



Project Horizon Progress Report

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About This Document

This document is a progress report regarding the accomplishments to date of a strategic planning project undertaken by a number of U.S. Government departments and agencies. *Project Horizon* has brought together senior executives from global affairs agencies and the National Security Council staff to conduct long-term, interagency scenario-based planning. **The concepts presented in this document have not been formally endorsed by the participating agencies, and therefore do not necessarily represent the views of the U.S. Government.** They are presented here for the purpose of sharing salient insights captured from the more than 200 individuals who participated in the *Project Horizon* workshops for consideration by the wider global affairs community. It is our expectation that they will provide a valuable contribution to the many efforts to improve the interagency effectiveness of the Federal Government.

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I. Executive Summary

PROJECT OVERVIEW

Project Horizon has brought together U.S. Government senior executives from global affairs agencies and the National Security Council staff to explore ways to improve U.S. Government interagency coordination in global affairs using the techniques of scenario-based planning. The purpose of the ongoing project is threefold. First, it is to develop strategic interagency capabilities in which the U.S. Government should consider investing in order to prepare for the threats and opportunities that will face the Nation over the next 20 years. Second, it is to provide participating agencies with a scenario-planning toolset that can be used to support both internal agency planning and planning across agencies. Finally, it is to provide a starting point for an institutionalized interagency planning process.

The project is funded, managed and governed by the following interagency participants: the Department of Agriculture; the Department of Commerce; the Department of Defense (including both the Office of the Secretary of Defense and the Joint Staff); the Department of Energy; the Environmental Protection Agency; the Department of Health and Human Services (including the Centers for Disease Control and Prevention); the Department of Homeland Security; the Department of Labor; the Millennium Challenge Corporation; the Office of the Director of National Intelligence; the Department of State; the Department of the Treasury; the U.S. Agency for International Development; and the National Defense University/Interagency Transformation, Education and After Action Review (ITEA). The National Security Council staff is also an active participant.

The project consists of four phases:

- Phase I – Scenario Development
- Phase II – Interagency Planning Workshops
- Phase III – Knowledge Transfer
- Phase IV – Agency-Specific Planning and Interagency Linkage Analysis

This Progress Report presents the initial findings from Phases I and II. Phase III is currently under way, and the Phase IV efforts will begin in August of 2006.

ALTERNATIVE FUTURES

The scenario-based strategic planning methodology used in *Project Horizon* is based on the fundamental premise that since it is not possible to predict the long-term future,

strategic planning should consider a range of possible futures. Accordingly, the *Project Horizon* Core Team systematically created a set of five plausible alternative future operating environments or scenarios based on research and interviews with approximately 200 senior executives from the participating agencies as well as global affairs experts from academia, think tanks and the private sector.

The five *Project Horizon* scenarios represent a diverse range of operating environments that the U.S. Government could face in 2025. They are not intended to be forecasts of the future, and are ‘valid’ only as a set. They are a single planning instrument comprised of five pieces. Each of the scenarios summarized below contains distinct challenges and opportunities for the U.S. Government that became the context for the interagency strategic conversations that took place during the *Project Horizon* planning workshops.

Asian Way

In this world, the global economy increasingly is dominated by Asian mega-corporations that are expanding at the expense of the formerly dominant American and European military and economic powers. The “Asian Way” of conducting business and statecraft has yielded apparent advantages both in the marketplace and in national affairs over the Western-style capitalism of the post-World War II era. America is trying to dig itself out of a significant fiscal and economic hole, and its people have become uneasy about what appears to be the end of the era of American leadership in the world. While Asian governments are transferring power to influential, opaque corporate interests, the U.S. Government is losing influence to state and local governments and corporations. Asia is increasingly “where the action is” – in terms of business, culture, and even political power.

Be Careful What You Wish For

In this world, natural disasters plaguing the Pacific, arising primarily from increased seismic activity around the “Ring of Fire” along the Pacific Rim, have slowed Asia’s economic growth and significantly damaged the environment. They have also secured America’s status as sole superpower for the foreseeable future. *Be Careful* is a world of rapid technological progress and American-led globalization, in which democracy has taken root throughout the globe, but personal privacy is under assault – particularly in cyberspace. The U.S. is the world’s policeman and first responder and, as a result, is stretched very thin. In addition, the U.S. is finding that participating and leading in a world

made up of activist fellow democracies is chaotic and challenging in unexpected ways.

Congagement

This is a world in which political and economic power increasingly are organized regionally rather than globally following a wave of pandemics originating in East Asia. It is a vibrant, dynamic and highly competitive world in which global institutions lack significant influence. As a result, there are multiple points of friction between the three major power centers – the Americas bloc, the EU and a China-centered Asian bloc – as they pursue a global scramble for resources even while trading with each other extensively. Trade, commerce and capital flows still benefit from a legacy global architecture, but new investments follow the strong new intra-regional economic and political relationships. Within the U.S., there is a new focus on the Americas. This shifting mixture of both confrontation and engagement, or ‘Congagement,’ creates an environment in which business and political interests often diverge.

Lockdown

This is a multi-threat world marked by persistent terrorism, nuclear proliferation, and the most challenging economics the U.S. – and the world – have faced in more than 50 years. The U.S. turned heavily defensive, protectionist and isolationist following WMD attacks launched by a new Islamic terror network. This new posture has had a profoundly negative impact on economic and social life in the U.S., with harsh effects across the global economy. Many developing countries are collapsing, without export markets and foreign aid. Europe is also a target of terrorist violence although the frequency and human cost have been considerably less. China is the principal victim of the U.S. lockdown and its economic and political desperation is taking an ominous turn.

Profits and Principles

Across much of the world, a new culture of global capitalism is fueling rapid economic growth, increasingly integrated markets, and dynamic technological innovation. Foreign policy is strongly influenced by multinational corporations that are pulling the strings of increasingly powerful international bodies. The U.S. economy is thriving, but social safety nets have disappeared as the global drive for profits ruthlessly discards those who cannot contribute. At the same time, an emerging moderate Pan-Islamic movement with a message that Islam cares, while global capitalism does not, is attempting to fill the void, and has gathered partners among other religious and social movements. Although

the top tier of Americans have benefited tremendously from hyper-capitalism, many others have not and the global clash between profits and principles is causing many to fear that these divergent paths could end up on a collision course, with profound consequences for the U.S. and the world.

STRATEGIC INTERAGENCY CAPABILITIES

In the *Project Horizon* planning workshops, participants were assigned to one of these scenarios as part of an interagency planning team that was asked to "live" in that world and develop an in-depth understanding of the challenges and opportunities that it presents for the U.S. government. Each team was asked to develop the strategic interagency capabilities that it considered most critical to meet the unique demands of its scenario. The capabilities developed by each team were stress-tested across all of the other scenarios to determine their strategic value with respect to the fullest possible range of future uncertainty. The 10 distinct capabilities that emerged as most robust across all of the scenarios and all of the workshops are summarized below and explained in more detail in Section IV of this report.

It is important to note that these interagency capabilities *do not* represent an integrated framework, but rather the 10 discrete capabilities that proved most likely to be valuable with respect to the challenges and opportunities of the future. For that reason, they are presented here as standalone concepts notwithstanding the overlaps among them and the extent to which they are mutually reinforcing.

Quadrennial Strategic Review

This capability would focus on increasing interagency unity of effort, reducing duplication of effort, and better aligning investments with priorities by establishing a formalized interagency strategic planning process. Key to this process would be an Interagency Strategic Plan, developed every four years, which would link the President's National Security Strategy (NSS) and other National Strategies with agency-level Strategic and Performance Plans, Budget Submissions, and Performance and Accountability Reports. It also would include a Biennial Strategic Assessment and unified interagency engagement plans for select countries or regions. Participants proposed this capability as a critical requirement for effectiveness in an emerging global operating environment in which challenges and opportunities will proliferate, issues will become increasingly interdisciplinary, and the resources available to the U.S. Government may be significantly constrained.

Government-Wide Information Sharing

To meet the challenges of an emerging operating environment in which the relative power of global actors will be determined to a significant degree by their ability to master strategic information, workshop participants identified the requirement for the U.S. Government to transform its model of information sharing. In particular, they emphasized that this transformation must include minimizing the bureaucratic obstacles to information sharing, creating incentives to transition from a “need to know” to a “need to share” culture, and facilitating the formation of information partnerships with other nations and non-governmental actors. This capability specifically would include a government-wide knowledge management technology architecture, guidelines by which new information sharing partnerships could be formed with allied nations, non-governmental organizations, academic institutions and private sector businesses, and consistent interagency classification and security clearance models.

Interagency Fusion Groups

Facing an emerging global operating environment in which vital strategic issues increasingly will arise in the gaps and seams between the defined mission areas of single agencies, workshop participants identified the requirement for the President to have a streamlined ability to form issue-focused, time-limited interagency bodies with meaningful executive authority. This institutional capability would enable the prompt assembly of a critical mass of expertise, experience, and resources from all appropriate agencies under the leadership of an empowered senior officer to plan and execute unified U.S. Government action in a specific domain for a finite period under clear sunset provisions. The formation of these groups would be initiated by the President in close consultation with Congress. These limited-life entities would address both longer term challenges such as energy security, environmental and health security, and economic competitiveness, as well as more immediate sustained crisis response actions.

Global Health Engagement

Workshop participants suggested that the U.S. Government needs a capability to mobilize interagency global public health resources in a strategic manner so that it can better address emerging international health threats and advance its public diplomacy as a leader in development and humanitarian assistance. It would include a set of policy goals set forth in a U.S. Global

Health Strategy supported by agency-level implementation plans and a coordinating mechanism for tracking, integrating and wielding our public health assets internationally. The capability’s cornerstone would be scalable and readily deployable interagency global health programming to address targeted health issues, countries, and regions.

Global Hazards Planning and Response

The *Project Horizon* workshops suggested that the U.S. increasingly will require the ability to take coordinated interagency action rapidly to prevent or respond to global hazards. These hazards issues include dangers to our interests from man-made and natural sources, including environmental crises, health-related threats, natural disasters, unintended and intended technology-related dangers and combinations of these with traditional threats. This capability would include analysis and rationalization of existing agency response plans for such contingencies, and the proactive formation of coordinating agreements with partner nations and other actors to ensure appropriate burden-sharing. It would include a core Standing Interagency Global Hazards Planning function responsible for planning, preparedness and administration, and a surge Disaster Reserve Corps component of personnel pre-designated, compensated, and trained for rapid deployment and organized for unity of effort. To ensure operational unity, once deployed, all Disaster Reserve Corps members would report to a designated Principal Federal Officer (PFO) for that operation, who would manage the effort and provide a single point of contact for all civilian response efforts in the area of operations.

U.S. Government Partnership Framework

To enable the U.S. Government to build the strategic relationships and dynamic networks that will prove critical for effectiveness in the emerging global operating environment, workshop participants identified the requirement to streamline the means by which agencies collaborate with private sector entities, state and local governments, non-governmental organizations, foundations, and educational institutions. This capability would include a consistent, rationalized framework guiding how agencies can form strategic partnerships with these entities and align efforts to reach goals of mutual and collective interest. This capability would also create incentives for its component departments and agencies to form such partnerships, and maintain clear reporting requirements to ensure the fairness of these arrangements and their transparency.

Science and Technology Incentive Framework

The *Project Horizon* workshops suggested that the technical complexity of emerging global issues and the potential transformative and disruptive power of science and technology (S&T) developments will require that the U.S. Government have a more focused, collaborative approach to bringing the power of S&T to bear against priority global challenges and opportunities. Specifically, workshop participants identified the requirement for a U.S. Government S&T incentive framework that would better align our S&T investments with emerging, long-term global priorities including, but not limited to, energy, WMD proliferation, the environment, disease, and counter-terrorism. This framework also would reward collaborative S&T across U.S. Government organizations and with academic, private sector and international partners. The incentive structure must explicitly reward long-term S&T planning while remaining sufficiently flexible to be able to respond to unplanned contingencies.

Global Domain Foresight

To enable the U.S. Government to take early, effective action with respect to emerging global man-made and natural threats to U.S. national interests, workshop participants identified the requirement for maintaining fused, anticipatory global domain awareness of a range of factors currently analyzed in isolation. This capability would provide insight regarding specific potential future intersections of health-related, environmental, agricultural, geological/ seismological, demographic, economic/ socio-economic, cyber/ technological and other factors as appropriate. Global Domain Foresight would bring these diverse sources of information together for statistical analysis and modeling as well as qualitative analysis by both subject matter experts and specialists in information fusion, systems analysis and complexity.

Human Resources Model for Global Affairs

To enable the U.S. Government to be effective in an operating environment of increasingly compressed decision cycles and proliferating and intersecting issues, workshop participants identified the requirement to build a more flexible and deployable corps of U.S. Government professionals with deep interagency experience and global affairs expertise. They emphasized that enhanced interagency bureaucratic structures and processes are not sufficient to allow the Nation to meet the challenges and opportunities of the future, but that the Government also requires individuals with the experience and training to execute our global strategies. The core of this capability would be a Global Affairs Career Path including required interagency rotations and training, formal education in

global affairs, and revised human resource provisions enabling flexible assignments and deployment.

Global Affairs Learning Consortium

Given an operating environment in which an increasingly broad range of U.S. Government missions will have vital global dimensions, workshop participants identified the requirement for the U.S. Government to be able to deliver consistent training and education in global affairs to U.S. Government personnel from all agencies. This capability would leverage the rich range of relevant existing U.S. Government educational assets as well as draw on those of the private sector. A key requirement would be the development of a curriculum that includes offerings in both traditional and emerging global affairs disciplines. This capability would take the initial form of a network of global affairs training institutions, such as the Foreign Service Institute and the National Defense University, that mutually leverages training, exercise, and experimentation offerings to create a rich, coherent curriculum for U.S. Government global affairs professionals.

THE ROAD AHEAD

The materials presented in this Progress Report represent the findings that resulted from Phases I and II of *Project Horizon*. Going forward, *Project Horizon* will focus on the following activities:

- **Knowledge Transfer:** In Phase III, each agency – led by its Core Team members – will participate in a knowledge transfer session in which the scenario set and the means by which it can be used for internal agency planning will be discussed.
- **Implementation:** Working groups will explore the possible implementation of the 10 strategic interagency capabilities. These groups will include participating agencies and other key stakeholders as appropriate. Those steps that can be implemented within each agency without Executive Order or change to legislation will be further addressed in Phase IV. Those elements that require Executive Order or legislation will be referred to the Senior Principals Board with recommendations on the way ahead.
- **Phase IV Linkage Analysis - The Next Step:** Phases I – III have built a common understanding of future challenges and confirmed the need for more effective interagency action. Additionally, these phases produced initial overarching strategic interagency capabilities to enable more successful U.S. Government-wide operations. In Phase IV, *Project Horizon* will further inform interagency strategic

planning and begin to institutionalize an improved process through Linkage Analysis. This phase builds upon the findings and materials of Phases I-III and will integrate inputs from:

- **Intra-agency Linkage Analysis of the 10 Identified Overarching Capabilities:** Each participating agency will analyze the identified 10 strategic interagency capabilities for existing or new mission sets, tasks, resources and capabilities that must be developed within the next 20 years.
- **Agency-Specific Scenario-Based Planning:** Phase IV will focus on additional agency-specific capabilities required as a result of scenario-based planning within individual agencies. It will include organization-specific analysis of the Phase II material and internal scenario-based planning using the *Project Horizon* scenarios. The scenarios may be tailored to meet the unique requirements of each individual agency.
- **Interagency Strategic Planning Group (ISPG):** Beginning in January 2007, quarterly work sessions will provide a venue for integrating this analysis and institutionalizing interagency

planning to ensure focused and mutually supporting interagency strategies and capabilities. Agency analysis exchanged in these sessions will identify common interagency skills and missions, as well as deficiencies, redundancy, and risks. This enhanced understanding will inform each agency's strategic planning documents and identify core capabilities that should be resident to assure effective interagency planning and execution. These meetings will result in minimal additional cost, and will be hosted and facilitated by participating U.S. Government agencies.

