proven successes, a commitment to getting the facts right, attention to the economic pillars of national security, and supporting a fiscally responsible modernization of the military, Democrats can recapture the advantage and eliminate the security gap.

* * *

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ABOUT THIRD WAY

Third Way is a think tank that answers America's challenges with modern ideas aimed at the center. We advocate for private-sector economic growth, a tough and smart centrist security strategy, a clean energy revolution, and progress on divisive social issues, all through a moderate-led U.S. politics.

For more information about Third Way please visit www.thirdway.org.

■ ENDNOTES

1 Greenberg Quinlan Rosner Research, in conjunction with Third Way, conducted four focus groups, 2 in Cincinnati, OH on January 26; and 2 in Tampa, FL on February 2. The groups were composed of moderate/conservative Democrats, Independents, and moderate Republicans. This research is inherently qualitative in nature, and so these results are suggestive rather than definitive; yet general consistency in responses across the four groups gives us confidence in the findings presented here.

2 See Stanley B. Greenberg, James Carville, Jeremy Rosner, Jon Cowan, Matt Bennett, and Andy Johnson, "The Politics of National Security: A Wake-up Call," Report, Third Way, March 8, 2010. Accessed March 15, 2012. Available at: <http://content.thirdway.org/publications/269/DCorps-Third Way - The Politics of National Security-A Wake Up Call.pdf>; See also Stan Greenberg, James Carville, Jeremy Rosner, Jon Cowan, Matt Bennett, and Andy Johnson, "Toward Renewal and Leadership," Report, Third Way, June 3, 2010. Accessed March 15, 2012. Available at: <http://content.thirdway.org/publications/294/DCorps-Third Way Memo - Toward Renewal and Leadership.pdf>; See also Stanley B. Greenberg, James Carville, Jeremy Rosner, Jon Cowan, Matt Bennett, and Andy Johnson, "Making the Case on National Security as Elections Approach," Report, Third Way, September 27, 2010. Accessed March 15, 2012. Available at: <http://content.thirdway.org/publications/332/Third Way-Democracy Corps-GQRR - Making the Case on National Security as Elections Approach.pdf>.

3 These word clouds are created by compiling all participants' responses to specific written exercises—in this case all the words participants associate with the Democratic Party on national security. The more frequently a word or phrase is used the larger it appears. All like words are combined; for example, "diplomacy" and "diplomatic approach" are tallied together under "diplomatic," to give a more accurate reflection of each idea's frequency.

4 Messages from both Obama and the Republican candidate were scored on the same scale from +3 to -3, where +3 means the message makes them much more likely to support Obama/the Republican candidate and -3 means it makes them much less likely to support Obama/the Republican candidate, with 0 as a neutral point. "Strongly" positive ratings mean a rating of +3 or +2.

5 This is based on only four focus groups—too few for certainty—but recent public polling points to the same pattern.

DIGEST | JULY 2012

Afghanistan: Understanding the Administration's Transition Strategy

By Mieke Eoyang and Aki Peritz

After more than a decade of fighting in Afghanistan, the White House is advancing a strategy to transition responsibility to Afghan security forces by the end of 2014. While some may argue for maintaining a large U.S. presence or an accelerated drawdown, the President's plan is appropriate because:

- ▶ It ends the combat mission as quickly as is logistically possible;
- ▶ A faster timeline could imperil U.S. security interests;
- ▶ Making our objective a Taliban surrender could extend the U.S. combat mission by decades; and
- ▶ The current plan provides for U.S. security interests in the region.

THIS PLAN IS THE RIGHT SPEED

The Administration's plan ends the U.S. combat mission about as quickly as possible without endangering our core interests. America is transitioning security responsibilities to Afghan forces by December 2014 so Afghanistan can continue the combat mission against al Qaeda and defend its borders with minimal U.S. support.¹ This plan follows longstanding military doctrine to transition security responsibilities to local forces as part of counterinsurgency operations.²

- The U.S. Army Counterinsurgency Field Manual states that transition is critical to victory, as "eventually all foreign armies are seen as interlopers or occupiers; the sooner the main effort can transition to [host nation] institutions, without unacceptable degradation, the better."³
- We are already halfway through transitioning security responsibilities to the Afghan government; over the next 12–18 months, Afghan security forces will be responsible for controlling areas where 75% of Afghans live.⁴

Throughout history, insurgencies have seldom been defeated by foreign forces. Instead, they have been ultimately beaten by indigenous forces. ... transition, then, is the linchpin of our strategy, not merely the way out.

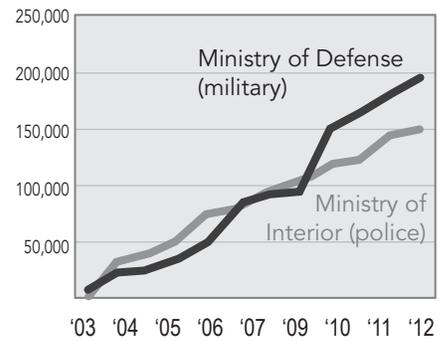
— Gen. John R. Allen
Senior U.S. Commander
in Afghanistan
March 22, 2012⁵

Our efforts to transition to local forces should not be termed a “pullout” or a “drawdown” because we are not abandoning this country to our common enemies. Transitioning combat responsibilities from the U.S. military to local forces coincides with improving Afghan capabilities.

- There are approximately 330,000 Afghans in military and police uniforms today; as of March, 90% of coalition operations are carried out with local support, and Afghan troops lead more than 40% of these operations.⁷
- The long transition ensures that the overall abilities of U.S.-Afghan forces improve while the mix of forces changes.

Immediate “withdrawal” is neither practical nor wise. Transitioning combat responsibilities from U.S. forces to Afghan ones is no easy feat. This effort requires the U.S. military to move \$57 billion worth of equipment, including 53,000 vehicles and 100,000 railroad container-sized boxes of

Afghan Security Forces⁶



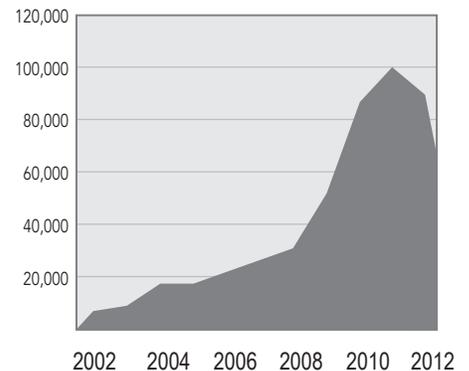
NATO Overland Routes In and Out of Afghanistan



combat-related materiel from a landlocked country with few roads or airports.⁹

- The 13,000+ Mine Resistant Ambush Protected (MRAP) vehicles in Afghanistan—the military’s primary means of ground transport—are too big and heavy to be carried by helicopter¹¹ or to be loaded onto most ships.¹² Instead, they must be abandoned, sold, or flown by plane.
- The major road out of Afghanistan (the Khyber Pass in Pakistan) was closed from December 2011 to July 2012, after American forces killed 24 Pakistani troops in a border skirmish.¹³ Instead, the U.S. used the much more expensive and lengthy Northern Distribution Network—which requires permission of many former Soviet states, including Russia.¹⁴

U.S. Troops in Afghanistan¹⁰



WHAT IS THE ENDGAME?

The U.S. cannot unilaterally defeat the Taliban, as Afghanistan remains mired in a protracted conflict between groups that have been vying for control since the 1990’s. Transitioning the fight from U.S. forces to Afghan fighters remains the best way to deal with the Taliban. Ultimately, it will be up to the government in Kabul—and Pakistan, to the extent that they are fueling the insurgency—to negotiate the endgame with their rivals.

It is also impossible to wage a counterinsurgency campaign without the host government’s assistance. The Afghan government has made it clear that they are not interested in a long-term American presence.

FLEXIBILITY TO COUNTER THREATS

We must ensure al Qaeda does not return to Afghanistan. Since Presidents Obama and Karzai recently signed the *Strategic Partnership Agreement*, the Afghan government will give the United States the option to combat al Qaeda and its affiliates in the region from Afghanistan’s bases through 2024. That means we can continue using drones and Special Operations Forces to track and eliminate threats from al Qaeda and other terrorist groups until the job is done.

- Since multiple terror plots that threaten the U.S. over the last decade have originated from northern Pakistan, it will be important to have our Special Ops forces in the neighborhood.

MAKING THE CASE

The transition is long enough to allow us to respond if local forces are overwhelmed by insurgent or terrorist groups.

MAKING THE CASE

If America fights the Taliban until they cease to challenge Kabul, U.S. combat troops would remain in Afghanistan for decades longer.

- The Agreement also allows the U.S. to keep funding and training Afghanistan’s military and police to fight insurgents and terrorists while improving domestic security.

The *Strategic Partnership Agreement* requires the U.S. and Afghanistan to develop a detailed plan that determines future missions and levels of support by May 2013. **Congress should conduct vigorous oversight of this process.**

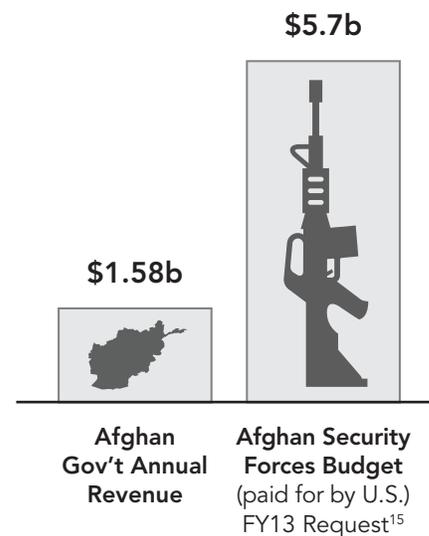
- The details of the plan are not final and the mission is neither defined nor funded. **Therefore, Congress should demand Administration officials answer specific questions—on the record—about mission, scope, and troop levels before funding these activities next year.**
- Members of Congress should also require answers to the ongoing capabilities and financial sustainability of Afghanistan’s security forces—and whether this force is effective enough without significant U.S. assistance after 2014—and defend our remaining personnel on the ground.
- Members of Congress should continue to ask hard questions about the stability and political reliability of the Afghan government, especially through their electoral transition in 2014 when President Karzai is scheduled to leave office.

CONCLUSION

Afghanistan remains a serious geopolitical challenge with few easy solutions. We can’t transition too quickly, but it’s time to rely more heavily upon local forces. The White House’s plan is the most practical roadmap forward.

MAKING THE CASE

Our security agreements with the Afghan government allow us to remain vigilant and address terrorist threats before they arrive on our shores.



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DIGEST | MARCH 2012

Iran: Keeping Our Powder Dry

By Mieke Eoyang, Aki Peritz, Lauren Oppenheimer, and Rob Walther

A nuclear-armed Iran is unacceptable. The debate is not about whether Iran should or should not have nuclear weapons, but about how best to stop them. Rejecting a nuclear-armed Iran does not mean embracing immediate military strikes. We offer four reasons why the use of force is not in the best interest of the United States or our allies in the near term:

- ▶ We still have time to stop Iran from obtaining a nuclear weapon;
- ▶ International pressure and crippling sanctions are working, and they must be given time to have their full effect;
- ▶ Striking too soon would make it harder to stop Iran in the long run;
- ▶ Premature strikes would needlessly imperil the fragile global economy.

A NUCLEAR-ARMED IRAN IS UNACCEPTABLE

America cannot accept a nuclear-armed Iran.

The U.S. cannot allow a designated state sponsor of terrorism to have a nuclear weapon. Iran has been a longtime supporter of terrorist groups like Hezbollah and Hamas. These groups have attacked our embassies, murdered civilians, and taken hostages, all while being bankrolled by Tehran. Iran has also supported militant groups in Iraq and Afghanistan that have killed scores of U.S. troops over the past decade.

A nuclear-armed Iran poses a grave risk to the stability and security of the most volatile region in the world. Iran has already threatened our vital allies by calling for their destruction and targeting their diplomats abroad. Iran would use its nuclear status to try to exert dominance over the region. This could ignite a nuclear arms race, as Saudi Arabia, Turkey, or others begin the quest for nuclear weapons to even the score. Very quickly, the world could see multiple nuclear-armed nations in one of the most dangerous neighborhoods in the world.



Shahab-3 Ballistic Missile Range¹

A nuclear-armed Iran would undermine the global nuclear non-proliferation framework. Under the Nuclear Non-Proliferation Treaty (NPT), the number of states with nuclear weapons is limited in order to prevent the spread of these dangerous devices. Letting Iran develop and deploy nuclear weapons tells the rest of the world the NPT can be ignored. Some nations will then think they too can seek the bomb without consequence or safeguards, increasing not only the risk of nuclear war, but also of a nuclear device falling into the hands of terrorists.

These are all unacceptable outcomes. But rejecting a nuclear-armed Iran does not mean embracing immediate military strikes.

MILITARY STRIKES ARE PREMATURE

For a variety of reasons, now is not the time to exercise the military option. We offer four reasons:

1. We Still Have Time to Stop Iran.

Iran is gathering the ingredients, but it's not certain that they've decided to bake this cake. Iran is clearly developing the components for a nuclear weapon. However, the U.S. intelligence community—after reviewing all of the available classified and unclassified data—does not yet believe that Tehran has taken the ultimate step to build an actual bomb.² As the Director of National Intelligence recently told Congress, “They are certainly moving on that path, *but we don't believe they have actually made the decision to go ahead with a nuclear weapon.*”³ [emphasis added]

Complicating the issue is that Iran signed the NPT. This treaty guarantees nations the right to develop, research, produce, and use nuclear energy for peaceful purposes, but it bars most countries from developing or acquiring nuclear weapons technology.⁴ While Iran has not been cooperating fully with the International Atomic Energy Agency (IAEA), which enforces the NPT, the IAEA has yet to find evidence that Iran has gone beyond peaceful uses.

Iran still has several challenges to overcome before they possess a viable nuclear weapon. There are still certain steps in the process that are difficult to hide and would provide an unambiguous indication of Tehran's intent to weaponize. These

MAKING THE CASE

The United States and our allies simply cannot allow Iran, a designated state sponsor of terrorism, to build a nuclear weapon.

MAKING THE CASE

Rejecting a nuclear-armed Iran does not mean embracing immediate military strikes.

MAKING THE CASE

If Iran gets the bomb, it will be impossible to tell other countries in the region that they cannot or should not build their own nuclear weapons.

include: enriching uranium to weapons-grade, expelling IAEA inspectors, withdrawing from the NPT, testing a device, and developing a delivery system.

Even if a country develops a nuclear weapons program, it can still be compelled to abandon it. For example, in 2003, Libya gave up its WMD programs and turned over all nuclear technology in order to normalize relations with the rest of the world.⁵ South Africa actually built nuclear weapons and then voluntarily gave them up.⁶

But most importantly, America, with the most powerful military in the world, has the ability to severely disrupt Iran's nuclear program at any time. It would not be easy—Iran is large, and some of the sites are well fortified. However, there's no question that the U.S. military can get the job done; we have no arbitrary timeline, no point at which Iran's program becomes too big to strike. There is no need to rush to war, and so we have time to try other means.

2. Sanctions and Diplomacy Have Just Begun to Bite.

The U.S. has built a web of sanctions and international agreements designed to stop Iran from getting the bomb. These are tough and unprecedented efforts, but they require time to work.

In 2010, President Obama signed into law the *Comprehensive Iran Sanctions, Accountability, and Divestment Act* (CISADA), which extended 1990s-era sanctions to punish companies that do business with Iran's oil industry.⁷ But because implementation took a while, these sanctions have really only had an effect on the Iranian economy since mid-2011.

- CISADA also excludes foreign banks from doing business in the U.S. if they work with Iranian entities, thereby cutting off Iran from the international financial system.⁸
- Iran has lost as much as \$60 billion in investments in their energy sector due to these sanctions.⁹

In addition, the U.S., the European Union (EU), and the UN have imposed various economic sanctions that are causing multiple challenges to Iran:

- In late 2011, President Obama signed into law tough new sanctions, which specifically target both the Central Bank of

MAKING THE CASE

America has the power to disrupt Iran's quest for nuclear weapons. We must choose the most effective way to do so.

Right now, military strikes aren't it.

MAKING THE CASE

Sanctions and diplomacy are beginning to cripple Iran's economy. They can bring the regime to heel, but they need time to work.

Iran (CBI) and foreign institutions doing business with the CBI.¹⁰

- Since autumn 2011, the Iranian currency (the rial) has lost much of its value against the U.S. dollar.¹¹ This economic stress has led to rampant inflation and increasing anxiety within the Iranian middle class.¹²
- The EU in January 2012 began placing an embargo on Iranian crude imports, as well as sanctions on the CBI, gold, certain dual-use technologies, and personalities connected to the Iranian Revolutionary Guard Corps (IRGC).¹³

Diplomatic efforts against Iran are also beginning to have an effect. An international coalition, including countries not normally supportive of the American perspective, has coalesced to press for more inspections.

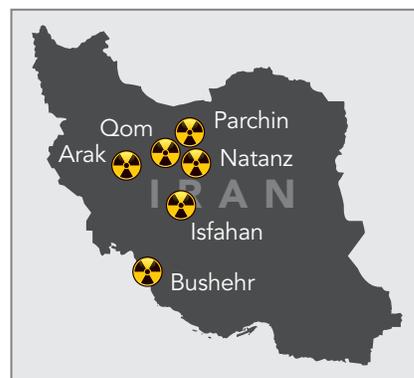
- The White House in June 2010 led an effort—with Russian and Chinese acquiescence—to push through a UN Security Council resolution restricting Iranian military, shipping, and financial capabilities, as well as banning nuclear-capable ballistic missiles technology.¹⁴ This effort built on previous sanctions, and convinced Russia to suspend all major weapons systems sales to Iran.¹⁵
- In early March, the U.S., France, Germany, Great Britain, Russia, and China announced that they would restart negotiations with the Iranians over nuclear inspections. The statement also indicated that the international community's patience was wearing thin, and the Iranians would not be permitted to use this diplomatic foray as a stalling tactic.¹⁶

As President Obama has said, “the only way historically that a country has ultimately decided not to get nuclear weapons without constant military intervention has been when they themselves take [nuclear weapons] off the table.”¹⁷ The use of force can destroy facilities and kill personnel, but ultimately the desire to relinquish the quest for nuclear weapons permanently lies within the Iranian government itself. Sanctions—and the economic and social disruption they bring—can provide exactly the kind of incentives they need to make this choice.

3. Premature Strikes Could Make It Harder to Stop Iran in the Long Run.

Military strikes could devastate the Iranian nuclear program, but they could never offer the assurance that Iran would not

Top Nuclear Sites in Iran



MAKING THE CASE

Only the Iranians can put a permanent end to their nuclear ambitions. We must convince them that the bomb is not in their interest.

simply start over and try again. What's more, premature strikes would make it much more difficult for the U.S. to deny them weapons in the future.

Striking too soon could collapse the international consensus to stop Iran. Unless the U.S. provides clear evidence that Iran is weaponizing its nuclear program, it could be difficult to prod even normally supportive members of the international community to back an American strike. The U.S. would then struggle to hold together the coalition of nations that supports economic sanctions and technology transfer restrictions.

While many Middle Eastern governments normally hostile to Iran might quietly support the use of force,¹⁸ some may be obliged (due to domestic pressures) to publicly condemn it. This stands in sharp contrast to the airstrikes in Libya, where the Arab League openly sought NATO intervention.

After a strike, America would have less insight into Iran's nuclear program. Once bombed, Iran would have little incentive to allow the IAEA or the international community to inspect its facilities.¹⁹ And the strikes would shatter the international consensus to compel Iran to accept inspectors.

The situation would be similar to Iraq after 1998, when the UN found that Iraq was not cooperating with weapons inspectors.²⁰ Later that year, American and British forces bombed Iraqi facilities. Worries remained, however, and neither intelligence nor inspectors were able to satisfy concerns about the state of Iraq's weapons program until the 2003 occupation.

4. Premature Strikes Would Needlessly Imperil the Global Economy.

If it were immediately imperative for our nation's security to strike Iran, the global economic implications would be irrelevant—our core national security interests are paramount. But because we still have time, policymakers must weigh the potentially severe setback to our own recovery, and the fragile state of the global economy. Why are the economic stakes so high?

Iran is the world's fourth-largest producer of oil, and 20% of the world's crude oil passes through the Strait of Hormuz.²¹ If Iran tried to close the Strait, the repercussions could be severe. But even without closure of the Strait, the oil shock could be intense.

MAKING THE CASE

If we strike them too soon, we will lose the vital information we get from the international inspectors inside Iran, and we won't ever be certain that their program is over.

Any time we consider military action... there's going to be a price to pay.