The ultimate goal of this process is to produce a common set of detailed capabilities that should reside within each agency's strategic planning documents and be implemented over time.

Beyond these Phase IV activities, participating agencies will explore institutionalizing the *Project Horizon* process in various ways, perhaps to include periodic planning workshops targeting specific interagency issues. In addition, participants are identifying ways to sustain the interagency community of strategic planners that has formed as a result of this effort.

II. Project Horizon Overview

INTRODUCTION

Project Horizon has brought together U.S. Government senior executives from global affairs agencies and the National Security Council staff to explore ways to improve U.S. Government interagency coordination in global affairs using the techniques of scenario-based planning. The purpose of the project is threefold. First, it is to develop strategic interagency capabilities in which the U.S. Government should consider investing in order to prepare for the threats and opportunities that will face the Nation over the next 20 years. Second, it is to provide participating agencies with a scenario-planning toolset that can be used to support both internal agency planning and planning across agencies. Finally, it is to provide a starting point for an institutionalized interagency planning process.

PARTICIPANTS

Organizations are participating in one of two tiers. The Tier I participants are: The Department of Agriculture; the Department of Defense (including both the Office of the Secretary of Defense and the Joint Staff J-5, Strategic Concepts); the Department of Energy; the Department of Health and Human Services (including the Centers for Disease Control and Prevention); the Department of Homeland Security; the Office of the Director of National Intelligence; the Department of State; and the U.S. Agency for International Development.

The Tier II participants are: The Department of Commerce; the Environmental Protection Agency; the Department of Labor; the Millennium Challenge Corporation; the Department of the Treasury; and the National Defense University/Interagency Transformation, Education and After Action Review (ITEA).

The National Security Council staff is an active participant.

GOVERNANCE

Project Horizon is funded, managed and governed by the interagency participants. The governance structure is designed to maximize interagency ownership and control of the process and its results. It consists of a Senior Principals Board with two representatives from each Tier I participant. This Board is responsible for exercising oversight of the project, ensuring their agency's

engagement, and contributing to critical substantive project decisions, such as scenario selection.

The Government Project Core Team is responsible for managing contractor resources and staffing the project's primary activities. These include guiding and contributing to research, interviews, scenario selection and development, representing the views of their agencies, helping to design and facilitate strategy workshops, and supporting home agency implementation. This team consisted of two representatives from each Tier I participant and select Tier II representatives.

CONTEXT AND RATIONALE

Conducting integrated strategic planning within today's Federal organizations is a significant challenge, particularly for departments composed of large, semi-autonomous agencies or bureaus. For many departments, the triennial strategic plans and annual performance plans mandated by the Government Performance and Results Act are not aligned as different offices conduct strategic, performance, resource, and policy planning without a unifying framework. At the interagency level, particularly for agencies operating globally, these challenges are even more difficult and pressing.

Globalization has blurred the boundaries between national and international policy to the extent that more than 30 U.S. Government agencies now operate internationally. The new demands of homeland security and the rapidly evolving challenges of international affairs are converging increasingly into a linked set of global challenges containing critical military, financial, homeland security, diplomatic, commercial, legal, environmental, and health components. Agencies previously considered mainly domestic now have vital global responsibilities with strategic linkages to traditional foreign policy agencies. Although U.S. Government agencies share highly interrelated goals, they often lack coordinated plans to achieve them, creating both strategic vulnerabilities and operational inefficiencies.

Project Horizon aspires to serve as one means for bridging these seams in U.S. Government strategic planning. It represents both a reusable, future-oriented interagency planning process and a community of planners that in themselves are helping better connect the global affairs agencies of the U.S. Government.

METHODOLOGY

The scenario-based strategic planning approach used in *Project Horizon* is a technique by which organizations develop and test strategies using a systematically created range of alternative futures or scenarios. Scenario-based planning focuses on developing strategies for managing future uncertainty, instead of focusing on specific conflicts or events as occurs with war gaming and contingency planning. Considered a best practice in the private and public sectors, scenario-based planning is a proven means of creating strategic and operational alignment across diverse and even conflicting organizations.

Scenarios are detailed, systematically developed descriptions of operating environments that an organization might face 5 to 25 years in the future. They serve as the basis for structured planning workshops that result in strategies that have been cross-tested for strategic value across a full range of alternative futures. The power of the approach derives not from the merits of any one scenario, but rather from the strategic insight gained through using a set of scenarios that covers the fullest practical range of relevant and plausible future potential outcomes. Scenarios are structured in layers of detail that increasingly focus on the planning needs of a specific organization. Thus, the methodology allows for the creation of broader “platform” scenarios usable at the enterprise level that can be subsequently customized for use by component organizations.

Scenario-based planning is a technique for managing uncertainty, risk, and opportunity, and differs from traditional strategic planning processes by not “assuming the future.” It not only yields remarkably strong strategic frameworks and practical bases for immediate operational action, but also – by virtue of being highly inclusive of diverse perspectives – serves to cultivate strategic thinking and alignment across large organizations and between diverse partner organizations. By systematically considering the future and by including multiple perspectives, scenario-based planning seeks to avoid institutional “failures of imagination.” It was for these reasons that *Project Horizon* adopted this methodology to meet the unique challenges of interagency strategic planning.

PROJECT APPROACH

Following this methodology, *Project Horizon* consists of four phases as follows:

Phase I - Scenario Development: During this phase, the Core Team systematically created the set of five *Project Horizon* scenarios. This involved conducting broad

research in a range of global affairs domains and approximately 200 interviews with senior executives from the participating agencies as well as global affairs experts from academia, think tanks and the private sector. The material captured from these interviews is presented in the *Project Horizon Interview Summary Report.*

From this effort, the team captured an initial set of nearly 300 drivers, which they then distilled into 85 final drivers. These drivers are the factors in the future operating environment that the research suggested will be most important for the U.S. Government. These drivers were then further distilled into four “dimensions,” each with two extremes, that determined the bounds of the *Project Horizon* planning space, which is the array of 16 possible worlds formed by all possible combinations of the four dimensions. The team constructed high-level descriptions of each of the 16 possible worlds and presented these to the Senior Principals Board, proposing five for full development.

For each of the five final scenarios, the Core Team developed detailed descriptions by accounting for each of the final 85 drivers in each world. For each driver, the team looked across the five worlds to ensure breadth of treatment. The scenarios were then brought to life by developing fictional narratives true to each of the five worlds’ characteristics.

Phase II – Interagency Planning: The Core Team planned and conducted three interagency planning workshops. Participants included a diverse set of over 200 executive-level individuals from both inside and outside the government. During the workshops, participants were assigned to a single scenario as part of an interagency planning team that was asked to “live” in that world and develop an in-depth understanding of the challenges and opportunities that it presents for the U.S. government. Each team was asked to develop the strategic interagency capabilities that it considered most critical to meet the unique demands of its scenario. The strategies of each team were stress-tested across the other four scenarios to identify those capabilities that proved most valuable with respect to the fullest possible range of future uncertainty.

Approximately 150 rough capabilities surfaced from the strategic planning workshops. Focusing on government-wide capabilities, the Core Team synthesized the raw capabilities into 33 ‘like’ clusters. From those, the team derived the 10 strategic interagency capabilities that are presented in Section V of this document. This Progress Report serves to conclude Phases I and II.

Phase III – Knowledge Transfer: The purpose of this phase, which is currently ongoing, is to provide the participating agencies with the knowledge necessary to

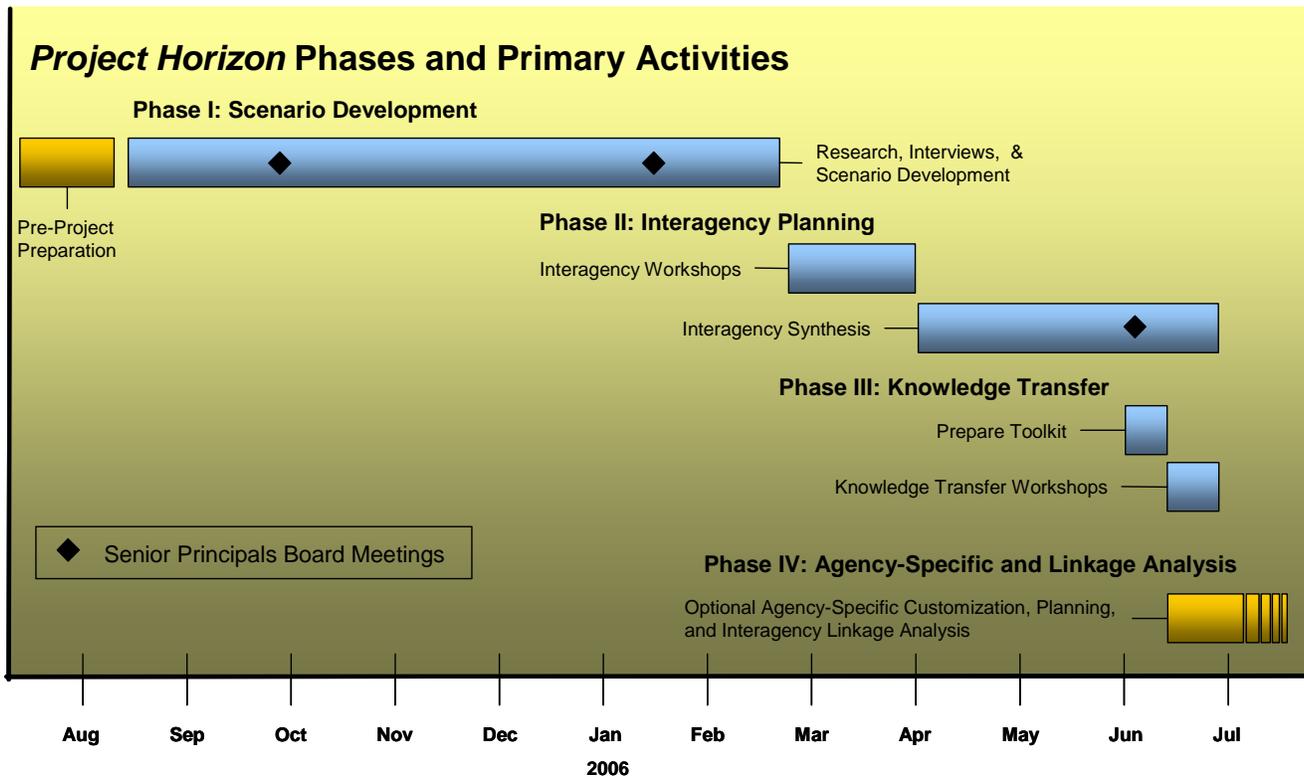
utilize the scenarios to conduct their own internal scenario-based strategic planning using the *Project Horizon* scenarios. Led by each agency’s Core Team members, knowledge transfer workshops are being held to present the mechanics of the scenario-based planning process, the *Project Horizon* scenarios themselves, and the various ways in which agencies can use these tools in their respective organizations.

Phase IV – Agency-Specific and Linkage Analysis: Phase IV, which will begin in the near future, will provide the opportunity for participating agencies to conduct:

- Organization-specific analysis of the Phase II workshop materials;

- Internal scenario-based planning using the *Project Horizon* platform scenarios;
- Linkage analysis with other participating agencies to identify specific strategic and operational touch-points implied by the prior work.

As such, Phase IV represents the “road ahead” toward the institutionalization of the *Project Horizon* process, and the means by which agencies will extract the primary value of the effort for their individual organizations. More detail regarding this phase of activity is provided in Section VII of this document.



III. *Alternative Futures*

INTERVIEW FINDINGS

The *Project Horizon* interviews were conducted in the fall of 2005. Interviewees were asked what they thought would be the forces for change that will most drive the landscape of threats and opportunities that the U.S. Government is likely to face globally through 2025. (Please note that detailed interview findings are presented in the *Project Horizon Interview Summary Report*). The following is a summary of the issues raised, presented in descending order of the approximate frequency with which they were mentioned.

- Global Interdependence: Most interviewees saw greater global interdependence as inevitable, though not necessarily accompanied by smoothly continuing economic and social globalization. Some saw greater interconnectedness as threatening, while others saw it as positive and stabilizing. Many felt that this increased interconnectedness would have effects that cannot be predicted.
- Science & Technology (S&T) Competition: S&T and S&T education were among the biggest areas of worry expressed by interviewees. The vast majority felt that the U.S. was on course to lose much, if not all, of its current technological lead. Most saw China and India (and other Asian nations) as likely to take the lead in engineering and information technology.
- China and India: China and India were predicted to have significant impact on the future leading up to 2025. China was by far the most discussed country, aside from the United States. Apprehension over its military intentions, its growing economic competitiveness, and its environmental impact were mixed with optimism over positive aspects of its rise. India was less often discussed, and there seemed to be a bit more uncertainty about its future. However, there was a clear consensus that China and India were likely to continue their rapid economic development of recent years.
- Natural Resources/Energy: One of the most frequently expressed topic areas cited by interviewees was the “global scramble for resources.” Most thought that the next 20 years would be a time of scarcity and keen competition for energy, water, and land. Few thought it likely that alternatives to petroleum would be a significant factor by 2025. Some thought it likely that wars would be fought to secure access not just to oil, but also to water, arable land, and other resources.
- Global Perceptions of the U.S.: The image of the U.S. was seen by many of the interviewees to be deteriorating, with serious effects on its influence with allies and others. This was attributed largely to the Iraq war, though also to events surrounding Hurricane Katrina. Many felt that it was vitally important for the U.S. to improve its image worldwide, especially with Muslims.
- Changes in Military Power: The U.S. military was almost unanimously thought likely to maintain its conventional (and nuclear) supremacy, though its lead was expected to shrink. However, many also saw the very dominance of the U.S. as rendering its conventional advantage moot, and asymmetric threats as more prominent. Several interviewees felt that weapons of mass destruction were quite likely to be used before 2025. Bio-weaponry, however, was thought more likely to be used than nuclear weapons.
- Environmental Change: Continued environmental degradation was seen as inevitable by the great majority of interviewees. The main direct environmental threat was seen to be pollution accompanying the economic growth of developing countries, especially China and India. Nearly all respondents accepted global warming as a fact, but expectations regarding its effects over the next 20 years varied greatly.
- Global Health and Disease: HIV/AIDS and the threat of pandemics dominated discussion of global health. The devastation of HIV/AIDS was expected to doom Africa to another lost generation, but it was also expected to have a significant impact on Asia, Russia, and even possibly the developed world. A pandemic of some sort (most likely avian flu) was thought by many interviewees to be inevitable, though the expected impact ranged from minimal to catastrophic.
- Advances in Science and Technology: The next 20 years are expected to bring revolutionary technological change, but interviewees were far from unanimous as to its nature and consequences. On the more probable side, biotechnology is already increasing crop yields tremendously, and Moore’s Law continues to push information technology to ever faster, smaller and more ubiquitous computing. On the “science-fiction” end of the spectrum, “genetically advanced people” and nano-technology breakthroughs are seen as more speculative. An innovation

explosion among biotechnology, computing, communications, and nano-technology was expected, but probably not within the next two decades.