— President Barack Obama
March 6, 2012

Oil prices could rise exponentially. A conflict could cause the price of oil, which is currently hovering around \$100/barrel, to jump by \$23 per barrel or more.²² And a full closure of the Strait could be even worse—energy analysts say oil prices could double within days of the Strait’s shutdown.²³

For Americans, the implications of an oil shock of this magnitude are profound. According to a 2011 Deutsche Bank analysis, every \$10 increase per barrel of oil hikes gasoline prices at the pump by about 25 cents.²⁴ An oil shock could raise prices at the pump, make consumer goods more expensive, result in job losses, and suppress or reverse economic growth.

- The average American driver spends about \$4.70 on gas per day, or a little over \$1,700 a year.²⁵ If a barrel of oil rises by \$23 per barrel, it would force Americans to pay almost \$250 more annually for gas at current rates of consumption.²⁶
- At \$150–200 per barrel, prices at the pump would rise to \$5.00–6.25/gallon, potentially costing Americans drivers (at current rates of consumption) over \$1,100 more annually.²⁷

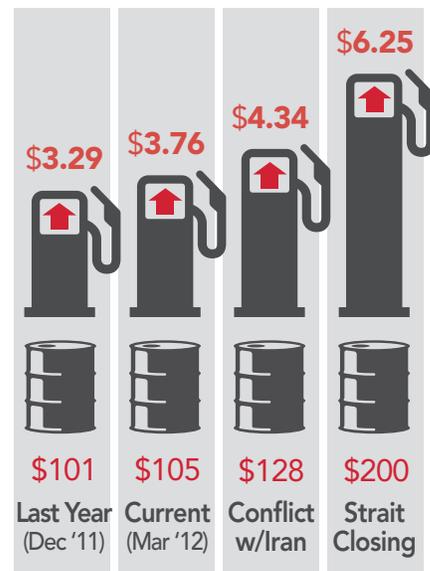
An oil shock would also increase the cost of consumer goods.²⁸

- Freight transportation costs would rise, making the goods average Americans buy more expensive. Goods transported by truck would increase by at least 11%.²⁹ Goods shipped by air would also become more expensive, because fuel expenses account for 20–30% of all air cargo operational costs.³⁰
- Airlines would begin to increase ticket prices since jet fuel costs account for 35% of their expenses.³¹ Jet fuel prices this February have risen 9.1% over the previous month.³² As fuel costs increased, so too have ticket prices and additional charges—like bag fees.
- Everything from construction materials to car tires to garden hoses are made from oil-based products—and their price will increase as well. After all, there is an 80% correlation between certain petrochemicals and oil prices.³³
- A sustained price of \$150 per barrel of oil could conceivably result in a loss of 640,000 U.S. jobs.³⁴

Even if oil prices quickly returned to \$110–115/barrel, it would still impact America’s economic recovery. Deutsche Bank has reported that a sustained \$10 increase in the price of oil would likely suppress U.S. GDP growth by 0.2%.³⁵

MAKING THE CASE

Striking Iran now could cause an oil shock, sending prices of gas and consumer goods skyrocketing. This could end our recovery and shake the global economy.



Europe is even more vulnerable to an oil shock due to its weaker economy and lack of domestic oil and natural gas supplies.³⁶ Even without a crisis in the Persian Gulf, the European Commission already predicts that Eurozone GDP will shrink by 0.3% in 2012, and a swift increase in oil prices would make the situation worse.³⁷ One Eurozone economist indicated that a rapid escalation in the price of oil could turn a mild European recession into something much more serious.³⁸

A severe recession in Europe would have real implications for the world economy. The EU accounts for 20% of global exports and imports.³⁹ The IMF has already lowered its global growth estimates for 2012, and without a resolution to the European debt crisis, the IMF predicts world economic output would drop by an additional \$1.4 trillion.⁴⁰

An oil shock would also greatly strain China's economy. China is Iran's top customer for crude oil and natural gas,⁴¹ and China uses that energy to fuel their greatly expanding economy. Without these critical imports, China's economy might suffer a severe slowdown. With our economies now inextricably bound together, this could imperil not only social stability in China but also our economic recovery in the United States.

CONCLUSION

It is unacceptable for Iran to have a nuclear weapon. But while Tehran may be gathering the means to build a bomb, it's not certain that they would proceed to weaponize. In the meantime, we are tightening the noose through sanctions and diplomacy. They must be given time to work.

Ultimately, we can disrupt Iran's nuclear ambitions at a timetable of our own choosing. The time may come when military action becomes our best option. But premature strikes would make it harder for us to stop Iran in the long run and would needlessly imperil the global economy.

For now, we should keep our powder dry.

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COUNTRY BRIEF | JULY 2012

China's relationship with the U.S. will soon define the global order. Given our two countries' economic interdependence, it is in America's best interests to help China rise peacefully and become a responsible stakeholder in the international community.

ECONOMY

The American and Chinese economies are the 1st and 2nd largest in the world, respectively. They are firmly intertwined, and significant shocks by either side would imperil the other's financial well-being. China and the U.S. did \$539 billion in trade in 2011 for all manner of goods and services, from furniture to footwear, agricultural products to airplanes.¹

- In 2011, China was the third-largest purchaser of U.S. exports, and China was America's largest supplier of imported goods in 2011.²
- Chinese imports into the U.S. exceeded exports by \$282 billion in 2011.³
- China holds over \$1 trillion in U.S. foreign securities, making them the #1 foreign holder of our debt.⁴
- China's economy has been expanding 8-10% annually for many years;⁵ by contrast, the U.S. economy grows by 2-3%.⁶ However, China recently reduced its 2012 growth forecast to 7.5% due to the European economic slowdown and other factors.⁷

MILITARY

The Chinese Armed Forces: The People's Liberation Army (PLA) is large, but its overall strength lags far behind America's current fighting capabilities. China's booming economy has provided the PLA with the resources for a comprehensive modernization, allowing it to shift from a conscript military to a modern, professional fighting force. However, the Pentagon recently characterized the PLA as a military designed only to fight and win short, high-intensity wars in the region.⁸

- China spends just over \$100 billion annually on its military,⁹ compared to the \$645 billion the U.S. spent in 2012.¹⁰

China



Formal Title: The People's Republic of China

Population: 1.34 billion

Capital: Beijing

President: Hu Jintao (HOO JIHN-TAOW)

Premier: Wen Jiabao (WUHN JAH-BOW)

China's leadership with be changing in late 2012.



CIA World Factbook, 2012

- China recently tested its first aircraft carrier, although they have yet to operate planes from its deck. This puts China on par with Thailand and India, each having a carrier. By contrast, the U.S. has 11 carrier battle groups.

China vs. the U.S.: As America begins to shift its military focus to Asia, China has expressed the fear that this change is aimed at containing them in their own region. Indeed, China has increasingly become more aggressive in certain regional disputes where they think they should have the upper hand, such as small confrontations in the South China Sea or with Japan. Nonetheless, both the U.S. and Chinese policymakers know that it would be catastrophic for both sides to come to military blows because it would result in economic disaster for both countries.

INTERNATIONAL RELATIONS

China and the world: With its size and economic strength, China is a key player in global affairs:

- As a permanent member of the UN Security Council, China can veto any international effort that requires UN authorization, particularly military interventions.¹¹
- China's economic power allows it to influence international outcomes in debates over trade and sanctions.

China's responses to crises define international options during and after the conflict. For example, China's refusal to support action in Libya has damaged their relationship with the post-Qaddafi government.¹²

- China is an important player in regional disputes, such as our negotiations over North Korea's nuclear weapons program, or the handling of relations with the military junta in Burma.¹³
- Given its size and population—every fifth person on the planet is a Chinese citizen—China is also a key player on key global challenges, from protecting public health to solving international environmental issues.¹⁴

Taiwan: China's primary security concern is the status of Taiwan. Both the U.S. and China agree that in theory China and Taiwan should be a single political entity. Further, the transition from a de facto independent Taiwan to "One China" should be peaceful. Nonetheless, the U.S. continues to support Taiwan with military aid and trade.¹⁵

- Even though Taiwan is not considered a nation, the U.S. conducted \$67 billion in trade with them in 2011, making it our 10th largest trading partner.¹⁶
- Some of this trade included the sale of advanced arms to Taiwan's military, such as a \$5.8 billion sale in 2011 for F-16 fighter jet upgrades.¹⁷ These deals consistently infuriate Beijing, as they see it as American meddling.¹⁸

INTERNAL

Domestic Challenges: China faces multiple internal social, political, and environmental problems. China's leadership is primarily focused upon these threats to internal stability and they indicate China is not interested in supplanting U.S. global supremacy for the foreseeable future.

- China faces serious long-term social issues, and anger towards the government keeps rising to the surface. For example, in 2010, there were 180,000 protests, riots, and other mass incidents countrywide—four times as many as there had been 10 years before.¹⁹
- China has a “floating” migrant population of over 200 million people—mostly peasants from the countryside who travel from city to city searching for work.²⁰ This disruptive societal shift would be the rough equivalent of 45 million Americans constantly moving from city to city looking for jobs without the formal permission to work.
- China is grappling with multiple environmental problems, such as limited water resources, air pollution, and wide-scale desertification. The Chinese government is trying to mitigate this damage through huge infrastructure initiatives, but enormous challenges remain, and climate change could make many of these problems substantially worse.²¹

Government in Transition: China is run by the Chinese Communist Party (CCP), which, despite its market-oriented outlook, still maintains a firm grip over most aspects of political and economic policy and activity.

- China’s leadership will be changing this fall, as the CCP “elects” new members of the Politburo Standing Committee. Vice President Xi Jinping is expected to become President, taking control from current President Hu Jintao.
- The recent fall from grace of top CCP member Bo Xilai—slated to join the Politburo in the fall—has roiled an otherwise smooth transition of power.

For the last two centuries, China was beset by civil war, radical government, foreign invasion, and mass suffering. Now, China has relative stability and can reach across the Pacific and affect us on the battlefield and in the pocketbook. Indeed, China is now the most important country for U.S. engagement in the coming century. While some of China’s actions and intentions trouble U.S. policymakers, its economic relationship with our country and its global influence with the rest of the world mean that we must find a way to continue to work with them.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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COUNTRY BRIEF | JULY 2012

North Korea is the most closed, repressive, unpredictable, and isolated country on the planet—and one that is nuclear-armed and continues to threaten regional stability.

HISTORY

Since 1948, North Korea has been ruled by a totalitarian dictatorship. In 1950, Kim Il Sung, the leader of North Korea, invaded South Korea in an attempt to unify the Korean Peninsula under Communist rule. The U.S. came to South Korea’s aid, counterattacking and pushing deeply into North Korea. China then sent hundreds of thousands of “volunteers” into the conflict. The war killed nearly 2.5 million people.

In 1953, North and South Korea signed an armistice—though not a peace treaty—putting an end to active fighting. The countries remain hostile to this day.

Since the armistice, the U.S. has maintained a large presence in South Korea—currently 28,500 American military personnel are stationed along the demilitarized zone (DMZ), the most heavily militarized border in the world.¹ Tension with the North has only increased since it tested a nuclear weapon in 2006.²

LEADERSHIP

North Korea is built around the cult of personality of the Kim family, treating them as divinities, imbued with supernatural powers.³ Kim Jong Il, the son of the founder, Kim Il Sung, died in December after a 17-year rule. He designated his son, Kim Jong Un, as his successor.⁴ Little is known about Kim Jong Un, and while the transition appears smooth thus far, it’s unclear if the new leader has consolidated his control over the country.⁵

North Korea



- Population:** 24.1 million (estimated)
- Capital:** Pyongyang
- Head of State:** Supreme Commander of the Korean People’s Army, Kim Jong Un (since Dec 17, 2011)
- Form of Gov’t:** Hereditary dictatorship
- Est. Nuclear Arsenal:** 6-8 weapons



CIA World Factbook , 2012

REPRESSION

North Korea is the world's most repressive nation. The regime subjects citizens to a constant barrage of propaganda through boxes installed in almost every home and workplace. It imprisons dissidents, their families, and scores of others (including children) in barbaric prison camps, where they are subject to starvation, torture, and execution.⁶ There is no freedom of the press and populations are often uprooted to be forcibly resettled elsewhere.⁷ Virtually all resources flow to the ruling class and the military, leaving the population to face constant deprivation and regular waves of mass starvation.⁸

North Korea is also the most corrupt country in the world.⁹ A centralized economy and lack of a food distribution system have created a reliance on the black market for goods and services.¹⁰ Corruption among the senior leadership and the military is the norm.¹¹

The international community has imposed and maintained harsh sanctions on North Korea for decades. Internally, the country has adopted a philosophy of *Juche*, or "self-reliance," to convince the population to cope with the shortages.

NUCLEAR WEAPONS PROGRAM

The U.S. first suspected North Korea had a clandestine nuclear weapons program during the 1980s.¹² U.N. nuclear inspectors found evidence of a program in 1992.

Since 1994, North Korea has engaged in cycles of (1) demonstrating progress on their nuclear weapons program with either nuclear tests or missile launches, (2) negotiations with other countries to suspend its nuclear program, (3) agreements to freeze its program or allow U.N. inspection in exchange for aid, (4) suspending talks and ejecting U.N. inspectors, and (5) withdrawing until the next round of threats.¹³

Earlier this year, North Korea began the cycle again when they tried and failed to launch a satellite.¹⁴ While exact information is not available, some have estimated that North Korea could develop a small nuclear arsenal of fewer than a dozen weapons.¹⁵

THREATS TO REGIONAL STABILITY

North Korea continuously harasses its neighbors, seizing Chinese fishing boats for ransom, abducting Japanese citizens, and threatening South Korea.¹⁶ As a result of its erratic behavior, North Korea has poor relations with the entire world. Even China, which assisted North Korea during the Korean War, has limited influence over the country.¹⁷ Short of war, however, there is little pressure the U.S. can bring to bear on Pyongyang that is not already in place.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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COUNTRY BRIEF | JULY 2012

Pakistan remains a challenge for the U.S., but it is important to American strategic interests in the region, the fight against al Qaeda, and our efforts in Afghanistan.

For better or for worse, Washington cannot walk away from a close and continuing relationship with Islamabad.

FIGHTING AL QAEDA

In the aftermath of 9/11, Pakistan helped the U.S. in its counterterrorism efforts.

- The Pakistani intelligence service (called the ISI) has helped the U.S. capture or kill hundreds of al Qaeda targets.¹
- Pakistan has borne most of the burden of clearing out its side of the border region with Afghanistan, deploying more than 100,000 soldiers to battle insurgents in the area.²
- Pakistan has tacitly endorsed U.S. unmanned aircraft strikes against terrorist targets within its borders, even if they continue to deny it or criticize us for carrying them out.³
- The U.S. has provided Pakistan with over \$20 billion since 2001 in foreign aid to support these efforts.⁴

The raid on bin Laden put more strain on an already fraught relationship. The May 2011 raid on the compound in Abbottabad, Pakistan crystalized deep misgivings that the U.S. had with Pakistan's government.

- Six months after the attack, outgoing Chairman of the Joint Chiefs of Staff, Admiral Mike Mullen, said the ISI was behind some of the deadly attacks against U.S. forces in Afghanistan.
- In June 2012, Gen. Martin Dempsey, the chairman of the Joint Chiefs of Staff, told reporters that he was "extraordinarily dissatisfied" with Pakistani actions against the Haqqani insurgents that kill American troops across the border in Afghanistan.⁵

Pakistan

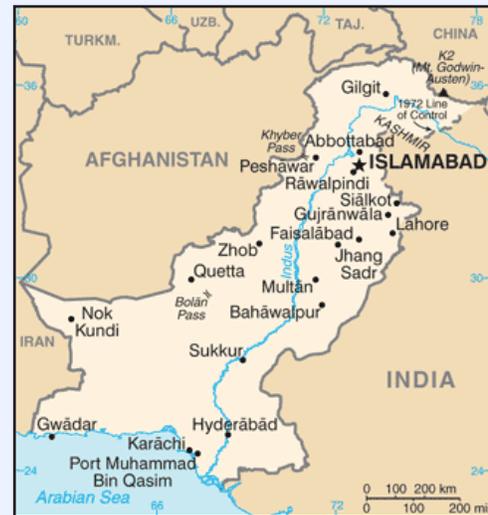


Population: 190 million

Capital: Islamabad

Head of State: President Asif Ali Zardari (AH-sihf AH-lee zahr-DAH-ree) (since 2008)

Chief of Army Staff: General Ashfaq Kayani (AHSH-fahk kah-AH-nee)



CIA World Factbook, 2012

- Pakistan continues to provide safehavens and some support to various insurgent groups that fight U.S. troops in Afghanistan. This is fueling the cycle of violence.⁶

From December 2011 to July 2012, Pakistan closed the Khyber Pass—the primary supply line for gas, food, and military equipment to U.S. forces in Afghanistan. This came after American forces killed 24 Pakistani troops in a border skirmish.⁷ As a result, the U.S. has to route its supplies thousands of miles out of the way across several states of the former Soviet Union, at a cost to \$2.1 billion.⁸

OTHER GEOPOLITICAL ISSUES

Beyond fighting terrorists, Pakistan should remain important to U.S. policymakers because:

Pakistan has more than one hundred nuclear weapons.⁹ These weapons are pointed at neighboring India, a fellow nuclear power.

Pakistan has been responsible for the proliferation of nuclear weapons technology. The father of their nuclear weapons program, A.Q. Khan, provided nuclear technology to Iran, North Korea, and Libya over a period for over two decades.¹⁰

Pakistan has a long-simmering border dispute with India. Each nation views the other as its primary national security threat. In fact, much of the frustration the U.S. has with Pakistan stems from Islamabad's focus on a possible conflict with India, often over the contested area of Kashmir. Other urgent priorities, such as crushing al Qaeda or stabilizing Afghanistan, are subsumed by their obsession with countering India.¹¹

Pakistan maintains a close, long-standing political relationship with China, in part to counter U.S. and Indian influence in the region.¹²

However, despite these troubling issues, Pakistan is too large and too strategically located to ignore. Punitive actions against Pakistan may have unintended consequences and should be considered very carefully.

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COUNTRY BRIEF | JULY 2012

Syría's relationship with the U.S. is at a historic low. Most recently, the Syrian government under President Bashar al-Assad and his Ba'ath Party has killed thousands of people in an effort to crush domestic unrest that began as part of the Arab Spring.¹ Since August 2011, President Obama has been calling for Assad to relinquish power.²

Syria is a state sponsor of terrorism and receives significant financial and military assistance from Iran. Since 1979, Syria has maintained deep relationships with HAMAS, Hizbollah, and other terror groups.³ Since Syria is Iran's only major ally in the region, the Assad regime's survival remains extremely important to Tehran. The senior U.S. military commander for the Middle East, General James Mattis, said Syria's collapse would be the single largest strategic setback for Iran in 20 years.⁴

The relationship wasn't always so bad. Assad's father, Hafez, cooperated with the U.S. during the 1991 Gulf War, and Syria has maintained relative stability along the border with Israel since 1973.⁵ But U.S.-Syria relations have been strained ever since Operation Iraqi Freedom, which Syria opposed. Assad's brutality in dealing with the uprising could prove to be the last straw.

KEY TAKEAWAYS

- **The Syrian government is violently repressing its own people.** Despite international efforts to halt the bloodshed, Syria has continued to fight various insurgent groups throughout the country, with some success. But Assad's gains have come only with an ever-increasing level of brutality, including the shelling of neighborhoods by Syrian troops and truly barbaric attacks on civilians—including children—by the "Shabiha" thugs who support the regime.⁶ This violence has created a large humanitarian crisis, as tens of thousands of refugees have fled into neighboring countries.⁷ Syria's political instability is also beginning to spill into neighboring Lebanon.⁸

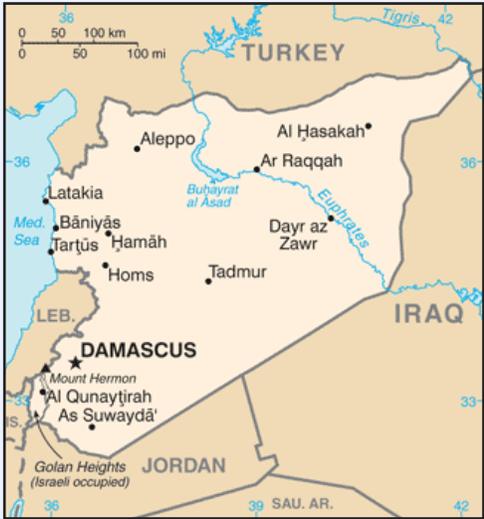
Syria

Population: 22.5 million

Capital: Damascus

Head of State: President Bashar al-Assad (bah-SHAR al-ah-SAHD) since 2000

Opposition: Syrian National Council, Free Syrian Army (among others)



CIA World Factbook , 2012

- **However, the conflict in Syria remains complex and dangerous with few easy solutions.** Since Syria poses no direct threat to the U.S, there is little basis in international law for unilateral American military intervention.⁹ While events may rapidly change, the allies have not used military force for several reasons:
 - **The international community is divided about how to proceed.** The Arab League does not support the use of force or arming the Syrian rebels, stating that the best course of action is to implement a (so far largely ignored) United Nations (UN) ceasefire plan.¹⁰ But the UN Security Council is hamstrung because China and Russia are unwilling to authorize a direct intervention in the country.
 - **The Syrian rebels are not a cohesive fighting force, and we remain unsure about their reliability and political allegiances.** The U.S. military reports there are more than 100 separate anti-government groups, such as the Free Syrian Army and the Syrian National Council.¹¹ Arming and training rebels in such an environment can have severe post-conflict consequences. Indeed, some Islamists and al Qaeda-affiliated fighters may be working with other Syrian rebel groups.¹²
 - **Direct military intervention could make the situation worse.** While U.S-led military options remain on the table, Syria remains a densely populated country—two-thirds of Iraq’s population in 40% of the area—and the potential for drawn-out, urban combat and ever greater bloodshed on all sides remains a real possibility.
 - **Syria is awash in unconventional weapons.** Syria has one of the largest chemical and biological weapons stockpiles in the world—invading the country without simultaneously securing all the stockpiles could lead to catastrophe.¹³
- **Senior U.S. military leaders believe Assad will fall—eventually.**¹⁴ Despite Damascus’ current advantages over the fractured rebellion, Syria has become diplomatically and financially isolated, even from the rest of the Middle East. The UN, EU, and the Arab League have condemned Damascus for its brutality. Importantly, the Arab League suspended Syria late last year from its organization.