- Globalization, Poverty, and Development:

Globalization was seen as a “plate tectonic” force that could be interrupted, but not stopped by anything less than true world catastrophe. Paradoxically, although many saw globalization as positive for the world’s poor, almost as many felt that the accompanying economic growth would widen the gap between rich and poor. There was a sense that the window of opportunity for the U.S. to influence new global rules sets was closing.

- Demographics: With developed countries aging and developing countries mostly getting younger, mass migration was seen as both a threat and a necessity. The United States was seen as likely to experience some increases with respect to immigration, but it was also seen to be the best country in the world at assimilating immigrants. Europe is worse off, both because of its inability to assimilate migrants and its steeper aging curve; Japan is worst off, due to its closed-door policy and the huge percentage of its population that is elderly. China faces a similar aging challenge, but not until after 2025. Aging aside, massive urbanization was seen as the outstanding demographic trend out to 2025.

- Religion: Fundamentalist and extreme forms of religion, as well as tribal and other identity allegiances that are not necessarily congruent with nation-state borders, all seem to interviewees to be expanding their influence not just in spite of, but because of,

globalization. Only a minority of interviewees felt certain that secularization was a more powerful influence, and that fundamentalism and extremism will decline in the face of globalization; however, many saw evidence for both trends operating simultaneously. Others saw evidence for religious organizations that have not traditionally worked together partnering in causes such as social justice and community development, counteracting religious extremism.

- Sovereignty and the Role of the Nation-state:

Interviewees expressed quite varied views as to the relative power and relevance of the nation-state. Influence and power were seen to be leaking away to supra-national bodies, sub-national entities, guerrilla movements, criminal gangs, business, and “super-empowered” individuals (e.g., the ultra-rich). Some interviewees thought a rebound of nation-state power was quite possible, but many felt that a new series of truly global problems and weakening governance structures would challenge the ability of the nation-state system to respond.

- Terrorism: Few interviewees thought that terrorism would be conquered by 2025. Most thought further attacks on the United States between now and 2025 were inevitable. Europe seemed to be in a far worse position geographically and demographically vis-à-vis terrorism, and therefore more likely to be victimized. The focus of Islamic extremists was still seen to be their own regimes (e.g., Saudi Arabia, Egypt, Algeria, Pakistan, Morocco, Syria, Jordan), as well as Israel. Some interviewees warned that non-Islamist groups or individuals should be expected to remain threats.

THE PROJECT HORIZON SCENARIOS

The Dimensions

Based on the detailed interview and research findings, the *Project Horizon* core team arrived at a list of approximately 85 strategic “drivers” and then distilled those into four broad “dimensions,” each of which could vary in two directions. Based on the 16 possible combinations of these dimensions, the range of possible scenarios was developed and the five final scenarios were chosen. Thus, the dimensions represent the “pillars” of the *Project Horizon* operating environments, and key contextual factors that will influence U.S. Government effectiveness globally over the next 20 years. They are as follows:

- Challenge to Nation State Power and Influence: This dimension refers to the power of nation-states in the international arena relative to other entities. It addresses threats to the primacy of the Westphalian system of nations, such as the increasing balkanization of nation-states and the rising power of supranational organizations. This dimension also includes more subtle challenges such as the growing relative power of global business, globalization, the Internet, regional blocs, failed states, and the changing relative effectiveness of traditional levers of nation-state power, including conventional military and economic might. Workshop discussions regarding this issue suggested that, for the U.S. Government, there will be both important constraints on its relative power and new opportunities for it to leverage the power of other actors.
- Gap in the Global Standard of Living: This dimension refers to the difference between the consuming power of the “haves” and “have-nots.” It captures the trend of this economic difference within and between countries, as well as at the transnational level. For the U.S. Government, managing the implications of this gap will be a strategic challenge affecting nearly every global affairs mission of the government, from energy security and democratization to global health and environmental security.

- U.S. Economic Competitiveness: This dimension refers to the productivity of the U.S. economy as a whole relative to the rest of the world. Its components include: innovation; infrastructure; R&D; education; access to energy and natural resources; availability of capital; and fiscal health. For the U.S. Government, this dimension will drive in significant ways the availability of budgetary resources, the degree of global financial power, and the relevance of U.S. leadership writ large.
- Perception of Serious Threat to U.S. Security and/or Quality of Life: This dimension refers to the U.S. general population’s level of anxiety regarding perceived threats to the national security, health, safety, stability, and viability of the U.S. socio-economic and political system. It includes diverse threats such as military, economic, terrorist, environmental, and disease. This dimension focuses on threats that rise above the background noise of everyday life and command the attention of the population for an extended period of time. Significantly, this dimension allowed for the distinct exploration of both actual threats and the perception of threat. For the U.S. Government, this dimension represents a central determinant of its ability to mobilize the American people for either a sudden crisis or a long-term strategic challenge.

The Scenarios

The five *Project Horizon* scenarios represent a diverse range of operating environments that the U.S. Government may face in the future. None of them is intended to be a forecast of the future. In fact, the scenarios can only be said to have any validity as a set. They are a single planning instrument comprised of five pieces. However, each scenario contains distinct challenges and opportunities for the U.S. Government that became the basis of the interagency strategic conversations that took place during the *Project Horizon* planning workshops. Following are summaries of each scenario followed by brief descriptions of the issues in the scenarios that workshop participants most focused on in their discussions.

ASIAN WAY

Summary: In this version of 2025, the world economy is increasingly dominated by Asian mega-corporations that are expanding at the expense of the formerly dominant American and European military/economic powers. The “Asian Way” of conducting business and national affairs in more discreet, shielded ways, through subtle personal networks, rather than in the Western mode of at least apparent insistence on transparency, disclosure, and – in politics – democratization, has yielded clear advantages both in the marketplace and in national affairs over the Western-style capitalism of the post-World War II era. America is trying to dig itself out of the fiscal and economic hole caused by its simultaneous attempts to insulate itself from terrorism (mainly successfully), fund the retirement of its elderly, maintain military supremacy, and keep its tax rates low.

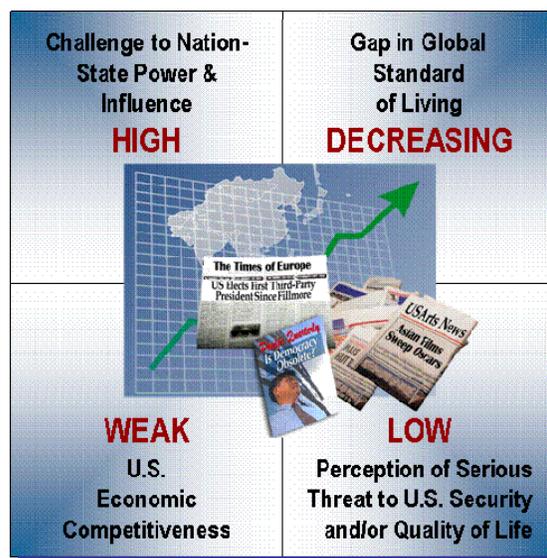
The U.S. public feels secure from any imminent threat, but feels uneasy about what appears to be the end of the era of American dominance. While Asian governments are increasingly transferring power to influential, opaque corporate interests, Washington has found itself in gridlock and losing influence to state and local governments and corporations, all of which are cutting deals with the new Asian mega-corporations. The U.S. economy is not in a depression, yet it has largely lost the technology edge that it possessed at the turn of the century. The youth of America are more and more drawn to the “Wild East” to find excitement, fortune, and opportunity. Asia is where the action is – in terms of business, culture, and even political power.

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Workshops participants in *Asian Way* perceived a central challenge for the U.S. Government in establishing a global order based on transparency and the rule of law in an environment where the economic and political center of gravity is moving in a very different direction. This challenge was exacerbated by the difficulties facing a democratic government in keeping up with the strategic tempo of a world driven by large corporations. Participants also struggled to address significant environmental and other challenges in the global commons absent any truly effective governance mechanisms.

Participants emphasized the significant implications for national security of the rapidly diminishing U.S. advantage in science and technology. In a world in which conventional military power is less relevant, they anticipated that strategic competitors might leverage their S&T advantage to develop disruptive technologies to diminish U.S. power. Participants did see opportunities for the U.S. Government to engage other nations in ways that leverage specific areas of American comparative advantage, for example in environmental

technology and public health. They also saw important opportunities for the U.S. to advance its interests by taking a leadership role in addressing global commons issues and responding to global crises being otherwise neglected.



BE CAREFUL WHAT YOU WISH FOR

Summary: Not without its problems to manage, this version of 2025 is a world of excitement, opportunity, freedom, and technological wonders. Democratic governments with some level of engaged and informed citizenry have emerged and prospered in all regions of the globe. The global economy is growing and wealth is being distributed more evenly than ever before, although significant areas of poverty, and even desperation, remain. Nation-states still command the global political landscape, but conflicts are low level and are usually resolved through peaceful means.

The world economy is different than forecasters in 2006 might have envisioned it. Social turmoil in China added to nearly six years of on-again, off-again geological instability in the Pacific Ring of Fire (from the Solomon Islands to Japan and the Aleutians and down the Americas' West Coast to Chile) has brought about the near disappearance of fragile just-in-time supply chains. In place of these systems, the investment portfolios of large organizations now emphasize resiliency, risk management, and geographic dispersion. The result, to a greater degree than ever before, has been manufacturing sites and transportation systems spread across the globe and new fast-growing middle classes in Asia, Africa, and Latin America.

The world faces a globally acknowledged environmental crisis created by a combination of human and natural causes. There is a U.S.-initiated worldwide movement to "Heal the Earth" that exerts a strong influence on government, social, and technological agendas. The U.S. is well off and well regarded, but, as the policeman and global first responder, is stretched very thin. The U.S. is finding that participating and leading in a world made up of activist fellow democracies is more chaotic and challenging than might ever have been foreseen in 2006.

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Workshops participants in *Be Careful What You Wish For* focused significant attention on the challenge of U.S. Government strategic overstretch. This led them to explore new sources of strategic leverage, including finding better ways to encourage and enable other nations to share the burden of responding to global crises. They also sought enhanced means for partnering with the private sector to create greater alignment against global challenges.

Another challenge highlighted by participants was that of achieving a stable and effective global consensus in a world of diverse democratic states and powerful, networked transnational movements and organizations. Other challenges included managing huge numbers of refugees and large ungoverned spaces, addressing ongoing issues of energy availability, intense competition in cyberspace, and supporting a China that has become dangerously destabilized.

Participants also saw significant strategic opportunities for the U.S. Government in this scenario, including using its preeminent power to shape proactively the global environment in favorable ways and better tapping the Nation's strength in science and technology to address the most pressing global challenges.



CONGAGEMENT

Summary: This version of 2025 is a world in which political and economic power increasingly are organized regionally, rather than globally. This is a dynamic, tense, and highly competitive world with multiple points of friction. The emerging regional blocs revolve around three major power centers – the U.S., the EU, and China. Each of these is increasingly sharing power with regional authorities. The power blocs are not monolithic, however. The other major players – Brazil, Russia, and India – shift among them opportunistically to varying extents. The remaining nations in Africa, the Middle East and Central Asia with resources and/or major markets are the objects of energetic competition, while those nations with few resources or markets are neglected.

Among the U.S. population, there is a new focus on the Americas. Remaining U.S. troops in South Korea are increasingly unwelcome even as Venezuela has invited Chinese troops into their country. The Middle East remains unsettled. Energy access is so important that all parties tacitly agree to allow unimpeded shipments, even as global investment patterns have shifted to reflect a distinct regionalization of major trade flows. Oil rigs are appearing everywhere, even in the Polar Regions. The global commons are in jeopardy as there are few effective mechanisms for managing global issues. Trade, commerce, and capital flows still benefit from a legacy global architecture, but new investments follow the strong new intra-regional economic and political relationships. These dynamics create a continually shifting mixture of both tension and trade, both confrontation and engagement, or “Congagement.”

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The strategic challenge most discussed by participants in *Congagement* was how to maintain peace and stability in a global environment featuring several increasingly divergent regional blocs operating in the context of a global scramble for resources – notably energy. This central challenge was exacerbated by the absence of effective global institutions and agreed upon rule sets. As a result, global commons issues including the environment threatened to become significant sources of conflict.

Participants also identified an opportunity to address the core challenge of regional segregation by leveraging the economic interest of American businesses in re-invigorating global trade. However, given a world with ongoing global health threats and intense competition in cyberspace, participants stressed that the barriers between the regions could not simply be dismantled, but rather would require expert management by the U.S. Government.

Participants saw the need for the U.S. Government to find new ways to engage the world to address these issues, but also to develop enhanced independent means for managing them. In this vein, participants saw several significant strategic opportunities for the U.S. Government to leverage the Nation’s significant strength in science and technology (S&T). One of these was to better align S&T investment with these pressing challenges. The other was to share S&T solutions as a means for engaging other nations and regions.



LOCKDOWN

Summary: This version of 2025 is a multi-threat world marked by persistent terrorism, nuclear proliferation, and the most challenging economics the U.S. – and the world – have faced in more than 50 years. The U.S. has been the primary target of WMD attacks launched by a new, radical Islamic terror network. The assaults have exposed critical vulnerabilities in supply chain and transportation systems. In response, the U.S. has turned heavily defensive, protectionist, and isolationist. This has had a profoundly negative impact on nearly every aspect of economic life in the U.S., with harsh and bewildering effects across much of the global economy.

While Europe, too, has experienced terrorist violence (including a dirty bomb attack in its most important port), the frequency and human cost have been considerably less. Less isolated from the world, Europe is meeting its economic challenges relatively well. Meanwhile, nuclear proliferation continues unabated. An uneasy balance of terror hangs over the Middle East. Many developing countries are collapsing, without export markets or foreign aid. The heady era of globalization and multilateral interdependence is over. China is the principal victim of the U.S. lockdown, and its economic and political desperation is now taking an ominous turn.

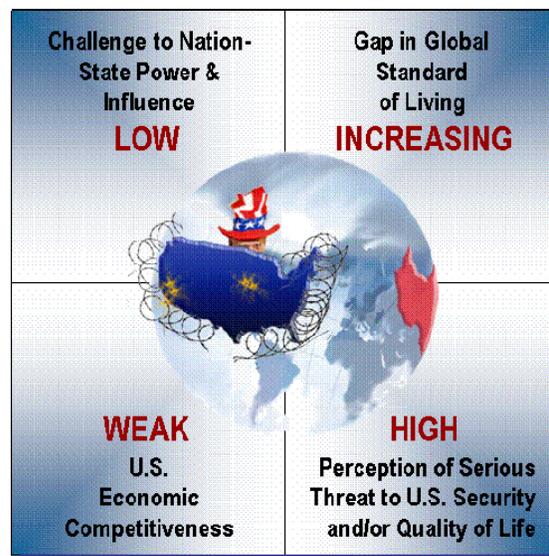
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Workshops participants in *Lockdown* faced the central challenge of how to reengage the world following a major retrenchment by the United States without sacrificing the important gains previously made in homeland security. This reengagement was viewed as a critical means of reversing a steady decline in U.S. competitiveness and standard of living, and for addressing critical strategic challenges in the Middle East and East Asia.