The U.S. continues to work with it’s allies and regional partners to quell the violence and end Assad’s regime.

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COUNTRY BRIEF | JULY 2012

Yemen is the emerging front in the war against al Qaeda, but our efforts to address the threat are complicated by the country's internal conflicts.

In February 2012, former president Ali Abdullah Saleh was forced to step down after 33 years in power. The new government is nonetheless engaged in clashes with multiple domestic groups as well as fighting a war against al Qaeda in the Arabian Peninsula (AQAP).

AL QAEDA IN THE ARABIAN PENINSULA

AQAP has become the most important al Qaeda franchise¹ in the world and an important source of financial support for al Qaeda in Pakistan.² The U.S. and other intelligence services thwarted sophisticated AQAP attempts to bomb U.S.-bound airplanes in 2009,³ 2010,⁴ and 2012.⁵ Defeating AQAP is the U.S.'s primary counterterrorism priority for the region.

AQAP is attempting to create a territorial safe haven in Yemen.⁶ In the last few years, AQAP's ranks have more than doubled⁷ and the group has temporarily held a number of urban areas.⁸ AQAP has been successful because they are taking advantage of broad, popular grievances against the Yemeni government.⁹

AMERICAN EFFORTS AGAINST AQAP

The U.S. is currently pursuing a multi-front campaign against AQAP.

Working with Yemenis:

- The U.S. military is training and equipping Yemeni security forces to build their capacity to combat terrorism and insurgency, as well as promote good governance.¹⁰
- President Obama in May 2012 signed an Executive Order that allows the Treasury Department to act against those who "threaten the peace, security and stability" of Yemen. This order allows the U.S. government to, among other actions, block financial transactions to groups that wish to undermine the government in Sana'a.¹¹

Yemen



Population: 24.7 million
Capital: Sana'a
Head of State: President Abd Rabuh Mansur HADI (Ab-d Ra-buh Man-suur Ha-dee)
Unemployment: 35%



CIA World Factbook, 2012

Working with the Saudis:

The U.S. is working closely with neighboring Saudi Arabia to fight AQAP in the region.

- AQAP's most recently attempted attack using a sophisticated underwear bomb was thwarted in May when the bomber turned out to be a Saudi intelligence asset.¹² He reportedly provided U.S. and Saudi security services with both a sophisticated bomb and the locations of multiple AQAP leaders.¹³
- In 2010, a tipoff from Saudi intelligence stopped an attack on a U.S.-bound cargo plane. An AQAP bomb maker hid explosives inside a toner cartridge within a package.¹⁴

Our Operations:

President Obama has acknowledged that the U.S. is taking “direct action” against AQAP.¹⁵ Press reports indicate the U.S. is actively using Unmanned Aerial Vehicles (UAVs)—drones—to strike AQAP targets. Our unilateral efforts inside the country date back to at least 2002, when a UAV struck Salim al-Harethi, a major player in the 2000 USS Cole attack.¹⁶

- The U.S. has reportedly used drones to strike AQAP leaders such as American-born AQAP cleric Anwar al-Awlaki and the USS Cole attack mastermind Fahd al-Quso.¹⁷
- The State Department is conducting a program to counter al Qaeda recruitment efforts on Yemeni tribal forums.¹⁸

LARGER UNREST IN YEMEN

Yemen has a long history of violent unrest between tribal groups and the central government. While U.S. policy remains focused on defeating AQAP and facilitating stability in the country, the “Arab Spring” has reignited old grievances that have strained the Yemeni military and the government.¹⁹

- Southern tribes have rallied against AQAP, but they remain anti-government.²⁰
- In the north, the Iran-backed al-Houthi tribe continues to fight the central government in a separate rebellion.

Regardless of U.S. actions, Yemen will remain a fragile state for years to come.

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DIGEST | APRIL 2012

America's Goldilocks Moment in the Fight Against al Qaeda

By Mieke Eoyang and Aki Peritz

It's been a year since the raid on Osama bin Laden's compound and more than a decade since our fight against al Qaeda began. With the al Qaeda chief dead and no major successful acts of foreign-based terrorism in the United States since 9/11, Americans are wondering if the fight is over.

It is not; al Qaeda and its affiliates remain a serious threat. **In this paper, we offer guidance for addressing the current fight against terrorism to a nation weary of war and growing somewhat complacent about its domestic safety.**

The central question relating to terrorism is the magnitude of America's response. In the last two decades we have lurched from doing too little to trying to do too much. Now, we have finally achieved a "Goldilocks Moment" in the fight against al Qaeda—our actions are neither too big nor too small, but just about right.

PRE-2001: TOO SMALL

The May 2011 raid in Abbottabad was the result of careful intelligence work in unfriendly territory, partnerships with foreign countries, advanced special operations forces capabilities, and superior technical means. But many of these counterterrorism building blocks were not in place prior to 9/11.

After the fall of the Soviet Union, the U.S. Government was not organized to address the threat that terrorism would pose a decade later. Our national security apparatus was geared to fight nation-state conflicts, not small groups of extremists hiding in remote corners of the globe. The 9/11 Commission later concluded that fighting terrorism was "a second- or third-order priority" for Congress.¹

The executive agencies charged with preventing terrorism were both under-resourced and unmoored from a common mission:

MAKING THE CASE

At long last, the U.S. is using the right tools to permanently dismantle al Qaeda.

In the decade after the Cold War, terrorism was just one of many threats facing our nation. And certainly not the most pressing issue.

- **The CIA:** After the Cold War, the Agency was still structured to fight the USSR and faced a declining budget due to the reduced threat from the Soviets.² Its Counterterrorism Center was generally considered an organizational backwater, provided with few resources, and operated at the mercy of its traditional regional offices. Even developing and deploying the now-critical Unmanned Aerial Vehicle (UAV) technology proved difficult for the Agency.³
- **The FBI:** The Bureau had some success in capturing several terrorists throughout the 1990s, but, according to then-Director Freeh, it had not yet moved to thwarting attacks before they happened.⁴ In 2001, only 6% of the FBI's personnel worked on counterterrorism issues.⁵
- **The Defense Department:** The Pentagon viewed anything other than conflicts with nation states as outside of their core mission. Handling low-intensity conflicts was viewed as a distraction, and dealing with terrorist groups even more so.⁶ The military left the tracking of terrorist groups to the FBI inside the U.S. and to the intelligence community overseas.

In addition, the agencies divided up responsibilities and did not have ways of sharing information or addressing common threats. These patchwork efforts were insufficient to identify or stop the 9/11 attack. But an overreaction to the terror strike would prove to be just as problematic.

POST-9/11: TOO BIG

Immediately following 9/11, the White House—acting with congressional approval for a vaguely worded Authorization for Use of Military Force (AUMF)—sent CIA and special operations forces into Afghanistan to combat al Qaeda and their Taliban protectors. While this initial thrust crushed al Qaeda's Afghan safe havens, America then lost its way by making short-term choices that resulted in long-term problems. This included, among other things:

- **Detention:** We did not know what to do with the hundreds of individuals captured in Afghanistan, so we opened an ad hoc detention facility at Guantánamo Bay and put them there under evolving, questionable legal rationales.⁷
- **Interrogation:** The White House and the Justice Department authorized the CIA to use brutal interrogation

The President is authorized to use all necessary and appropriate force against those nations, organizations, or persons he determines planned, authorized, committed, or aided the terrorist attacks that occurred on September 11, 2001...

— Text from the Authorization for Use of Military Force (AUMF) of 2001

techniques that the current Attorney General has since labeled as “torture.”⁸ Even when the first memos were drafted, some Bush Administration officials, notably the Navy’s General Counsel, expressed the belief that certain interrogation techniques were “at a minimum cruel and unusual treatment and, at worst, torture.”⁹

- **Surveillance:** President Bush authorized warrantless electronic surveillance following the 9/11 attacks. After their existence was leaked to the press, the President subsequently defended the program as a necessary tool to fight terrorists. The Bush announcement prompted Congress to establish new guidelines and regulations for electronic surveillance that provided additional protections for U.S. Persons.¹⁰

And of course, the invasion of Iraq was a huge distraction from the real fight—the one against those who attacked us on 9/11. The invasion of Iraq and the chaos that followed consumed so much American blood, treasure, time, and effort that it would take many years before U.S. policymakers could refocus squarely upon the actual terrorist threat. Al Qaeda and its allies took advantage of a distracted America to regroup and reengage in their terrorist activities.

NOW: JUST ABOUT RIGHT

America has, after a decade of conflict, developed new capabilities and learned hard lessons about fighting al Qaeda. This has led to a much more effective effort to crush our foes and stop terrorist activities in its tracks.

The bin Laden raid is a textbook demonstration of this “just right” approach. America was able to find the al Qaeda chief because of the thousands of hours of work performed by the intelligence community, followed by a carefully-executed, limited military operation. The critical slivers of information that eventually led to the courier that America followed to bin Laden’s compound were gathered not by brutal methods approved in the wake of 9/11, but by two separate sources: 1) standard, noncoercive interrogations of prisoners and 2) intelligence provided by a foreign country.¹¹

But it has also made clear that the threat is still with us, and we must remain vigilant.

***Guantánamo...
had become a
propaganda tool
for our enemies
and a distraction
for our allies.***

— President George W. Bush,
Decision Points, p.180

MAKING THE CASE

***The Iraq war was
a large distraction
from the fight
against those who
attacked us on 9/11.***

MAKING THE CASE

***The bin Laden raid
was the result of
careful intelligence
work, foreign part-
nerships, special op-
erations forces and
advanced technical
capabilities.***

A Scalpel, Not a Sledgehammer

We have come to learn the value of a lighter footprint using specially trained personnel operating in tough parts of the world. For example:

- **Afghanistan:** U.S. forces are now able to establish indigenous teams of counterterrorism personnel that have effectively acted to root out terrorist and insurgent groups within the region.¹²
- **Yemen:** The U.S. has brought new focus to tracking and neutralizing the threat from al Qaeda personnel in Yemen without too many American boots on the ground. The most notable recent success was the death of U.S.-born extremist cleric Anwar al-Awlaqi, who had been linked to a number of terrorist plots and attacks.¹³
- **Somalia:** U.S. forces continue to deliver sharp blows to al Qaeda personnel in the Horn of Africa, including the 2009 elimination of Saleh Ali Saleh Nabhan, who was responsible for the 1998 American Embassy bombings in Kenya and Tanzania as well as other attacks in Africa.¹⁴
- **Drones:** UAVs have not only provided critical breakthroughs in surveillance, but also have attacked hundreds of suspected al Qaeda personnel in northern Pakistan. This technology has profoundly disrupted their operations and has kept them on the run. Intelligence from Abbottabad showed that bin Laden was concerned with number of “brothers” that had died in the persistent UAV attacks.¹⁵

Better Integrated Intelligence

The U.S. national security system is now marching effectively to destroy al Qaeda. We continue to develop the capability for precise intelligence, analysis, international cooperation, and technology, which are critical to foiling many of their terror plots.

For example:

- In 2010, the Saudi government informed senior U.S. officials of an al Qaeda in the Arabian Peninsula (AQAP) plot to place explosive-filled packages on U.S.-bound cargo planes. The planes were intercepted and grounded before they ever reached the United States.

MAKING THE CASE

We’ve now developed new capabilities and learned hard lessons about fighting al Qaeda.



MAKING THE CASE

UAVs not only provide both critical surveillance capabilities, but also keep terrorists on the run—since few places are safe for them, for long.

- In 2009, the FBI and the NYPD (with help from the CIA) stopped an al Qaeda plot to bomb the NYC subway. The CIA flagged Najibullah Zazi after he travelled to Pakistan to train at a terrorist camp, and the FBI then tracked him from Colorado to New York and back to Colorado before arresting him.¹⁶
- In 2006, the U.S., British, and Pakistani governments broke up a significant plot to destroy several passenger planes midflight over the Atlantic (which led to the ban on liquids in carry-on luggage). Had this plot been successful, it could have killed thousands of people, cost billions of dollars, and severely damaged the global aviation system.

An Educated, Vigilant Public

Americans must understand that the threats remain real, and even the best intelligence and military efforts cannot thwart every extremist bent on attacking America and our citizens. An informed, alert public can help law enforcement thwart attacks here at home.

- A gun shop clerk's tip in 2011 led authorities to stop Pfc. Naser Jason Abdo from reprising the 2009 massacre at Fort Hood, TX. When law enforcement officials arrested Pfc. Abdo, he had weapons and bomb-making devices in his possession.¹⁷
- A T-shirt vendor helped thwart the 2010 bombing of NYC's Times Square by alerting police to a suspicious SUV—law enforcement officials later determined that the vehicle carried a powerful explosive device.
- Passengers and crew responded quickly and helped avert disaster on Northwest Airlines Flight 253 on Christmas Day 2009, when a suicide attacker tried to detonate a bomb in midair.

Assistance from Muslim-Americans

Authorities are also working with various Muslim communities to prevent attacks, and it is working—families and friends are turning dangerous people in:

- According to the New America Foundation, "Over one-fifth of the post-9/11 Islamist terrorism cases originated

MAKING THE CASE

Regular Americans provide critical help in the fight against terrorism here at home.

MAKING THE CASE

Americans are all in this fight together; scapegoating one community will hurt our counterterrorism efforts.

with tips from Muslim community members or involved the cooperation of the families of alleged plotters.”¹⁸

- In 2010, the FBI thwarted an attempted bombing in Oregon after the alleged bomber’s friend and father contacted them.
- Also in 2010, the FBI arrested a man plotting to bomb the Washington, D.C. Metro after a member of the local community contacted them.

CONCLUSION

This nation was overly complacent before 9/11 and had to build our counterterrorism ship as it sailed. That meant our conflict with al Qaeda cost this nation dearly, and the mistakes we made and the lessons we learned were hard ones. Many issues remain to be resolved, including the disposition of the Guantanamo Bay detainees. And of course, al Qaeda has shown a remarkable resiliency to bounce back in the face of major setbacks.

That said, we believe that we are now moving in the right direction. We must remind Americans that the threat remains and vigilance is required, but we can also assure them that after 10 years, we have finally gotten things just about right.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

* * *

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GLOBAL TERRORISM | JULY 2012

This brief identifies some of the critical foreign adversaries of the United States and why they matter. These include:

- State sponsors of terrorism;
- International terrorist groups; and
- States the United States does not diplomatically recognize.¹

STATE SPONSORS OF TERRORISM

The U.S. government defines terrorism as “premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents.”²

A **State Sponsor of Terrorism** is a nation that has “repeatedly provided support for acts of international terrorism.” The Department of State maintains this list. These nations are subject to numerous sanctions, such as:

- A ban on arms-related exports and sales;
- Controls over exports of dual-use items, which are devices that have both military and civilian use. (Note: Exports require a 30-day notification to Congress for any goods or services that could significantly enhance the country’s military capability or ability to support terrorism);
- Prohibitions on economic assistance; and
- Imposition of miscellaneous financial and other restrictions.³

FOREIGN TERRORIST ORGANIZATIONS (FTO)

The Department of State also maintains a **Foreign Terrorist Organization** (FTO) list. To earn a place on the FTO list, the group must pose a threat to the U.S. or U.S. interests. As of January 2012, there are 51 groups on the list. Below are several examples, divided by region.

State Sponsors of Terrorism

CUBA

Cuba has supported the Revolutionary Armed Forces of Colombia (FARC), as well as some members of the Spanish separatist group, the Basque Fatherland and Liberty (ETA).⁴

IRAN

Iran remains the most active of all of the state sponsors of terrorism, supporting groups such as Hezbollah, HAMAS, Palestinian Islamic Jihad (PIJ), among others.

SUDAN

Sudan was designated a state sponsor of terrorism in the early 1990’s because it hosted numerous terrorist groups—most notably al Qaeda. However, it remains unclear why Sudan remains on the list, as the State Department states Khartoum currently cooperates with U.S. counterterrorism efforts.⁵

SYRIA

Syria has historically allowed multiple terrorist groups (including HAMAS, Hezbollah and various Palestinian terrorist organizations) to operate freely and with explicit government support.

Asia-Pacific

1. **Al Qaeda (AQ):** Pakistan-based organization responsible for 9/11.
2. **Lashkar-e Tayyiba (LT) (Army of the Righteous):** Pakistan- and Kashmir-based group that carried out the 2008 Mumbai attack.
3. **Tehrik-e Taliban Pakistan (TTP):** Pakistan-based group that is a critical al Qaeda ally.
4. **Jemaah Islamiya (JI):** Indonesia-based, al Qaeda-linked group responsible for the 2002 Bali bombings.
5. **Abu Sayyaf Group (ASG):** Philippines-based Islamist separatist group.

Middle East

1. **Al Qaeda in the Arabian Peninsula (AQAP):** Saudi- and Yemen-based al Qaeda affiliate, most notably responsible for the thwarted 2009 Christmas Day attack on a Detroit-bound passenger plane. AQAP remains committed to attacking the U.S., as they tried to destroy a U.S. cargo plane in 2010.
2. **HAMAS (Islamic Resistance Movement):** Sunni Palestinian group that seeks to bring Israel under Islamic control. After winning local elections in 2006, HAMAS now controls the Gaza Strip.
3. **Hezbollah (Party of God):** Shi'a organization operating from Lebanon responsible for, among other operations, the 1983 attacks on the U.S. Embassy and Marine barracks in Beirut. Hezbollah is a semi-autonomous proxy for both Iranian and Syrian interests.
4. **Al Qaeda in Iraq (AQI):** This al Qaeda affiliate is responsible for hundreds of attacks and thousands of deaths throughout Iraq since its inception in 2004.

Europe

1. **Basque Fatherland and Liberty (ETA):** Basque nationalist organization that commits terrorist acts throughout Spain.
2. **Real IRA (RIRA):** Splinter group that broke from the Provisional Irish Republican Army after the PIRA declared a ceasefire with the UK in 1997.

Removed from the State Sponsor of Terrorism List

Since the founding of the State Sponsors list, the State Department has removed four countries which have either fully renounced terrorism or have actively and successfully aided the U.S. in counter-terrorism efforts. These countries include:

IRAQ

Removed after the U.S. invasion in 2003.⁶

LIBYA

Removed after Muammar Gadhafi surrendered their ongoing nuclear weapons program, severed ties with terrorist organizations (including closing active training camps), and paid compensation for its involvement in the 1988 Pan Am 103 bombing.⁷

NORTH KOREA

Removed in 2008 as an incentive to bring Pyongyang back to the negotiating table over its nuclear weapons program.⁸

SOUTH YEMEN

Removed when it united with North Yemen in 1990 to form the Republic of Yemen.

Central/South America

1. **Revolutionary Armed Forces of Colombia (FARC):** Based in Colombia, FARC is Latin America's oldest and largest insurgent group, responsible for scores of murders, kidnappings, bombings, and hijackings since the mid-1960s.
2. **Shining Path (Sendero Luminoso):** A Maoist, Peru-based group.

Africa

1. **Al Shabaab:** Somalia-based al Qaeda affiliate. Note: multiple Somali-Americans have left the U.S. to join al Shabaab, although we have yet to see an al Shabaab-led attack in the U.S.
2. **Al Qaeda in the Islamic Maghreb (AQIM):** Algeria-based al Qaeda affiliate that has spread into neighboring Mali.