Participants suggested that the U.S. Government would need strengthened capabilities to make the carefully calibrated risk trade-offs required in such an environment between trade and border openness and the potential vulnerabilities created by that openness. Participants also wrestled with the daunting challenge of achieving security amid widespread nuclear proliferation and cyber-crime in a world that lacks effective multi-lateral organizations.

Participants identified several important strategic opportunities for the U.S. Government to address these challenges. One that emerged repeatedly was that of tapping the Nation’s strength in public health to reengage the world while also addressing global health threats. Another was to leverage the Nation’s enduring technological strength in security disciplines to help

potential partners around the world cope with ongoing threats of asymmetrical warfare, while creating global opportunities for American businesses. Finally, participants identified a vital opportunity in better aligning science and technology investment with the challenges of nuclear proliferation, disease management, and food and water security.



PROFITS AND PRINCIPLES

Summary: In this version of 2025, across much of the world, a new culture of global capitalism is fueling rapid economic growth, increasingly integrated markets, and dynamic technological innovation. The effects of this corporate-driven capitalism are pervasive. Foreign policy is strongly influenced by business leaders who are pulling the strings of increasingly powerful international bodies. The U.S. economy is thriving, but social safety nets have disappeared as the global business drive for profits ruthlessly discards those who cannot (or do not) contribute.

Poverty in many developing nations is exploding. An emerging moderate Pan-Islamic movement with a message that Islam cares (while global capitalism does not) is attempting to fill the void, and has gathered partners among other religious and social movements. Leaders of the new movement are benefiting from the significant income derived from hydrocarbon energy resources and are using some of this wealth to provide for those left behind. Although the top tier of Americans have benefited tremendously from hyper-capitalism, many others have not and the global clash between profits and principles is causing leaders from all sectors a high degree of anxiety. Optimists see these diverging paths as complementary and useful. Pessimists worry that they could end up on a collision course, with profound consequences for the U.S. and the world.

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Workshops participants in *Profits and Principles* faced the central challenge of re-establishing the relevance of the U.S. Government in the context of a world featuring a wide range of highly effective non-traditional actors. On the one hand, given an environment in which global corporate actors are increasingly powerful, participants sought means by which the U.S. Government could engage the private sector, as well as NGOs, international organizations, and state and local governments, to align their energy and effectiveness with the missions of the Government. On the other hand, new, influential meaning-based organizations presented participants with the multiple sensitive challenges of how to understand, interact with, and either leverage or counteract the influence of non-state actors with explicitly religious agendas.

Participants also focused on the rise of “networked” actors, often operating in ways that were not visible or understandable to the U.S. Government. These non-traditional organizations presented an obvious challenge to governance, but also implied an opportunity for the Government to master and use the power of these new forms of organization to advance its strategic aims and potentially transform the bureaucracy. However, participants stressed that the current U.S. Government lacks the flexibility, agility, and strategic coherence to compete effectively for influence with these emerging actors.

Participants found that the difficulty of these issues was compounded by the many challenges implicit in a widening gap between the rich and the poor globally and within the United States, including the potential for increasing political instability, radicalization, and mass migration. Finally, participants stressed that this hyper-competitive world demanded from almost all actors a focus on the immediate term that would prove increasingly detrimental to the environment, the economy, and global political stability. This, in turn, represented an opportunity for the Government to re-build its relevance by mobilizing broader societal resources to address obvious and compelling problems that non-governmental actors were unwilling to tackle.



IV. Strategic Interagency Capabilities

STRATEGIC CONTEXT

While each scenario presented its own distinct challenges and opportunities, a number of broad themes emerged that cut across all of the scenarios. These themes were often critical determinants of the strategic value scores assigned by participants to individual capabilities when they were tested across all of the worlds. They reflect anticipated changes in the global operating environment that emerged from the workshop discussions as most salient. From them, participants drew implied strategic imperatives for the U.S. Government.

Interlocking Issues: Participants anticipated that in the emerging environment, challenges and opportunities will emerge with unprecedented inherent complexities. This intensification of current dynamics will be a function of many factors, particularly the proliferation of intersections between issues that were previously largely segregated. For example, health and environmental factors will increasingly impinge on national security domains given the ever-increasing growth, concentration, and proximity of populations and the destabilizing potential of sudden migrations. This greater interlocking of issues will diminish the likelihood of finding solutions in any single discipline. This will require that the U.S. Government dramatically improve its knowledge of what it collectively knows, what its capabilities and skills are, and where they reside. It will also require that the U.S. Government be much better able to bring together expertise from multiple disciplines across agencies and to project military and non-military instruments of power in highly unified ways.

Collapsing Decision Cycles: In the context of still accelerating global commerce and travel as well as a diffusion of global media outlets, events and effects will spread globally with stunning speed and impact. Tactical decisions in one venue will have unexpected strategic implications in others. Therefore, power will increasingly be a function of the ability to anticipate events and thereby take very early action while leverage and clarity are still available. This will require the U.S. Government to improve interagency operational speed in decision-making, response and execution at all levels.

For the same reasons, the ability to shape the long-term environment will be increasingly important. To develop this shaping capacity, the U.S. Government must institutionalize the ability to understand and manage future uncertainty by creating space in the planning and decision cycle for long-term thinking, analysis and investment. Participants also argued that we must improve the

functioning of the Executive-Legislative interface to increase the speed and coherence of our efforts. This in turn requires rationalizing the bridges of information exchange between branches of government and expanding their common points of reference.

Diverging Global Standards: Participants argued that many emerging forces will make achieving consensus on global standards more difficult. Central among these will be a global scramble for resources driven by explosive economic and demographic growth in China, India, and elsewhere combined with growing resource constraints, notably in energy and water. This intense competition will give new power to resource rich countries and blocs as well as to a range of non-state actors, and contains obvious potential for conflict. The difficulty in creating global standards will apply not only to traditional domains such as the environment, but also to emerging domains – particularly in science and technology. For example, global standards governing genetic science and nanotechnology may not emerge until a crisis demonstrates the importance of having rules in those areas. Anticipating these emerging domains and taking a leadership role in developing global standards for them represents an important shaping opportunity for the U.S. Government.

Transparency: Participants expected the divergence of standards regarding transparency, in both the political and business arenas, to have important strategic consequences for the United States. This will be a function of the fact that the benefits of transparent rule-sets are dependent upon the breadth of adherence to them, whereas ‘defection’ from such rule-sets can create important advantages for corporations, governments and other actors. The workshop discussions suggested that this is likely to be a fundamental challenge for the U.S. in its attempts to create a global order reflecting its principles of transparency and the rule of law.

Vulnerability in the Seams: Participants expected that in many areas, multiple often competing standards would predominate and that the seams between these standards would be highly susceptible to exploitation by both legitimate and illegitimate actors. These same actors will target both the seams and the gaps between organizations and their respective areas of responsibility. This will demand that the U.S. Government increase its awareness of and ability to execute effectively in these vulnerable areas between both issue domains and organizations.

Changing Aspects of Power: A consensus emerged across the workshops that established and emerging actors will seek advantage through asymmetric means that diminish traditional forms of U.S. power and influence. These means will include disruptive technologies, manipulation of transparency rules, strategic communications, economic warfare, ideology and radicalization, and resource manipulation.

Participants agreed that the growing power of non-state actors, already well underway in 2006, increasingly will limit the strategic value of many of the core assets of the U.S. Government. For example, these dynamics will continue to diminish the utility of conventional military power and traditional diplomatic capabilities. In this hyper-complex environment, avoiding dilution of effort will be a critical challenge. For this and other reasons, participants argued that the U.S. Government must sharpen its ability to prioritize global U.S. Government actions strategically; this will require common goals and plans, and more powerful means and incentives for making difficult choices. The Government also must be better able to align people and resources with priority issues rapidly.

Proliferation of Actors: The ranks of strategically relevant actors will increasingly include powerful multinational corporations and highly networked transnational religious, labor, and other issue-based organizations. To engage these actors effectively, the U.S. Government will need an enhanced ability to understand, interact with, and form networks. Given the growing power of these actors, participants further stressed that we must cultivate more reliable, extensive means for burden-sharing both with global partners in areas of common interest and with non-governmental entities through incentives and partnerships.

In addition, effectively managing adversaries among these non-state actors and taking action in an environment where multiple competing rule-sets apply will require strategies and tactics that may make it difficult to retain the advantages of benign super-power status. Finally, given all of these factors, there was an expectation among participants that the relative power and influence of the United States is likely to decline if the Nation is not able to adjust to this new environment.

Strategic Interagency Capability Summaries

The following 10 interagency capabilities *do not* represent an integrated framework, but rather the 10 discrete capabilities that proved most likely to be valuable with respect to the challenges and opportunities of the future. For that reason, they are presented here as standalone concepts notwithstanding the overlaps among them and the extent to which they are mutually reinforcing.

Quadrennial Strategic Review: A coordinated interagency strategic planning process for global affairs activities that links the National Security Strategy and other National Strategies with agency Strategic Plans and Budget Submissions

Government-Wide Information Sharing: Transformed information sharing, including an enhanced information-sharing architecture and consistent government-wide clearance and classification models

Interagency Fusion Groups: The streamlined ability to create time-limited, accountable interagency entities specifically focused on emerging strategic issues

Global Health Engagement: A strategic approach to the mobilization of U.S. public health assets to advance U.S. leadership and public diplomacy efforts

Global Hazards Planning and Response: Integrated planning and rapid response function for managing the interagency responses to significant global hazards in partnership with other nations

U.S. Government Partnership Framework: Consistent government-wide models for partnering effectively with non-federal government entities

Science and Technology Incentive Framework: An S&T incentive framework that better aligns S&T investments with emerging global priorities

Global Domain Foresight: The ability to maintain anticipatory global awareness to enable proactive responses to emerging man-made and natural threats

Human Resources Model for Global Affairs: Revised set of HR policies, procedures, and incentive structures to enable the rapid assembly of capable, integrated, and trained personnel for global affairs activities

Global Affairs Learning Consortium: A network of global affairs training institutions that mutually leverages learning offerings to create a rich, coherent curriculum for global affairs professionals

Quadrennial Strategic Review

OVERVIEW

The *Project Horizon* workshops suggested that the U.S. Government requires a truly interagency strategic planning process for global affairs. Participants proposed this capability as a critical requirement for effectiveness in an emerging global operating environment in which challenges and opportunities will proliferate, issues will become increasingly interdisciplinary, and the resources available to the U.S. Government may be significantly constrained. Therefore, they emphasized that this process must facilitate cross-agency issue prioritization, clarification of agency roles and responsibilities in cross-cutting areas, greater visibility into budgetary resources by strategic area, and anticipation of emerging strategic issues.

The solution should address traditional and non-traditional national security factors, and therefore include the participation of all U.S. Government agencies that operate globally. The proposed Quadrennial Strategic Review (QSR) process would link the President's National Security Strategy (NSS) and other National Strategies with agency-level Strategic and Performance Plans, Budget Submissions, and Performance and Accountability Reports (PAR). Its core intent would be to bring strategic coherence and focused unity of effort across all U.S. Government instruments of power to bear on the Nation's priority global affairs missions.

STRATEGIC RATIONALE

Workshop participants argued that the current stove-piped U.S. Government approach to interagency strategic planning increasingly would represent a strategic liability for the Nation given the characteristics of the emerging global operating environment. Specifically, participants foresaw a future in which the challenges facing the government would proliferate while its resources were likely to be increasingly constrained. In such a setting, the Government must have the ability to prioritize among pressing issues; this requires a means for establishing prioritized strategic goals across agencies and for having visibility into the interagency resources being spent to address these goals.

The emerging operating environment will feature strategic issues that do not match up neatly with current agency structures, for example at the intersection of regional security, food availability, health, and the environment.

Managing these issue intersections effectively will require both common orienting goals and regular assessments of performance across agencies to ensure that all relevant capabilities are being brought to bear in a timely fashion.

The global operating environment increasingly will feature non-traditional actors capable of highly unified, agile, and patient strategic action. To compete effectively for influence with such actors requires a means for closing the strategic and operational seams that such actors target. It

also requires the ability to shape the environment. Given that many of the U.S. Government instruments of power best suited to shaping the operating environment reside in agencies not traditionally included in national security considerations, this highest-level interagency planning process must explicitly include them.

An interagency strategic planning process for global affairs activities that links the National Security Strategy and other National Strategies with agency-level Strategic Plans, Budget Submissions, and Performance and Accountability Reports

This capability also emerged as a means of enhancing the interface between the Executive and Legislative branches. Participants emphasized that by providing more unified and transparent planning information to Congress, the Executive branch would be better able to request and secure budgetary flexibility in select areas to enable greater swiftness of action where needed. Some argued that this capability might provide the basis for moving to a two-year budget cycle.

The value of this interagency strategic planning process would derive from both enhanced effectiveness and efficiency in accomplishing the Nation's global affairs objectives. Effectiveness would be strengthened both by increasing unity of effort and by managing performance across all U.S. Government agencies in accomplishing specific goals. Efficiency would result from reduced duplication of effort, better visibility into and rationalization of investments in accordance with priorities, and anticipation of emerging strategic issues and gaps to enable earlier, more proactive action in lieu of more costly reactive responses.

KEY POTENTIAL COMPONENTS

To meet the multiple requirements articulated by workshop participants, the Quadrennial Strategy Review process would consist of four basic components:

- **Executive Council:** The QSR process would be governed by an Executive Council including senior representatives from the National Security Council (NSC), Homeland Security Council (HSC), Office of

Management and Budget (OMB), and all global affairs agencies. The Council would be responsible for managing and approving all key elements of the process. Council representatives would likely need to be at the Under Secretary level or above. An Executive Secretariat composed of detailed officials from global affairs agencies would support the Council.

- **Interagency Strategic Plan:** This high-level planning document would be developed every four years, and would translate the policy priorities articulated in the NSS and other national strategies into a single, operationally oriented strategic goal framework and plan. It would assess requirements 10 or more years into the future to inform current priorities. The plan would consist of two main sections:

1. *Strategic Goal Framework:* Based on the NSS and other national strategies, this framework would identify specific global affairs strategic and performance goals, describe their core intent, and specify lead and supporting agencies responsible for each. It would serve as the basis for agency-level plans and reports that are required by the Government Performance and Results Act (GPRA). Each GPRA agency would link their strategic and performance goal frameworks, as outlined in their triennial Strategic Plans, to the framework. Annually, each agency would link their Performance Plans (as part of their budget submissions) and PAR to the framework. This linkage would allow the Government to determine, at least notionally, how much it is spending to achieve each of its key goals and how it is measuring success in each area.

2. *Strategic Goal Plans:* The agencies associated with each strategic goal, led by the identified lead agency, would draft a high-level interagency plan for accomplishing the strategic and associated performance goals. These plans would include: (a) agency roles and responsibilities and associated coordinating mechanisms; (b) implementation strategies and tactics; (c) performance metrics; and (d) high-level resource requirements. The Council would review the Strategic Goal Plans and issue guidance to the interagency planning team that rationalizes activities and investments across agencies. This feedback also would include high-level multi-year budgetary guidance for the agencies to use in preparing their annual budget requests. Based on this input, the team would submit a final version of the Plans for approval.

- **Biennial Strategic Assessment:** This formal strategic assessment review process, conducted every two years, would analyze performance and allocated

resources for each goal, identify levels of risk, and recommend any necessary strategic goal revisions. It could be driven by surveys sent to each lead agency asking them to assess budget, performance and strategic risk, according to pre-determined parameters. The information gathered would provide the basis for the Council to re-calibrate strategy and resource allocations appropriately.

- **Country/Regional Plans:** These unified country/regional engagement plans, developed and reviewed every two years, would define integrated U.S. Government approaches for a limited number of countries and/or regions of particular strategic importance. They would be developed with country team and Washington input, and with input from other allies, international organizations such as the World Bank, and relevant NGOs and private sector organizations as appropriate. These plans would identify priority goals, agency-specific strategies/tactics, performance measures, and integrated resource requests.

IMPLEMENTATION CONSIDERATIONS

Implementing a Quadrennial Strategic Review of this type would require – first and foremost – support and leadership from the White House. Securing that support would require development of a detailed proposal and implementation plan developed with the involvement of the participating agencies. Other key implementation considerations and challenges raised by the *Project Horizon* Senior Principals Board include the following:

- *Timing:* Given the intent that the QSR yield a plan as early as possible in a new administration and the fact that the NSS is often produced more than a year following the start of a new administration, it may be appropriate to join the development and release of these documents. It also may be the case that ensuring timely execution of the process requires new legislation.
- *Planning Burden:* U.S. Government agencies already are struggling to meet extensive and often overlapping strategic planning requirements. Therefore, to the extent that this interagency planning process overlaps with existing planning requirements, the latter should be reduced. A key early step would be to catalog existing planning requirements and identify areas of duplication.

Incremental Steps: Given the difficulty of implementing this capability comprehensively, it may be appropriate to break its components into smaller pieces that address select requirements discretely. For example, Strategic Goal Plans in select areas might be developed as pilots for a more comprehensive process.

Government-Wide Information Sharing

OVERVIEW

To meet the challenges of an emerging operating environment in which the relative power of global actors will be determined to a significant degree by their ability to master strategic information, workshop participants identified the requirement for the U.S. Government to transform its model of information sharing. In particular, they emphasized that this transformation must include minimizing the bureaucratic obstacles to information sharing, creating incentives for moving from a “need to know” to a “need to share” culture, and facilitating the formation of information partnerships with other nations and non-governmental actors. The full realization of this capability would enable individuals with appropriate security clearances and role-based privileges access to information regardless of where the information resides. Its core intent is to enable the U.S. Government to benefit from all of the information in its possession to the maximum possible extent without sacrificing security.

Transformed government-wide information sharing, including revised doctrine, procedures, and incentive structures for shifting the U.S. Government from a “need to know” model to a “need to share” model of information access

STRATEGIC RATIONALE

The need for better government-wide information sharing is now widely known. The *Project Horizon* workshops confirmed many aspects of the traditional rationale for this capability, but also yielded some new insights into its importance. In particular, the workshops made clear the extent to which the challenges and opportunities that will face the U.S. Government over the next 20 years and beyond will be highly interdisciplinary in nature as the intersections of strategic issues proliferate. Issues increasingly will be composed of multiple interlocking components, which in turn will be linked in unexpected ways to apparently separate issue areas. For this reason, effectiveness increasingly will be a function of the ability to know, understand, and act upon multiple issues in an integrated fashion. Each issue will have multiple levers, and influence will accrue to those actors that can best understand and manipulate those levers. Doing so effectively requires access to information from the widest possible array of sources. Workshop participants suggested that the need for fused analysis of the type implied here will increase across the U.S. Government, but that currently the raw materials for that fusion are

remarkably inaccessible to those who could use it. They argued that the tremendous information resources of the U.S. Government are currently an underutilized strategic asset. In addition, the extent to which information is segregated along organizational lines is a fundamental obstacle to government-wide consensus building, planning, and operational coordination. For this reason, a key element of this capability is to foster a collaborative analytical environment through an effective government-wide information sharing architecture. Finally, workshop participants stressed that U.S. Government information by itself will not be sufficient to meet the challenges of the future. We will require the ability to share information readily and yet securely with partner nations, state, local and tribal

governments, and non-governmental actors of various types. Doing so will require ability to provide appropriate levels of monitored, privilege-based access to individuals outside of government.

The value to the U.S. Government of investing in this capability will be found in enhanced effectiveness, reduced duplication of effort, expanded identification of strategic opportunities, and improved efficiency in collaborative analysis. This capability represents a cornerstone of true government-wide coordination in the 21st century.

KEY POTENTIAL COMPONENTS

To meet the multiple requirements articulated by workshop participants, the Government-Wide Information Sharing capability would include the following key components:

- **Partnerships:** This capability would require defining guidelines by which new information sharing partnerships could be formed with allied nations, non-governmental organizations, academic institutions and private sector businesses.
- **New Incentives:** Workshop participants emphasized the cultural aspects of the information sharing problem. To address those challenges will require revised government-wide doctrine, procedures and incentive structures for shifting governmental entities

from a “need-to-know” to a “need-to-share” model for information, intelligence and knowledge access.

- **Government-wide Knowledge Management Technology Architecture:** Although significant strides have been made within the Intelligence Community and the Department of Defense, the broader interagency community lacks the technical ability to share information readily. This capability would include implementing a cross-agency role-based access, or identity management model. (Of relevance in this context is Homeland Security Presidential Directive/ HSPD-12 regarding policy for a common identification standard for Federal employees and contractors.) This technology architecture would require:
 - Developing a government-wide plan and a technical approach for integrating information sharing capabilities and networks;
 - Building or making accessible, existing user-friendly systems with appropriate technologies that allow organizations and individuals to find needed intelligence and information and to access it immediately. Agencies, organizations, partners and individuals would require the capability to “pull” or “push” information and knowledge;
 - Developing flexible and secure networks adaptable to rapidly changing environments and capable of getting intelligence in a classified or unclassified form to state, local and tribal governments, NGOs, academic institutions and private sector organizations.
- **Consistent Interagency Classification and Security Clearance Models:** Workshop participants emphasized the extent to which inconsistency of security classification and clearance policies, standards and procedures by agency represents an enduring, systemic obstacle to the optimal sharing of information. This capability would therefore include creating a single unified classification system for U.S. Government, state, local and tribal governments with an emphasis toward classifying information at the lowest classification level for information sharing purposes. Equally important, it would include implementation of a single standardized personnel security clearance process for all U.S. Government, state, local and tribal government personnel, their contractors and non-governmental actors. These difficult, fundamental steps emerged as pre-requisites for true government-wide information sharing.

IMPLEMENTATION CONSIDERATIONS

There are many uncoordinated efforts underway across the government that are focused on addressing the challenge of information sharing. For a number of agencies, solving internal challenges in this area is in fact an interagency effort. In particular, the Office of the Director of National Intelligence (ODNI) is currently addressing the information sharing challenge across the component agencies of the Intelligence Community and these initiatives will have great relevance for the effort to address this broader government-wide information sharing challenge. The Global Information Grid effort within the Department of Defense is a large-scale technology initiative that may be able to contribute significantly to this government-wide capability. The Department of Homeland Security is also actively working to enhance information sharing not only across its 22 component agencies, but also with state, local and tribal governments and private sector partners. Thus, these U.S. Government entities represent vital centers of expertise in this area. The Chief Information Officers’ Council and the jointly-chaired Homeland Security Council and National Security Council Information Sharing Planning and Coordination Committee are actively working on this challenge.

Key to the successful implementation of this capability is ensuring that its scope include all appropriate U.S. Government departments and agencies. Workshop participants stressed that this capability should not be limited to the traditional national security agencies and departments, which in fact have made the most progress in this area to date. The *Project Horizon* Senior Principals Board emphasized the importance of an integrated solution to this problem, explaining that partial solutions often provide the illusion of progress while the core issue remains unsolved.

The implementation of this capability could proceed from two directions. Its fullest realization would require White House leadership and Congressional support. This approach would address the issue comprehensively at the government-wide level. One of its natural first steps would be to identify all major information sharing efforts currently underway in the U.S. Government. Based on that project inventory, the appropriate stakeholders could be assembled to develop a detailed implementation approach. However, at the same time, important progress could be made by individual agencies particularly in terms of establishing consistent classification and security clearance models with their partners. Doing so will only make solving the government-wide challenge easier.

Interagency Fusion Groups

OVERVIEW

Facing an emerging global operating environment in which vital strategic issues increasingly will arise in the gaps and seams between the defined mission areas of single agencies, workshop participants identified the requirement for the President to have a streamlined ability to form issue-focused, time-limited interagency bodies with meaningful executive authority. This institutional capability must enable the prompt assembly of a critical mass of expertise, experience, and resources from all appropriate agencies under the leadership of an empowered senior officer to plan and execute unified U.S. Government action in a specific domain for a finite period under clear sunset provisions.

The formation of these interagency fusion groups would be initiated by the President in close consultation with Congress and facilitated by a turn-key process that would feature best practices in organizational design and management. The issues these organizations would address range in scope from longer term challenges, such as energy security, environmental and health security, and economic competitiveness, through more immediate sustained crisis response actions that have high-impact strategic implications. The core intent of this capability is to ensure that vital cross-domain emerging strategic issues are addressed with sufficient interagency focus and accountability, without establishing new permanent bureaucracies.

STRATEGIC RATIONALE

Workshop participants argued that in the emerging global operating environment, the growing interconnectedness of issues will result in challenges and opportunities for the U.S. Government that are increasingly interdisciplinary and emerge between the defined mission areas of existing agencies. In addition, given the increasingly asymmetrical nature of power, non-traditional actors capable of highly focused strategic action will be competing for influence in these areas. Addressing these complex and vital issues effectively, therefore, will require more than merely coordinated interagency action; rather, it will require precisely defined effort and dedicated U.S. Government resources for finite periods of time.

Workshop participants further expressed concern that in the current environment, U.S. Government interagency effort too often lacks effective concentration of attention, resources, action and accountability. They suggested that large organizations and their senior executives are often overwhelmed by the flood of information and required decisions to the extent that only issues central to their organization's mission and area of responsibility receive close attention. In this climate, which the workshops suggested will only become more extreme over the next 20 years, difficult strategic issues that do not reside clearly in one agency's area of responsibility and are managed via part-time, coordinating efforts will fall through the cracks. It was to address these core institutional challenges that the workshop participants developed the

The streamlined ability to form time-limited interagency bodies specifically focused on emerging strategic issues and featuring clear lines of accountability, cross-agency resource control, and authority

Interagency Fusion Group capability to facilitate the formation of dedicated, time-limited interagency organizations empowered to take unified action in these vital, but too often fragmented, mission areas.

The value of this capability to the U.S. Government will be the increased effectiveness in managing vital strategic issues that cut across several different agencies' mission areas, and that would derive from applying significant focus, accountability and performance management techniques to them. Workshop participants envisioned that at any given point in time, there would likely be no more than three to five fusion groups operating, as their use would be limited to highly significant strategic issues. For this limited number of issues, this capability would increase the capacity of the U.S. Government to adopt an integrated approach to strategy development and execution. In addition, this would ensure unity of effort between all instruments of national power by reducing duplication of effort and the diluting effect of competing individual agency efforts. It would also enable more proactive and shaping strategic action in these areas, rather than the reactive approach that can too often define interagency coordination efforts. Fusion groups also will generate operational synergies that will make possible a degree of rationalized interagency "burden sharing" by reducing the mission load any single agency might have to bear for an issue for which it is not explicitly and solely responsible. To ensure it is delivering the anticipated value, each fusion group would provide issue-based

strategic plans, budgets, and performance and accountability reports during its existence.

KEY POTENTIAL COMPONENTS

To meet the multiple requirements articulated by workshop participants, this capability would consist of the following key components:

- Senior Executive Leadership:** Each fusion group would be led by a senior level Interagency Principal Federal Officer, appointed by the President. This person would possess cross-agency resource authority or oversight defined in accordance with the mission of each particular fusion group. In some cases, this would require the time-limited legal transfer of resource authority from participating agencies to the designated Principal Federal Officer. In other cases, legal resource authority would not transfer, but instead agency representatives would be empowered to make prompt resource decisions at the direction of the Principal Federal Officer, in an approach similar to that used during the Hurricane Katrina response. Depending on the severity and focus of the mission of the Group, this person might be either a Cabinet Secretary/Deputy Secretary equivalent or someone at the Under Secretary Level.
- Clear, Time-Limited Charter:** Guided by a detailed charter and plan developed in close partnership with Congress, each fusion group would be highly focused with clearly defined sunset provisions. It would be required to follow a set of predetermined performance management processes including development of a strategic plan and performance measures. If these measures and milestones are not being met, the particular fusion group could be restructured, refocused, or disbanded altogether.
- Executive Decision Process:** The capability will require the creation of a process for identifying and prioritizing issues potentially requiring the formation of a fusion group. It will also specify the mechanisms by which the President will initiate the formation of a group. The Quadrennial Strategic Review capability, if implemented, would be a logical source of fusion group recommendations to the President.
- Executive Secretariat:** This capability would be supported by an Executive Secretariat responsible for establishing and administering a consistent set of

processes for forming and managing these organizations. By establishing a “turn-key” process and taking on administrative responsibilities, from human resources through facilities and systems, the Secretariat would enable the leadership of these new organizations to focus as soon as possible on their mission. This function would also support the institutionalization of organizational design and management best practices in the formation of each group.

IMPLEMENTATION CONSIDERATIONS

Implementing this capability would require a review and potential rationalization of the legal frameworks governing the formation of Executive Branch organizations. This would include examination of statutes, as well as Executive Branch rules and precedents. Recent relevant case studies include the formation of the Department of Homeland Security, the Office of the Director of National Intelligence, the National Counterterrorism Center, the Office of National Drug Control Policy, and the recently created Office of the Director of Foreign Assistance. Most critically, implementation of this capability will require close consultation with Congress. This consultation will be required in the design of the capability and in the formation of each fusion group.

This capability will also require systems to facilitate the identification of individuals with appropriate skill sets, perhaps in the form of a U.S. Government-wide skills registry. It will further require a revised set of human resource models that facilitate the rapid assignment of agency personnel to fusion groups, create clear incentives for interagency assignments, and provide mechanisms for providing personnel coverage/back-fill to agencies from which fusion group staff are drawn.

Other key implementation considerations and challenges raised by the *Project Horizon* Senior Principals Board included the suggestion that the intent behind this capability might be best realized by capitalizing on the authorities residing in the NSC and HSC. Alternatively, the operational aspects of this capability might argue against that approach. In addition, this capability would need to take into account the structure of the Congressional Oversight Committees, and that the variance between that Committee structure and these groups might make implementation of this capability infeasible. Finally, regarding the movement of interagency resources, the Principals suggested that the legal transfer of resource authority simply may not be feasible for a range of political and practical reasons.

Global Health Engagement

OVERVIEW

The *Project Horizon* workshops suggested that there is an important strategic opportunity for the U.S. Government to leverage better its substantial interagency public health assets to advance its global humanitarian leadership and protect itself from emerging global disease threats. Across a range of futures, workshop participants identified the continued need for the U.S. Government to be able to wield this valuable portfolio of health assets in a variety of different circumstances in a more strategic, agile and facile manner. This will require transcending traditional stove-piped responses to health-related crises, sharpening the ability to identify and responds to key global health concerns, and prioritizing areas for U.S. Government action.