DIPLOMATIC RELATIONS

Beyond the issue of terrorism, the United States does not recognize the governments of certain major countries recognized by the United Nations. Therefore, we have no embassy in their capitals:

Iran: The U.S. severed relations with Iran in April 1980 following the takeover of the U.S. Embassy in Tehran that touched off a 444-day long hostage crisis.

Cuba: The U.S. severed diplomatic relations with Cuba in January 1961, shortly after Cuba signed a trade agreement treaty with the USSR and nationalized various foreign properties and companies.

North Korea: The U.S. has never formally recognized North Korea and therefore has never had diplomatic relations.

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ADVANCING AGAINST AL QAEDA

Significant Al Qaeda and Affiliated Leaders Killed or Captured by U.S./Allied Forces since 2001



Since September 11, 2001, the U.S. has waged a relentless campaign to disrupt, dismantle, and defeat al Qaeda and kill or capture its senior leaders. By removing key al Qaeda personnel from the battlefield, the U.S. and its allies have largely kept the group off-balance. While we cannot be complacent about the threat, our efforts have degraded the group's overall ability to plan and carry out attacks here at home.

Data from BBC News, CNN, The New Yorker and The National Counterterrorism Center (NCTC). Infographic by Cole Mitchell.
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DIGEST | APRIL 2012

Rising DOD Health Care Costs Threaten National Security

By Mieke Eoyang and Julie Zelnick

The financial situation with the current military health care system (known as TRICARE) is a recipe for crisis. If we don't address it soon, it may harm our national security in the long run. It will also impact operational effectiveness and threaten health care benefits for active duty troops and their families.

This digest does three things:

- ▶ Lays out the fiscal situation for the Defense budget and TRICARE;
- ▶ Demonstrates that minor cost adjustments to TRICARE would still allow for generous benefits to military personnel, retirees, and their dependents; and
- ▶ Recommends that Congress allow DOD to adopt minor cost controls now—and take a comprehensive look at broader reforms over the next year—in order to preserve TRICARE for future generations.

WHAT IS TRICARE?

Our troops are the foundation of American defense and have shown unwavering commitment over the last 10 years of war. In turn, it is a priority to ensure that health care needs of servicemen and women and their dependents are met. The nation is also committed to providing health care to those who spent their careers in military service. As a result, DOD administers health benefits to about 9.6 million active duty military members, retirees, and dependents through a system called TRICARE.¹

Before the mid-1990s, DOD had two ways of treating its beneficiaries, which included active duty military personnel, their families, and military retirees—troops who served a full 20-year career qualified for retirement. Those who served less than 20 years were eligible for care in the VA system. Typically, most DOD beneficiaries received health care at military

Leaving aside the sacred obligation we have to America's wounded warriors, health care costs are eating the Defense Department alive.

— Secretary of Defense
Robert M. Gates
May 8, 2010

hospitals or clinics known as Military Treatment Facilities (MTFs). Care at MTFs was free for Active Duty Military and their dependents, and to retirees on a space-available basis. Those who were not located close to an MTF received care through the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). But after the Cold War, DOD began a series of base closures which greatly decreased the number of MTFs. There was growing demand for care that military facilities could no longer provide.² To cope, Congress created a new program in 1995 that became known as TRICARE.³

Since 2000, Congress has dramatically expanded TRICARE benefits and created 17 new programs, especially for seniors and Reservists and their dependents. These expanded benefits recognize new battlefield challenges and the needs of an aging retiree population. The new programs began to cover things like prosthetics, durable medical equipment, PTSD treatment, MRI breast cancer screening, Traumatic Brain Injury, and mental and behavioral health issues. Congress also created add-on programs like TRICARE for Life, TRICARE Senior Pharmacy, TRICARE Plus, TRICARE Reserve Select, Wounded Warrior Respite, and TRICARE Young Adult. While each expansion addressed a legitimate medical need, eligibility ballooned by 43%.⁴

A vital truth about the TRICARE budget: Even though only 17% of the force serves 20 years to qualify for retirement, this group represents over half of all TRICARE beneficiaries, and because of their higher utilization rates, an even greater proportion of TRICARE's costs.⁵ Still, the expansion of benefits and increased pool of those eligible for care could have been manageable if the cost-share between DOD and beneficiaries stayed the same, but it did not.

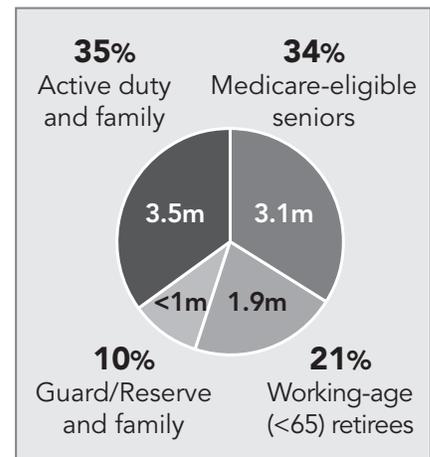
THE BUDGET CRISIS WILL FORCE TRICARE REFORMS

The Budget Control Act of 2011 will cause the DOD budget will grow at a slower rate than it has in the past 10 years. Those cuts don't translate into smaller health care costs. Without reform, a bigger share of the Defense budget will go to health care costs and TRICARE will crowd out other DOD security spending priorities.

MAKING THE CASE

We must preserve TRICARE, but rising costs threaten DOD's budget.

TRICARE Beneficiary Population⁶

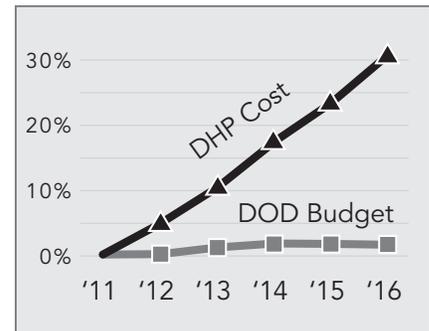


MAKING THE CASE

Increasing health care costs are crowding out other spending priorities.

In 2000, the Pentagon spent \$17 billion on military health care.⁷ It nearly doubled by 2012 to \$33.7 billion.⁸ Under the President’s FY13 budget proposal, minor cost controls will keep the budget at about the same level.⁹ But even with these minor cost controls the spending for the Defense Health Program will increase by \$5.2 billion through 2017.¹⁰ Without reform, according to DOD estimates, spending on military health care could rise to \$64 billion in 2015—a \$30 billion increase over a shorter period of time.¹¹ By comparison, that increase is three times the size of the Marine Corps’ entire Operations and Maintenance Account.¹²

DOD Health Care Cost vs. Overall DOD Budget - Rate of Growth (2011 Baseline)¹³



TRICARE REFORM WOULD STILL PROVIDE GENEROUS BENEFITS

1. Cost-shares between DOD and beneficiaries are stagnant, so inflation has led to an unsustainable windfall for beneficiaries.

The enrollment fee for TRICARE Prime, \$460 per year, has not changed since Congress set it in 1997.¹⁴ So with inflation, the cost to the beneficiary has declined in real terms while health care inflation has increased DOD’s costs dramatically.¹⁵ Without changes, the cost shares to DOD will continue to rise, while the costs to beneficiaries will decrease in real dollars. This is a windfall to beneficiaries that DOD can no longer afford.

By contrast, if enrollment fees had kept pace with inflation, a family with TRICARE Prime would pay \$652 per year today, or roughly \$54/month. That is the same burden in real dollars that such families were asked to pay in 1997, and it makes sense to return to those levels.¹⁶

Currently, since there are no enrollment fees, DOD doesn’t know how many beneficiaries choose to utilize Standard/Extra, and thus is unable to plan and budget appropriately for their care. If beneficiaries were required to enroll, DOD would be able to better manage its health care services.

2. Even with higher cost-shares, TRICARE would remain a generous benefit.

Military retirees often choose TRICARE over their private employer-provided health care. And why wouldn’t they? The

MAJOR TRICARE GROUPS

TRICARE Prime

HMO-like plan where active duty personnel and their families are automatically enrolled free of charge. Retirees are eligible but required to enroll and pay an annual fee.

TRICARE Standard

A fee-for-service plan that will cover costs not covered by Medicare Part B for seniors. Retirees can use *Standard*, but not Active Duty members.

TRICARE Extra

Network benefit for retirees eligible for Standard. It is like a PPO.

TRICARE for Life

Established in 2001 and is a secondary health care provider to Medicare for retiree seniors.

costs to families for private insurance plans have risen steadily since 2001, growing by an average of \$1,754 or 82%. A civilian federal employee now might pay \$5,000 for their family's health care, and those in the private sector might pay up to \$12,000. TRICARE, on the other hand, has not raised its annual fee of \$460 since 1997.¹⁷

The numbers make the choice clear. Not surprisingly, 22.4% of working-age retirees switched to TRICARE during the last ten years. This has helped drive up DOD costs to levels that cannot be sustained.

3. Curbing overutilization is not a reduction in care.

As the beneficiary pool has shifted from military hospitals to civilian care, TRICARE has fallen victim to some of the same overutilization problems experienced in private sector medicine. In cases where private sector doctors are paid on a fee-for-service model, some may have incentives to order more tests than are necessary in order to increase their income, driving up health care costs for the TRICARE program writ large.

Now, the utilization of services in TRICARE far exceeds that of the private sector. For example, in 2010 users of Standard/Extra received 2.4 times more health care services than their civilian PPO counterparts.¹⁹ Allowing DOD to develop methods to address this kind of overutilization can result in better care for the beneficiaries and lower costs to the taxpayer.

CONGRESS CAN AND MUST PRESERVE THE BENEFIT WHILE CURBING COSTS

DOD and the nation have an obligation to provide health care for our troops and their loved ones. That obligation runs strongest to those who are still wearing the uniform. But to keep that promise, we cannot continue the rampant cost-growth this program has seen in the last decade.

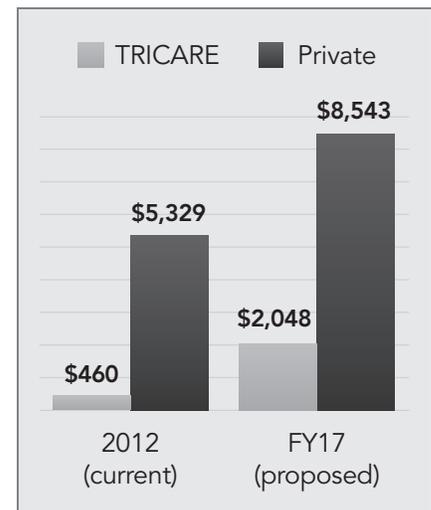
Congress must revisit the cost-sharing between DOD and its beneficiaries. The original cost shares should be re-set to tie beneficiaries' fees and co-payments to inflation in order to ensure that burdens remain in balance over time.