Such a capability requires a broad, multidimensional definition of public health including, for example, the health-related aspects of agriculture, commerce, the environment, transportation, and the broad population-based benefits that biomedical research yields. Thus, it will require engaging not only agencies such as the Department of Health and Human Services, the Department of State, and the U.S. Agency for International Development, which have clear, well-established international health mandates, but also the Department of Defense, the Department of Agriculture, the Environmental Protection Agency and other Federal Departments and agencies whose programs also can have a significant impact on global public health.

This capability would also involve partnerships to leverage the resources of U.S. charitable and other non-governmental actors. It would involve creating deployable global health programming that could be customized and tapped by the President for a wide range of purposes. The core intent of this capability is to enable the U.S. Government to mobilize non-traditional as well as traditional interagency global public health resources in a strategic manner so that it can better address emerging international health threats and advance its public diplomacy as a leader in humanitarian assistance.

STRATEGIC RATIONALE

Workshop participants foresaw a global operating environment in which the vast scale of the challenges that will face the Nation will require that the U.S. Government

be able to attract people and other nations to support our efforts in the world. They emphasized that global perceptions of the United States will be increasingly critical to the effectiveness of the U.S. Government around the world. As a result, the U.S. Government will increasingly need substantive, strategic public diplomacy assets with which it can effectively engage the world. In this context, participants saw a strategic opportunity for the U.S. Government to leverage the Nation's strength in public health to engage the world in a highly positive and concrete fashion. Participants argued that health interventions are particularly valuable and visible to their recipients, and that – when delivered in a comprehensive interagency fashion – can have extremely positive effects.

In addition, the workshop participants suggested that because of ever-increasing rates of global travel and trade, environmental factors, and growing natural

resource constraints, the intensity and global scope of health challenges will continue to increase in coming years. Health challenges will also increasingly be interwoven with other issues, raising their potential significance for U.S. national security. Facing these aspects of the emerging environment, participants argued that the current stove-piped U.S. Government responses to global health problems – whether to threats from infectious disease or to broader, more persistent population-based public health concerns – will increasingly prove antiquated and inadequate. Therefore, they stressed that the U.S. Government needs to inventory and wield its interagency public health assets in a significantly more integrated, coordinated, and strategic manner globally.

The value to the U.S. Government of investing in this capability is in aggregating a related set of existing capabilities and assets for focused effect in both addressing a critical set of global challenges and advancing the Nation's public diplomacy efforts.

KEY POTENTIAL COMPONENTS

To meet the multiple requirements articulated by workshop participants, the Global Health capability would include a number of components including the following:

- **Global Health Strategy:** Agency-level implementation and operational plans would support

The ability to mobilize interagency and non-governmental public health assets to advance U.S. leadership and public diplomacy efforts

this set of high-level interagency global health policy goals (set forth annually), which would also be linked to broader U.S. Government foreign assistance and foreign policy objectives. All related and supporting agencies would be expected to participate in the development and implementation of the strategy. This strategy would link to existing planning processes, such as U.S. Embassies' Mission Performance Plans, the Director of Foreign Assistance Country Operational Plans, and Combatant Commander's Theater Security Cooperation Plans, as appropriate. The strategy would articulate the precise range of ways in which the Nation's public health assets can be mobilized for maximum beneficial effect globally.

- **Coordinating Mechanism:** This centralized means for tracking, integrating, coordinating and wielding U.S. Government public health assets and information internationally would serve as the key interagency implementation component of this capability. It would hold responsibility for strategically linking the global public health efforts envisaged by this capability to U.S. foreign policy objectives. This might include the creation of a Policy Coordinating Committee (PCC) for Global Health.
- **Deployable Global Health Programming:** U.S. Government agencies and departments would design this scalable and readily deployable interagency health programming to address targeted health issues, countries, and regions. This capability contemplates strong, effective links to private voluntary organizations, such as the Gates Foundation, and the private sector for both joint long-term projects and more immediate, short-term surge capacity.
- **Communications Strategy:** This associated communications approach would make clear to targeted global audiences U.S. Government contributions to global health and U.S. humanitarian leadership. This would involve strategic decisions about when to "fly the flag," and when, in contrast, to be more selective regarding public diplomacy efforts on U.S. Government links to particular global health efforts.

IMPLEMENTATION CONSIDERATIONS

Implementing this capability would require the cooperation and coordination of relevant U.S. Government agencies, led by senior officials from the Department of Health and Human Services, U.S. Agency for International Development, and the Department of State, to include the Office of the Director of Foreign Assistance. Highly relevant organizations would include the Departments of Agriculture, Commerce, Defense, Education, Homeland Security, Transportation, Treasury, the Environmental Protection Agency, the National Counterproliferation Center, the Armed Forces Medical Intelligence Center, the Peace Corps, and the Millennium Challenge Corporation.

The Administration has initiated several key global health initiatives that might serve as models for this capability. While these initiatives—the President's Emergency Plan for AIDS Relief and the President's Malaria Initiative—focus on specific diseases, they have each been thoroughly interagency in approach. They have begun to do, on specific issues, what this capability envisions for the entire global health domain.

Other key implementation considerations and challenges raised by the *Project Horizon* Senior Principals Board include the following:

- Given the pressing nature of global health issues and public diplomacy challenges in the current environment, this capability is especially timely and merits consideration in the very near term.
- Concern was expressed that this capability appeared to be a proposed substitute for a broad-ranging program of foreign assistance. However, workshop participants did not suggest that this capability should or could serve as a substitute for the broad U.S. foreign assistance program, but rather that it was intended as a focused tool for beneficially engaging the world on a targeted basis. It also was stressed that for the targeted global public health efforts envisioned in this capability to be successful, they must consistently be undertaken with close consideration of the broader development context of a given target country or region.

Global Hazards Planning and Response

OVERVIEW

The *Project Horizon* workshops suggested that the U.S. increasingly will require the ability to take coordinated interagency action rapidly to prevent or respond to global hazards. These hazards issues include dangers to our interests from man-made and natural sources, including environmental crises, health/pandemic threats, natural disasters, unintended and intended technology-related dangers and combinations of these with traditional national security threats. This capability must include analysis and rationalization of existing agency response plans for such contingencies, and the creation of pre-staged coordinating agreements with partners to ensure appropriate burden-sharing.

This Global Hazard Planning and Response capability includes a core Standing Interagency Global Hazards Planning function responsible for planning, preparedness and administration, and a surge interagency Disaster Reserve Corps component of U.S. Government personnel pre-designated, compensated, and trained for rapid deployment and organized for unity of effort.

The core intent of this capability is to enable the U.S. Government to respond to this type of global incident early and effectively enough to contain and limit their significant negative potential consequences.

STRATEGIC RATIONALE

There was strong consensus among workshop participants that dangers to U.S. security from man-made and natural crises will rise in importance as demographic patterns, health threats, and environmental dangers converge with each other and with traditional national security threats in increasingly destabilizing ways. These challenges, such as an environmental catastrophe in an area of civil unrest, will not match neatly with the competencies of any single government agency. They will require technical expertise that may only be resident in agencies with little or no ability to deploy globally with sufficient speed. At the same time, the U.S. Government may find itself operationally overstretched and its potential government and non-governmental partners lacking in capabilities.

An integrated preparedness planning and rapid response function capable of managing the interagency response to significant global hazards in partnership with other nations and non-governmental actors as appropriate

Notwithstanding recent successes in dealing with the Indonesian tsunami and the Pakistan earthquake, U.S. Government capacities for responding to such threats can be undermined by bureaucratic turf battles, duplication of effort, lack of coordination, gaps in critical capabilities – particularly for surge – and inertia in cases where no agency clearly owns the leadership role. The Global Hazard Planning and Response capability would strengthen our ability to take highly effective action in response to a global disaster early enough to minimize unnecessary and inevitably costly spillover effects. In addition, from the perspective of public diplomacy, the U.S. Government ability to respond swiftly and effectively, providing tangible relief to populations in need, would be a powerful tool for building international goodwill towards the United States. Thus, this capability would represent a potentially powerful, substantive public diplomacy asset.

KEY POTENTIAL COMPONENTS

Workshop participants suggested that the Global Hazards Planning and Response capability would require both a standing core function to address planning and preparation and a surge capacity to support prevention and response operations.

- Standing Interagency Global Hazards Planning Function:** This core function would be responsible for reviewing and “red-teaming” individual agency plans to confirm alignment with national-level plans and identify inconsistencies, gaps, and duplication with related plans. It also would conduct interagency exercises to test the coherence of agency response plans, identify necessary improvements, and build cross-agency working relationships. To ensure that responses are triggered based on earliest possible warning, this function would also assess and establish real-time linkages to all relevant interagency detection assets. In addition, this function would prepare and maintain U.S. Government global planning and partnership arrangements with other nations and non-governmental actors, and produce lessons learned from exercises and previous operations. Finally, it could manage all elements of a Disaster Reserve Corps, as described below.

- **Disaster Reserve Corps:** This surge component would consist of pre-designated and trained U.S. Government personnel that would be activated and deployed to respond to global hazards events. The Corps would be composed of Principal Federal Officials (PFOs), Subject Matter Experts, and other U.S. Government personnel with relevant incident response skills. These individuals would be recruited using incentives and, once signed up, would be contractually obligated to participate in responses.

IMPLEMENTATION CONSIDERATIONS

Detailing the requirements for this capability would require participation from a number of existing organizations including the following:

- The Office of U.S. Foreign Disaster Assistance (OFDA), the office within the U.S. Agency for International Development responsible for facilitating and coordinating U.S. Government emergency assistance overseas
- The Federal Emergency Management Agency, which in some ways represents the domestic analog of this proposed global capability
- The Office of the Coordinator for Stability and Reconstruction at the Department of State, which holds a complementary mandate
- The Department of Defense, which would likely be called upon for logistics support even in strictly civilian operations

Determining the chain of command for deployed Disaster Reserve Corps teams and how the teams will be supported will be central to their success. To ensure operational unity, once deployed, all Disaster Reserve Corps members would report to the designated PFO for that operation, who would manage the effort and provide a single point of

contact for all civilian response efforts in the area of operations. Military personnel participating in the response operation would report through their normal chain of command, but the local commander would be dual-hatted as a deputy PFO for security to ensure coordination with the civilian component under the PFO.

The reporting arrangements could follow a standard model or be set on a case-by-case basis. The PFO could report to the NSC and the President through a cabinet secretary selected based on the particular crisis, or to a specific Senate-confirmed official responsible to the President who also could direct a Standing Interagency Global Hazards Planning Center.

This Center would be a more fully institutionalized form of the function described above. Budget and administrative support could be provided either by a designated cabinet department or by such a Center with its own budget, support staff, and authorities. Each operation also could draw funding from a special contingency account administered by a particular agency or from a larger national security account administered by OMB or other entity. Larger operations likely would require supplemental appropriations, regardless of the funding mechanism.

The *Project Horizon* Senior Principals Board suggested that capability should focus not just on reacting to hazard-related issues, but also on seizing strategic opportunities to shape the operating environment in favorable ways. They noted the mutually-supporting relationships between this capability and the Global Domain Foresight capability. They also noted that the Human Resources Model for Global Affairs and the Global Affairs Learning Consortium capabilities would be helpful for creating a cadre of PFOs and other Disaster Response Corps members with the ability to be effective in an interagency environment and accessible for rapid assignment.

U.S. Government Partnership Framework

OVERVIEW

To enable the U.S. Government to build the strategic relationships and dynamic networks that will prove critical for effectiveness in the emerging global operating environment, workshop participants identified the requirement to streamline the means by which Government agencies collaborate with private sector entities, state and local governments, non-governmental organizations (NGOs), foundations, and educational institutions. This capability must include a consistent, rationalized framework guiding how agencies can form strategic partnerships with these entities that align efforts to reach goals of mutual and collective interest. For this capability to be successful, the U.S. Government must first identify areas in which such partnerships will hold greatest potential strategic value as well as the range of forms these arrangements should take. It must also create incentives for its component departments and agencies to form such partnerships, and maintain clear reporting requirements to ensure the fairness of these arrangements and their transparency. The core intent of this capability is to strengthen our ability to leverage the growing relative power and influence of actors outside the Federal Government.

A consistent, government-wide framework streamlining U.S. Government mechanisms for partnering with private sector entities, state and local governments, NGOs, foundations, and educational institutions

STRATEGIC RATIONALE

The *Project Horizon* workshops suggested that the U.S. Government will face an emerging global operating environment in which the relative power of non-state actors will increase significantly. This challenge will result from a number of factors, including ever-wider availability of advanced technologies, the facility with which networked organizations will be able to work across borders, and the growing independent power of multinational corporations. In this environment, new organizational hybrids will emerge in which government entities at various levels will join with non-governmental organizations, academia, and industry to share burdens, bridge domains, and connect constituencies. At the same time, workshop participants foresaw a broad challenge to the U.S. Government in the intersection of mounting resource constraints with ever-rising mission demands and citizen expectations. The operational burden that these

dynamics create will demand that government find “force-multipliers” across the spectrum of its activities.

Facing the prospect of such developments, workshop participants identified a significant strategic opportunity for the U.S. Government to create new means for aligning the actions of actors outside of government with U.S. Government goals. For example, they saw opportunities for the Government to form agreements with private-sector organizations to invest jointly in areas of complementary interest to generate profitable economic activity in stagnant regions or more substantial efforts in strategic, high-risk science and technology domains.

Additionally, they saw opportunities for enhanced U.S. Government partnerships with U.S. charitable and other non-governmental organizations, such as the Gates Foundation, which currently boasts an annual global health budget greater than the World Health Organization.

However, they argued that in the current environment, the inconsistent and complex legal frameworks governing U.S. Government partnerships with non-governmental actors represent a significant, enduring obstacle to our ability to leverage the key assets found outside government. For U.S. Government officials, these complex requirements often make the formation of such partnerships too bureaucratically difficult even to consider. For non-governmental organizations, these requirements – which often vary significantly across different agencies – represent strong disincentives against entering into such relationships with the Government.

Thus, workshop participants proposed the concept of a U.S. Government Partnership Framework that would rationalize and streamline the legal and bureaucratic processes that govern the ways in which the U.S. Government can form partnerships with non-governmental actors. This capability’s value comes from increasing the U.S. Government’s ability to accomplish its objectives using not only its own resources, but also by aligning those of other actors. Participants also anticipated that other nation-states, less constrained by concerns of transparency and equity, will form these types of strategic partnerships more easily, placing the U.S. Government at a strategic disadvantage in a number of venues. Thus, developing this capability could create both important operational and strategic value.