Congress also should allow DOD to implement minor cost controls, perhaps those proposed by the Obama

MAKING THE CASE

Beneficiary cost shares haven't risen since 1997.

Annual TRICARE Prime Cost for Working-Age Retirees vs. Private Insurance¹⁸



MAKING THE CASE

Even with reform, TRICARE is still a generous benefit.

Administration, and establish a commission with military personnel, all beneficiaries including those who do not stay to retirement, and health care experts to examine which private sector cost control mechanisms would be most applicable to the Defense Health Program, while preserving quality care for the beneficiaries.

CONCLUSION

The current TRICARE is simply unsustainable, and both Congress and DOD must take significant steps to reform the system while keeping faith with our troops. While military health care cannot exactly parallel civilian or private health plans, it cannot be drastically different if we are to keep it afloat in a time of budget constraints.

Reforming the system will be challenging and it is difficult to ask our troops and veterans to pay more for their care. But fees haven't increased since the 1990s. Congress must make some hard choices to ensure our troops have quality health care and DOD has what it needs to defend the United States.

The National Security Academy is the flagship initiative of the Third Way National Security Program. The Academy seeks to explain complex security questions in an engaging, easy-to-understand way in order to help policymakers better understand the challenges and threats facing America today.

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DIGEST | MAY 2012

Fuel Costs Squeeze Defense Budget

By Mieke Eoyang, Julie Zelnick, and Ryan Fitzpatrick (of the Third Way Clean Energy Program)

The Department of Defense is the largest consumer of liquid fuels in the world, and its fuel costs are rising at an alarming rate. Over the next 10 years, the defense budget will virtually be flat. If the Pentagon does not fully embrace energy efficiency, fuel costs will make up an increasing share of the budget, crowding out other priorities. In this digest, we:

- Outline how rising fuel costs threaten DOD's budget; and
- Identify solutions that could help the Department cut oil consumption while preserving or enhancing mission capability.

Given the stakes, Congress should consider DOD fuel efficiency to be a national security priority, and it should use its budgetary and oversight functions to ensure that the Pentagon is proceeding aggressively with an effort to cut its fossil fuel consumption. Cutting funds for efficiency initiatives would be a mistake.

DOD'S FUEL PROBLEM

In 2011, Congress passed the Budget Control Act, which put long-term limits on defense spending as part of a broader effort to curb the \$15.7 trillion federal budget deficit. Though DOD's budget will grow over the next 10 years, it will rise at a smaller rate than previously projected. This means DOD's topline budget going forward will be more flat. Rising costs in one area will come at the expense of others.¹

Given such constraints, DOD must carefully scrutinize every cost and find efficiencies where it can. One of those costs is fuel—a critical component of military operations, especially for ground vehicles, ships, and aircraft. DOD spends about \$16 billion on fuel each year—more than double what UPS, FedEx, and DHL spend on global shipping operations, combined.³

With such extraordinary levels of consumption, even small oil price increases impact the defense budget. If sustained for a year, an increase of \$10/barrel of oil will cost the Department

As someone who now faces a budget shortfall exceeding \$3 billion because of higher-than-expected fuel costs, I have a deep interest in more sustainable and energy efficient options.

— Leon Panetta, Secretary of Defense, May 2, 2012²

\$1.3 billion.⁴ The proliferation of military technologies and wars fought in faraway places are factors that attribute to rising fuel use and underscore DOD's serious need for energy efficiency.⁵

SOLUTIONS TO THE FUEL CRUNCH

DOD recognizes that its reliance on fossil fuels poses a threat, both to military capability and to its tightening budget. To solve this problem, each service has committed to reducing its dependence on oil by investing in new technologies. Cutting these would be a mistake.

There are at least three areas of improvement where the Department can reduce its demand for fuel in ways that either assist or leave unchanged the tools available to our warfighters:

1. Making small changes in behavior to yield fuel savings

Major shipping companies already know that changes in behavior—like shifting routes and checking tire pressure—can yield big savings in fuel costs.⁷ While DOD faces different challenges, it too can look for changes to the way it operates to save fuel. For example, the Air Force uses 64% of DOD's petroleum (mainly jet fuel). To cut costs, the Air Force is increasing its use of simulators to replace time in the air burning fuel. It has made diplomatic arrangements to fly over foreign countries to cut flight times, and it has changed flight speeds to conserve fuel. Even moving cargo to a different part of the aircraft saves fuel.⁸ Currently, the Air Force is on track to save a total of \$500 million over the next five years through reduced fuel costs.⁹

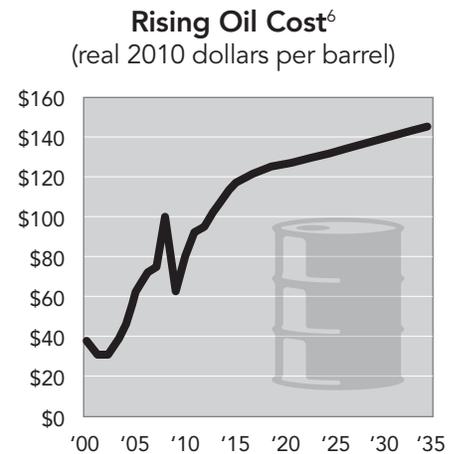
2. Investing in fuel-saving technologies and oil alternatives

DOD has spent millions of dollars developing technologies that will reduce its reliance on petroleum and has identified certain technologies that could drastically increase efficiency and lower fuel expenses.¹⁰

- For aviation, DOD created the Adaptive Versatile Engine Technology (ADVENT) program, partnering with major engine producers to develop more fuel efficient engines that can be used in existing aircraft.
- The Army, through its Tank Automotive Research and Development Engineering Center, is developing vehicle fuel cells, hybrid engines, and batteries.

MAKING THE CASE

Rising oil costs will crowd out other DOD priorities, like training and weapons.



- The Navy has developed an Amphibious Assault Ship with a hybrid electric drive system that saved \$2 million in fuel costs on its maiden voyage and is expected to save \$250 million over the life of the vessel.¹¹
- The Army has recently invested \$108 million in more efficient power production and distribution across its bases in Afghanistan.¹² These projects are expected to replace over 500 generators, saving 17.5 million gallons of fuel annually (the equivalent of removing more than 7,000 fuel trucks from dangerous roads). The investment should pay for itself in less than one year, according to DOD officials.
- DOD has even invested in testing of advanced biofuels.¹³ Their goal is to ensure military readiness and improve flexibility on the battlefield. The military services are positioning themselves to take advantage of these fuels when they are cost-competitive with conventional fuels, which will provide greater security from foreign oil volatility and savings in the long term. While some in Congress object to the high initial costs of developing these fuels, the expenditures represent less than 10% of DOD's operational energy improvements.¹⁴



2011 DOD fuel costs are more than double UPS, FedEx, and DHL combined

MAKING THE CASE

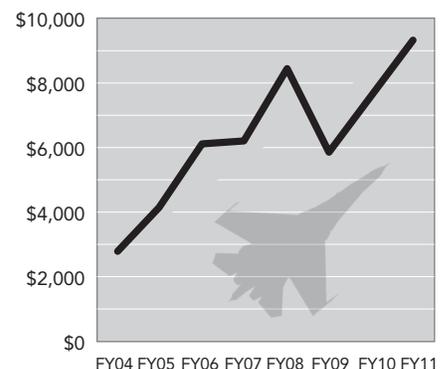
Crude oil prices are expected to rise 23% by 2016.¹⁵ Investing now in oil alternatives will help drive down long-term costs.¹⁶

3. Improving how DOD buys fuel

DOD can also change its buying practices. Right now, DOD doesn't have the data-collection tools in place to measure how much fuel the services consume. It's hard to identify savings when the total fuel budget is a mystery. DOD needs a method of measuring energy consumption and then making informed decisions.¹⁷ DOD's Office of Operational Energy Plans and Programs has begun to implement this, but it must remain a high priority for the entire Department.¹⁸

DOD can also do a better job of understanding its fuel costs. The military, after all, doesn't just pull into a local gas station and pay the price at the pump. It has to bear the additional costs of delivery to some of the most remote places in the world, all the while facing threats to fuel convoys. Though the commodity cost of jet fuel might be less than \$3/gallon on a given day, the "fully burdened cost" of that fuel could end up being as high as \$50/gallon.²⁰ Taking this total cost (transportation and security) into account when planning

Air Force Fuel Budget¹⁹
(in millions)



missions and purchasing equipment should encourage DOD to place a higher value on energy efficient technology.²¹

Americans know that over time, a more efficient car with a slightly higher sticker price can cost less than a cheaper gas-guzzler. The military should consider the price of its systems the same way—not just the “fly-away” cost, but the system’s lifetime costs. If DOD made “life-cycle costs” part of their decision-making process for acquiring new platforms, it would save them—and the taxpayer—money.

CONGRESS AND DOD FUEL EFFICIENCY

Congress has already taken steps to support this effort. In 2010, they created the position of Assistant Secretary of Defense for Operational Plans and Programs, which oversees DOD’s use of energy to improve military capabilities and lower costs.²³

But some in Congress have failed to recognize the urgent national security priority of reducing DOD’s oil consumption and have failed to support—or have even attacked—these efforts on partisan or ideological grounds. At a recent House Armed Services Committee hearing, one Republican Member accused the Department’s leadership of an “anti-fossil fuel attitude.”²⁴

This is precisely the opposite of what pro-defense Members should be doing. It is imperative that all in Congress recognize that America’s military strength increasingly will rely on our ability to diversify our fuel supply, operate more efficiently, and cut military fuel costs.

Fuel efficiency is fundamentally a national security priority. Without it, DOD will spend an ever-increasing percentage of its budget on oil at the expense of other priorities. The Pentagon has plenty of ways to improve efficiency while maintaining the effectiveness and lethality of our military. Indeed, in many cases, fuel efficiency improves our fighting capability. Congress must support the Department in these efforts.

DOD Goals and Metrics for Energy Efficiency²²

Army	<ul style="list-style-type: none"> • 16 Net zero energy, waste, and/or water installations by ‘20, and 25 at home and/or abroad by ‘30.
Navy	<ul style="list-style-type: none"> • Increase efficiency, reduce fuel consumption afloat 15% by ‘20.
Air Force	<ul style="list-style-type: none"> • Increase aviation energy efficiency by 10% by ‘20.
Marine Corps	<ul style="list-style-type: none"> • Increase energy efficiency on the battlefield to cut fuel consumed per Marine per day 50% by ‘25.

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