KEY POTENTIAL COMPONENTS

To meet the requirements identified by the workshop participants, this capability would need to include the following key components:

- Legal and Budgetary Framework:** A consistent legal and budgetary framework to guide the formation and management of U.S. Government partnerships with non-governmental entities would be the core of this capability. This framework, based on best practices, would feature a streamlined set of templates describing the processes for forming partnerships, and would include incentives for U.S. Government departments and agencies to do so in an efficient, strategic, and transparent fashion. The template would outline the steps for forming partnerships, including standardized contractual models and partnership selection criteria that align with legal requirements. The budgetary component of this framework would specify incentives – potentially in the form of prioritized funding – for departments and agencies to use partnerships to accomplish their missions.
- Supporting Institutional Structure:** This capability would also require an institutional supporting mechanism. This could take the form of a Partnership Unit within the Executive Office of the President that would develop and disseminate the legal and budgetary framework described above. It would also track and coordinate existing U.S. Government partnerships to facilitate their optimal use, and would maintain a central clearinghouse where organizations – both governmental and non-governmental – could obtain information and assistance regarding partnerships. Finally, this unit would also provide a coordinated mechanism for incorporating partnership efforts into wider U.S. Government policy and planning. This capability might also include the creation of Partnership Centers within Executive Branch departments and agencies, and the Legislative Branch, to maximize the appropriate use of partnerships throughout government.

The scope of this capability centers on strategic U.S. Government partnerships with non-governmental actors in which the Government can strengthen alignment of

incentives to create win-win outcomes in global areas of national importance. It will not focus on U.S. Government contracting and acquisitions arrangements or areas in which the Government seeks advice from non-U.S. Government sources.

IMPLEMENTATION CONSIDERATIONS

Given the breadth of this capability and the extent to which its implementation will require the input of stakeholders from both inside and outside Government, implementation might ideally begin with the formation of a Partnership Commission. This Commission would study the range of already-existing partnership initiatives within the U.S. Government and additional areas in which they could yield significant strategic or operational value. It would also thoroughly review existing partnering vehicles, statutory requirements, bureaucratic processes, and the cultural barriers associated with forming arrangements of this type. The Commission's report would include best practices and lessons learned and high-level recommendations for improving, streamlining, and making more transparent U.S. Government partnership efforts. In addition, the Commission's findings would include recommendations regarding if and how an enhanced partnership capability should be institutionalized in the U.S. Government.

There are multiple related and potentially supporting programs currently active in the U.S. Government. The U.S. Department of Homeland Security (DHS), by virtue of critical linkages of its mission to stakeholders outside of the Federal government, is a leader in this area. In particular, DHS's Private Sector Office is a repository of best practices in public-private partnerships. Another prominent example is the U.S. Agency for International Development's Global Development Alliance. Other highly relevant programs include: the Department of State's Overseas Security Advisory Council, managed by the Bureau of Diplomatic Security; the Federal Laboratory Consortium Technology Transfer Program; the National Nano-technology Initiative; and, within the U.S. Department of Health and Human Services, the National Institutes of Health's Office of Technology Transfer and the Health Resources and Services Administration's Twinning Program.

Science and Technology Incentive Framework

OVERVIEW

The *Project Horizon* workshops suggested that the technical complexity of emerging global issues and the potential transformative and disruptive power of science and technology (S&T) developments demand that the U.S. Government have a more focused, collaborative approach to bringing the power of S&T to bear against priority global challenges and opportunities. Specifically, workshop participants identified the requirement for a U.S. Government S&T incentive framework that better aligns our S&T investments with emerging, long-term global priorities including, but not limited to, energy, WMD proliferation, the environment, disease, and counter-terrorism. This framework also must reward collaborative S&T across U.S. Government organizations and with academic, private sector and international partners. This capability must include all S&T domains, particularly those in which disciplines converge. The incentive structure must explicitly reward long-term S&T planning while remaining sufficiently flexible to be able to respond to unplanned contingencies. The core intent of this capability is to accelerate S&T discovery in priority global strategic areas.

STRATEGIC RATIONALE

The *Project Horizon* workshops shed important light on the technical complexity of emerging global challenges and opportunities and the potentially transformative power of S&T developments in meeting them. The wide range of potentially strategically significant S&T areas raised by participants included remote sensing, biotechnology, health and environmental science, emerging genomic technologies and their potential weaponization, the convergence of bio-, info-, nano-, and cogno-technologies, quantum computing, and many others. Participants emphasized that developments in these and other significant areas will not be limited to large, well-funded technology infrastructures. As a result, these technical domains present non-traditional actors with significant opportunities to achieve asymmetrical advantages by investing in next generation technologies. The implication for the U.S. Government is that it must be able to anticipate which S&T venues will be most critical and

align its investments with those appropriately. At the same time, the workshops highlighted profound challenges to U.S. S&T eminence. In particular, workshop participants frequently stressed the need to improve U.S. S&T education to ensure the availability of expertise in critical areas. They also expressed significant concerns regarding U.S. technological leadership given the rise of China, India, and Brazil and continued competition from other developed countries, many of which allocate a much

An S&T incentive framework that better aligns U.S. Government S&T investments with emerging, long-term global priorities and rewards collaborative S&T across the Government and with academic, private sector and international partners

higher percentage of public spending for high-cost, high risk S&T. From this, participants identified important implications for U.S. long-term economic competitiveness, diplomatic leverage, and national security. To address this aspect of the emerging operating environment, this capability would need to include incentives for investment and collaboration in areas not only of relevance for national

security, but also for national economic competitiveness. In these latter areas, close partnership with the private sector will be particularly important.

The value to the U.S. Government of an S&T Incentive Framework would be derived from greater concentration of S&T investment on priority issues and expanded collaboration between complementary S&T efforts both within and outside of government. This enhanced alignment of effort would be expected to accelerate discovery in critical areas and to create a more efficient U.S. Government S&T infrastructure by reducing duplication of effort and investment.

KEY POTENTIAL COMPONENTS

Incentive Framework: The central component of this capability would be a set of revised funding models developed with the Office of Management and Budget by which U.S. Government S&T funding requests would be assessed. These models would include incentives in various forms including prioritized funding and longer-term funding allocations for S&T programs that can demonstrate:

- Clear strategic alignment with a specified set of priority global issues
- Collaboration and networking with complementary programs within and outside the U.S. Government. This would include rewards for aligning infrastructure

including laboratories, systems, and people, and for establishing partnerships with the private sector and international entities where appropriate.

This capability requires a common U.S. Government set of S&T investment priorities upon which the incentive framework would be based. This could be accomplished by convening the senior representatives of the S&T community with policy and planning staff from the global affairs agencies to develop a proposed set of priorities for both applied and basic S&T domains.

This capability would also potentially include a system and process for tracking and analyzing U.S. Government and partner S&T investments in terms of focus area, degree of collaboration, and resource levels.

IMPLEMENTATION CONSIDERATIONS

Implementing this capability would ideally include a detailed review of the current processes by which S&T efforts are funded in the U.S. Government, and what the current implicit and explicit incentives are. It would also ideally include an analysis of all current U.S. Government S&T efforts in terms of funding, strategic alignment, and degree of collaboration. Based on these analyses, important parts of which may already be complete, an

exploratory team including the White House Office of Science and Technology Policy, OMB, and the National Science Foundation would be able to determine how a more focused incentive framework could be developed and implemented.

There are many U.S. Government organizations with significant S&T responsibilities that may be important stakeholders in exploring the implementation of this capability. These include but are not limited to: the White House Office of Science and Technology Policy; the National Science Foundation; the Department of State’s Science and Technology Adviser and Bureau of Oceans and International Environment and Scientific Affairs; the Department of Energy’s Office of Science; within the Department of Health and Human Services, the National Institutes of Health’s Office of Technology Transfer, the National Institute of Allergy and Infectious Diseases, and the National Cancer Institute; the National Laboratory System; the Associate National Director for National Intelligence for S&T; the Defense Advanced Research Projects Agency; the Department of Commerce’s National Institute of Standards and Technology; the National Aeronautics and Space Administration; the U.S. Agency for International Development; and the Council on Competitiveness.

Global Domain Foresight

OVERVIEW

To enable the U.S. Government to take early, effective action with respect to emerging global man-made and natural threats to U.S. national interests, workshop participants identified the requirement for maintaining fused, anticipatory global domain awareness of a range of factors currently analyzed in isolation. This capability must provide foresight into the intersections of health, environmental, agricultural, geological/seismological, demographic, economic/socio-economic, cyber/technological and other factors as appropriate. A Global Domain Foresight capability would bring these diverse sources of information together for statistical analysis and modeling as well as qualitative analysis by both subject matter experts and specialists in information fusion, systems analysis and complexity. Its core intent would be to provide the earliest possible advanced warning regarding both emerging threats and opportunities for beneficial intervention, allowing U.S. Government decision-makers the time and information necessary to determine if proactive action is appropriate and of what it should optimally consist.

The ability to maintain anticipatory global domain awareness to enable proactive responses to emerging man-made and natural threats

STRATEGIC RATIONALE

The *Project Horizon* research and scenario development process suggested that the patterns of global industrial expansion, globalization and population growth in poor countries – among other factors – are converging in increasingly complex ways around the globe. The work suggested that this convergence will result in increasing numbers of threats to U.S. national interests from non-traditional man-made and natural sources, and that these threats are both potentially highly significant and difficult to predict. For example, health threats in association with adverse environmental factors can have explosive effects in compressed demographic settings. The resulting mass movements of people can have destabilizing political consequences, particularly when they occur in sensitive border areas.

Workshop participants argued that given this increasing prevalence and significance of global man-made and natural threats, and the inter-relatedness of the factors

contributing to them, the lack of integrated predictive analysis in these areas represents a significant strategic blind spot for the U.S. Government. Taking the example above, the health, environmental, and demographic data associated with such a circumstance may well be present in the U.S. Government, but currently does not aggregate anywhere in a manner suitable for analysis.

The emerging global environment is likely to feature foreseeable non-adversarial crises, which if unmanaged early in their evolution may rapidly morph into

destabilizing security threats requiring military intervention. Global Domain Foresight would provide the U.S. Government with more opportunities to avoid these outcomes by applying the multiple instruments of power available to it for addressing and shaping such

emerging threats proactively. The cost of late action is exponentially higher and often relies on military assets that may not be available for other operations. Not only is integrated analysis essential for the prediction and diagnosis of such dangers, it is also critical to developing effective prevention strategies. In this vein, participants in multiple scenarios emphasized that there is an opportunity for the U.S. Government to apply advances in systems and complexity theory to this set of challenges for both prediction and proactive strategy development. These rapidly evolving disciplines analyze the dynamic behavior of complex systems, focusing on the interlocking relationships that comprise these systems. Given the scope of the Global Domain Foresight capability, expertise in these disciplines will be vitally important.

The value to the U.S. Government of investing in this capability is in identifying global threats in complex environments before they have mushroomed into large, complicated crises. It also would allow the Government to prepare contingency plans for otherwise unforeseen potential events and to fill operational capability gaps as appropriate to prepare for response activities. In short, this capability would provide an analytical basis for undertaking and designing effective shaping activities in a strategic domain that is rich in both challenges and opportunities.

KEY POTENTIAL COMPONENTS

To meet the requirements articulated by workshop participants, the Global Domain Foresight capability – regardless of its organizational form – will require the following basic components:

- **Specific Human Capital Skill Sets:** This must include access to technical domain experts in factors including health, environmental, agricultural, geological/ seismological, demographic, economic/socio-economic, and cyber/technological. Advanced skills in all-source information fusion, statistical analysis and modeling techniques, networks and complexity, futures and uncertainty analysis also will be essential.
- **Data Access:** This capability requires access to data from multiple sources, including geo-physical, geospatial, remote sensing, demographic, environmental/ecological, economic, technological, geological, and biological and health. Anecdotal data will be no less important, especially as a means of capturing information and insight from U.S. Government deployed resources, partner nation resources, and non-governmental organizations and private sector resources.
- **Advanced Data Analysis Tools:** These tools must enable predictive analysis, forecasting, and early warning. The ability to identify and model critical and non-traditional linkages among potential hazards is central, as are automated visualization tools and the creation of indicators (thresholds/triggers) for responses to a variety of circumstances.
- **Information-Sharing Approach:** This capability must include the authorities, technologies, and formal relationships to enable both “push” and “pull” models of information sharing.

The key customers of the insight yielded by this capability would be the National Security Council staff and all relevant U.S. Government planning and response functions at the individual agency and interagency level.

IMPLEMENTATION CONSIDERATIONS

An early step in implementing this capability would be to determine if it should be created primarily within government or in partnership with academic and other

non-governmental organizations. If created within government, a Global Domain Foresight capability would likely reside either in the National Security Council or in the Intelligence Community. The organization would consist of a dedicated team as well as a distributed network of individuals from a range of agencies. Although some of these people would likely be permanent members of this group, other positions would ideally be rotational to ensure constant and healthy linkages to the individual agencies.

Since this type of predictive analysis is intrinsically interpretative, creating a single source of interpretation in such a vital area may create blind spots. For this reason and others, the *Project Horizon* Senior Principals Board suggested that this capability might be better realized through a partnership with a consortium of academic institutions and think tanks. Under this alternative model, the U.S. Government would provide multiple non-governmental organizations with access to relevant data to augment their own, and then commission regular studies from these organizations. This approach has two distinct advantages. First, it would ensure that a diverse portfolio of analytical and interpretative approaches is used. Second, it would avoid the difficulty of sustaining predictive analysts within the U.S. Government bureaucracy – something that one senior principal argued is intrinsically difficult. Finally, the analyses captured through this approach could be fused with existing U.S. Government efforts as appropriate.

The Senior Principals Board emphasized that there are a number of existing U.S. Government programs that are relevant to this capability, and that any implementation of it should begin with an assessment of these existing resources. Examples include the Intelligence Community’s National Counterterrorism Center, the Global Earth Observation System of Systems in which the Environmental Protection Agency participates, and other Intelligence Community agencies. Others are key sources of relevant data and expertise including: the Indications and Warning Systems in the Intelligence Community and the Department of Defense; the National Geospatial Intelligence Agency; the Center for Disease Control’s Global Disease Detection Unit; the World Health Organization’s Global Outbreak Alert and Response Network; the National Oceanic and Atmospheric Administration and its National Geodetic Survey; the National Weather Service; and, the U.S. Geological Survey.

Human Resources Model for Global Affairs

OVERVIEW

To enable the U.S. Government to be effective in an operating environment of increasingly compressed decision cycles and proliferating and intersecting issues, workshop participants identified the requirement to build a more flexible and deployable corps of U.S. Government professionals with deep interagency experience and global affairs expertise. They emphasized that enhanced interagency bureaucratic structures and processes are not sufficient to allow the Nation to meet the challenges and opportunities of the future. They also stated that the Government requires individuals with the experience and training to execute our global strategies. The core of this capability would be a Global Affairs Career Path including required interagency rotations and training, formal education in global affairs, and revised human resource provisions enabling flexible assignments and deployment. Its core intent is to ensure that the U.S. Government can readily access personnel with the global affairs knowledge and interagency experience necessary to execute our evolving missions around the world.

A revised set of cross-government HR policies, procedures, and incentive structures to enable the rapid assembly of capable, integrated, and trained personnel for global affairs activities

STRATEGIC RATIONALE

The *Project Horizon* workshop discussions suggested the emerging global operating environment will be characterized by an accelerating strategic tempo and the increasing globalization of previously domestic issues. For the U.S. Government, this will continue to require high-degrees of agile global engagement from a wide range of agencies. The Government also will be required to interact more frequently with an increasingly powerful and prevalent set of non-traditional actors. These interactions will often occur outside traditional diplomatic domains. Workshop participants therefore argued that the Government must become increasingly able rapidly to tap personnel – beyond the Foreign Service Officer Corps – with both deep global affairs knowledge and extensive interagency experience. Whether in responding to complex contingencies, developing partnerships with non-governmental actors, or supporting operations with partner nations, these individuals must be able to identify and access the most critical and relevant U.S. Government assets. They would serve as unified individual channels for the application of U.S. influence.

Workshop participants emphasized that the demand for personnel with both interagency experience and global affairs training will grow significantly as critical emerging challenges and opportunities often will not adhere to the boundaries of specific disciplines or agency areas of responsibility. For example, participants discussed the fact that U.S. Government personnel increasingly will need to make subtle risk and reward decisions at the intersection of national security and homeland security domains. To make the best possible decisions quickly or to design the most effective longer-term approaches to these interdisciplinary issues and manage their implementation, the Government will require not only individuals with deep expertise in individual disciplines, but also a complementary set of individuals with broad familiarity with the U.S. Government and the global affairs context.

Workshop participants indicated that creating this corps of professionals is not sufficient in itself. They also must be much more readily accessible for short and medium term assignments than the traditional civilian personnel systems allow. The uncertainty and tempo that will characterize the future operating environment will demand that these individuals be supported by flexible human resource policies including clear and simple procedures for activating, utilizing, and returning global affairs corps personnel to their home agencies.

Finally, from an even longer-term perspective, this corps of global affairs professionals will provide a rich repository of expertise and experience to support the ongoing improvement of the U.S. Government's global affairs apparatus. Having progressed through this career path, these individuals will be ideally positioned to contribute to the evolution of our global affairs and national security institutions and thus the success of the U.S. Government global affairs agenda.

KEY POTENTIAL COMPONENTS

To meet the multiple requirements articulated by workshop participants, the Human Resources Model for Global Affairs would consist of two primary components:

- **Global Affairs Career Path:** A Global Affairs Career Path would require policy establishing the authority and means to recruit, develop, promote, and

retain global affairs professionals. It would specify the structure and requirements of the career path in terms of assignments and promotion guidelines. It would also establish the competencies, knowledge, skills, and abilities required for this career path and guidelines allowing for and encouraging the necessary career-long learning to achieve them. These factors would then become the basis for associated education and training programs. The policy would specify the institutional mechanisms by which these personnel would be deployed, including clear and simple procedures for activating, utilizing, and returning global affairs corps personnel to their home agencies. It would also create incentives, specifically additional staffing numbers, for agencies to direct personnel to this career path.

- **Interagency Rotation Requirements:** This career path would make multiple, significant interagency rotations mandatory for promotion to senior levels. It will also include provisions for rotational assignments with a broad range of global affairs partners, including the Congress, state and local governments, other nations and the private sector. Cross-agency rotations would generally be within specialties (i.e. intelligence or planning).

IMPLEMENTATION CONSIDERATIONS

The first major step in exploring the implementation of this capability would be to assemble the human resource heads of all global affairs agencies and representatives of the Office of Personnel Management (OPM) and the Office of Management and Budget (OMB) to discuss the requirements for this type of human resources model.

Based on the input of that group, the capability might take one of several forms, including the following:

- A partial revision of the existing Senior Executive Service program specifying requirements for interagency rotations and adding Global Affairs specialist provisions;
- The identification of a limited number of Civil Service positions to be designated as Global Affairs positions and the creation of associated requirements for those;
- Most ambitiously, the creation of a new, self-standing Global Affairs Career Path.

Implementing this capability would likely require an initial assessment of the required number and skill sets for a Global Affairs Corps of this type. This assessment would estimate the organic requirements of each federal agency for individuals cross-trained in global affairs, as well as those required to staff rotational/liaison assignments, global affairs training billets, and cross-agency positions such as the National Security Council staff. Based on this analysis and depending on the approach taken to its implementation, this capability would require the funding and positions to meet these global affairs requirements. This would require early and close consultations and collaboration with OPM, OMB, and a number of Congressional committees. Delineating the specifics (e.g., skills, benefits, security requirements, rotational and deployment policy) would benefit from early and close consultations with the relevant unions and other professional organizations.

There are a number of efforts that are either underway in the government, have been recently proposed, or were previously undertaken that are very much aligned with this capability. The Department of Defense is implementing its National Security Personnel System in phases and moving forward on the recommendation of the Quadrennial Defense Review to create a National Security Officer designator. The Department of Homeland Security is seeking to unify and rationalize the multiple personnel systems it absorbed upon its creation. The Department of State is implementing Transformational Diplomacy concepts, including greater overseas deployment outside of traditional embassies and to countries of emerging strategic importance.

An important historical case study that provides insight into the difficulties and implementation timelines for capabilities of this type is the development of the Joint Staff Officer program, brought about by the Goldwater-Nichols Act. The military services' experience with changing cultures, implementing Joint Professional Military Education, and becoming "born joint" will greatly inform the development of a human resources model for global affairs. Finally, the evolution of the Senior Executive Service – once seen as the development of senior officers capable of serving in any federal agency – could provide valuable lessons learned and support.

Global Affairs Learning Consortium

OVERVIEW

Given an operating environment in which an increasingly broad range of U.S. Government missions will have vital global dimensions, workshop participants identified the requirement for the U.S. Government to be able to deliver consistent training and education in global affairs to U.S. Government personnel from all agencies. This capability must leverage the rich range of relevant existing U.S. Government educational assets as well as draw on those of the private sector. A key requirement of this capability is the development of a curriculum that includes offerings in both traditional and emerging global affairs disciplines. This capability would take the initial form of a network of global affairs training institutions, such as the Foreign Service Institute and the National Defense University, that mutually leverages training, exercise, and experimentation offerings to create a rich, coherent curriculum for U.S. Government global affairs professionals. Its core intent is to create in the U.S. Government a more coherent means to train and educate the personnel who will develop and implement America's global affairs policies.

A network of global affairs training institutions that mutually leverages training, exercise, and experimentation offerings to create a rich, coherent curriculum for global affairs professionals

STRATEGIC RATIONALE

Workshop participants argued that in the emerging global operating environment, as more of the U.S. Government's previously domestic missions take on significant global aspects, it will be critical for the U.S. Government to be better able to train and educate a wider range of its personnel in global affairs disciplines. They further argued that in an increasingly fast-paced, knowledge-driven global society, the content of these disciplines will be highly dynamic, requiring sophistication in both traditional and non-traditional areas. Traditional subjects would include country-specific cultural knowledge, language and cross-cultural communication skills, international relations, international political economy, civil-military issues, U.S. Government agency mandates and missions, and interagency strategic planning. Non-traditional areas will include both training in specific functional skills and in domain areas that participants anticipated would be increasingly important, including global health, environmental, and energy issues.

In terms of functional skills, participants emphasized the importance of training in the negotiation, mediation, and brokering skills necessary for forming advantageous partnerships with a range of governmental and non-governmental actors including those in the private sector. The emerging operating environment also will feature new actors, new modes of interaction, both virtual and real, and new forms of networked organizations through which these actors communicate and take action. Therefore, understanding social and other networks will be increasingly important. In addition, in an environment

likely to feature growing degrees of strategic uncertainty, there will be a premium on skills of risk analysis and management. Finally, the global operating environment increasingly will require an interdisciplinary approach to knowledge. Important challenges and opportunities will emerge in

the seams between disciplines and organizations as well as in their intersections. Managing these issues effectively will require cultivating U.S. Government professionals whose expertise crosses these same boundaries.

The benefit for the U.S. Government of investing in this capability is properly trained and educated personnel who will be at the heart of planning and implementing America's global affairs policies. By creating a consistent cross-agency curriculum for global affairs, this capability will allow the U.S. Government to have more clarity and confidence regarding the expertise of its people at each stage in their education. This capability will also leverage existing resources to the maximum extent possible, saving costs and increasing cross-agency networking and knowledge sharing.

KEY POTENTIAL COMPONENTS

This capability would consist of the following primary components:

- **The Consortium:** The core of this capability would be a voluntary consortium of U.S. Government educational and training institutions. This consortium would "network" learning systems, starting with U.S. Government institutions, but subsequently including academia, think tanks, and the private sector to meet both traditional and non-traditional learning requirements. Although intended primarily for U.S. Government personnel, it envisions opportunities for

participation by international students and staff, both military and civilian, congressional staff, state and local officials, and representatives of the private sector.

- **A Global Affairs Curriculum:** This curriculum would include a menu of both required and elective courses across one's career, up to and including Senior Executive, Intelligence, Foreign Service, and General and Flag Officer levels, both through certificate and degree programs. It would include cross-accreditation standards, accepted across agencies and learning institutions, including partner universities.
- **Multiple Learning Modalities:** The learning modalities available for this curriculum would range from traditional "brick-and-mortar" classroom experiences to Advanced Distance Learning and other virtual capabilities, leading to certificates or formal degrees.

If successful, this capability could be expanded into a Global Affairs or National Security University, with campuses and programs grown from existing U.S. Government entities such as the Foreign Service Institute, the National Defense University, and the Department of Agriculture's Graduate School. Such an organization would target individuals at the GS-14/15, FSO-1, O-5/6 level and above. This potentially would be a degree-granting institution with a core curriculum and electives covering the full global affairs domain. It would also offer shorter-term certificate courses, and serve research as well as curriculum, concept, and doctrine development roles.

Participants also suggested that such an organization could take the form of a truly global Center of Excellence for Public Service. By attracting participants from other nations, this organization could become a valuable environment for building partner capacity, establishing networks in other national governments, and building a common basis of knowledge and experience for more effective multinational planning and action.

IMPLEMENTATION CONSIDERATIONS

This capability could grow out of or be closely linked with the OPM's Federal Executive Institute or the National Defense University. It would require an Interagency Oversight Board or Board of Regents/Visitors to coordinate relationships between existing U.S. Government training resources and programs, academia, think tanks, and private sector.

Key to the success of any network or consortium is the inclusion of all actors who can and should make a positive contribution. There are a number of existing U.S. Government programs that could be independent members of the consortium. These include:

- The National Defense University and its Quadrennial Defense Review-directed consideration to potentially evolve into a National Security University
- The Department of Defense's Senior Service Colleges and their Military Education Coordination Committee
- The Department of Defense's Regional Centers
- The Department of Defense's Training Transformation Program, particularly its Training Transformation for Interagency, Intergovernmental, and Multinational Missions Task Force and Joint Knowledge Development and Distribution Capability
- The Department of State's National Foreign Affairs Training Center/Foreign Service Institute
- The National Intelligence University
- The U.S. Department of Agriculture's Graduate School
- OPM's Federal Executive Institute
- The Homeland Security and Defense Education Consortium

This capability also envisions an important role for partnerships with public and private sector institutions and organizations, as well as with partner nations.

This capability would require the support of agency heads in recognizing their role in global affairs, the need to prepare their personnel beyond agency stovepipes, their willingness to collaborate on policy and implementation, and their budgeting and staffing to provide financial support as well as participants. The single largest cost of implementing this capability will be people and their time away from their home agency for learning. This capability will require a training "float" of personnel, both a significant cost and a major cultural shift.

The *Project Horizon* Senior Principals Board suggested that interagency strategic planning for global affairs activities should be considered as a critical specific training domain, and one that could serve as a starting point in the implementation of this capability.

V. The Road Ahead

The materials presented in this Progress Report represent the findings that resulted from Phases I and II of *Project Horizon*. Going forward, *Project Horizon* will focus on the following activities:

- **Knowledge Transfer:** In Phase III, each agency – led by its Core Team members – will participate in a knowledge transfer session in which the scenario set and the means by which it can be used for internal agency planning will be discussed.
- **Implementation:** Working groups will explore implementation of the 10 strategic interagency capabilities. These groups will include participating agencies and other key stakeholders as appropriate. Those steps that can be implemented within each agency without Executive Order or change to legislation will be addressed in Phase IV. Those elements that require Executive Order or legislation will be referred to the Senior Principals Board with recommendations on the way ahead.
- **Agency-Specific and Interagency Linkage Analysis:** Phase IV of *Project Horizon* will focus on capturing insights between and within individual agencies that can be implemented within the authority of each agency. It will include organization-specific analysis of the Phase II material, interagency linkage analysis in which shared strategic and operational areas between agencies will be identified, and internal planning using the *Project Horizon* scenarios.

PHASE IV - LINKAGE ANALYSIS

Project Horizon supports the development of useful insight on three complementary levels – *above* individual agencies at the government-wide level, *across* agencies where organizations may have common efforts with other agencies, and *within* individual agencies.

In Phase IV, *Project Horizon* will inform each agency's strategic planning and begin to institutionalize a shared process of linkage analysis. This phase builds upon the findings and materials of Phases I-III,

Going forward, *Project Horizon* will focus on the following activities:

- **Inter-agency Linkage Analysis of the 10 Identified Overarching Capabilities:** The intent of the *Project Horizon* Planning Workshops was not only to develop and test strategic interagency capabilities, but also to

provide individual agencies with valuable insights into their organizations' missions, capabilities, and strategies from an interagency perspective. Workshop participants had a unique opportunity to identify agency-specific strategic imperatives and required capabilities based on the challenges of each scenario and the conversations they had with their interagency peers regarding the future.

Each participating agency can capture these insights by performing their own synthesis of the workshop materials and by interviewing their workshop participants regarding what they learned. Material gathered through this organization-specific analysis may take multiple forms, including identifying new mission requirements, new demands on existing capabilities, and key strategic and operational touch-points with other agencies. This tailored analysis will allow agencies to identify strategic planning specifics that can be incorporated into their documents. It will serve as a basis for agencies to identify areas of strategic and operational linkages. It will also allow agencies to determine how their individual efforts could better support the strategic effectiveness of the 10 interagency capabilities captured in Phase II.

- **Agency-Specific Scenario-Based Planning:** *Project Horizon* scenarios were designed to serve both as environments for the interagency workshops and as "platform scenarios" for internal use by each agency. Their value for internal agency planning lies in that they were constructed based on rich interagency input. For this reason, the scenarios reflect the complexity of the operating environment facing U.S. Government agencies.

In Phase IV, agencies will customize the scenarios and the planning process to meet their individual requirements with the guidance of their representatives on the Core Team, all of whom now have deep experience in applying the *Project Horizon* methodology. This planning will enable agencies to capture capability insights that can be implemented *within* the individual authority of each agency. It will include organization-specific analysis of the Phase II material, interagency linkage analysis in which specific areas of strategic and operational linkage between agencies will be identified, and internal scenario-based planning using the *Project Horizon* scenarios.

Interagency Strategic Planning Group (ISPG)

Quarterly Working Sessions: The organization-specific analysis described above will be the basis for conducting interagency linkage analysis in which common strategic linkages *across* agencies can be identified. These are distinct from many of the findings of Phase II in that they may only pertain to a limited set of agencies in any given case. This linkage analysis may yield opportunities for collaborative activities, common strategic goals in select mission areas, and complementary performance measurement approaches. To maximize the value of this linkage analysis, participating agencies will refine their required strategic interagency capabilities and communicate agency initiatives that support interagency efforts. These work sessions will begin in January 2007, result in minimal additional cost, and be hosted and facilitated by participating U.S. Government agencies.

Phase IV will build upon the 10 Strategic Capabilities to produce a set of detailed capabilities that should exist across the interagency as well as reside within every agency’s strategic planning documents and be implemented over time.

Beyond these Phase IV activities, participating agencies will explore possibilities for institutionalizing the *Project Horizon* process in various ways, to include ISPG sessions targeting specific interagency issues. Participants are also identifying ways to sustain the interagency community of strategic planners that has formed as a result of this effort.

