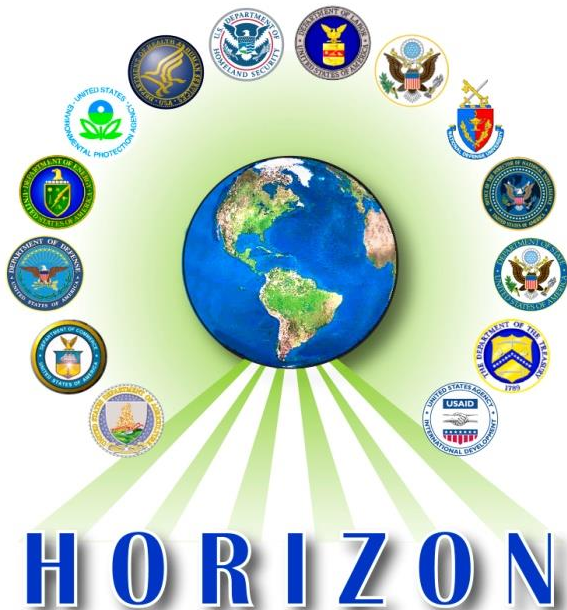
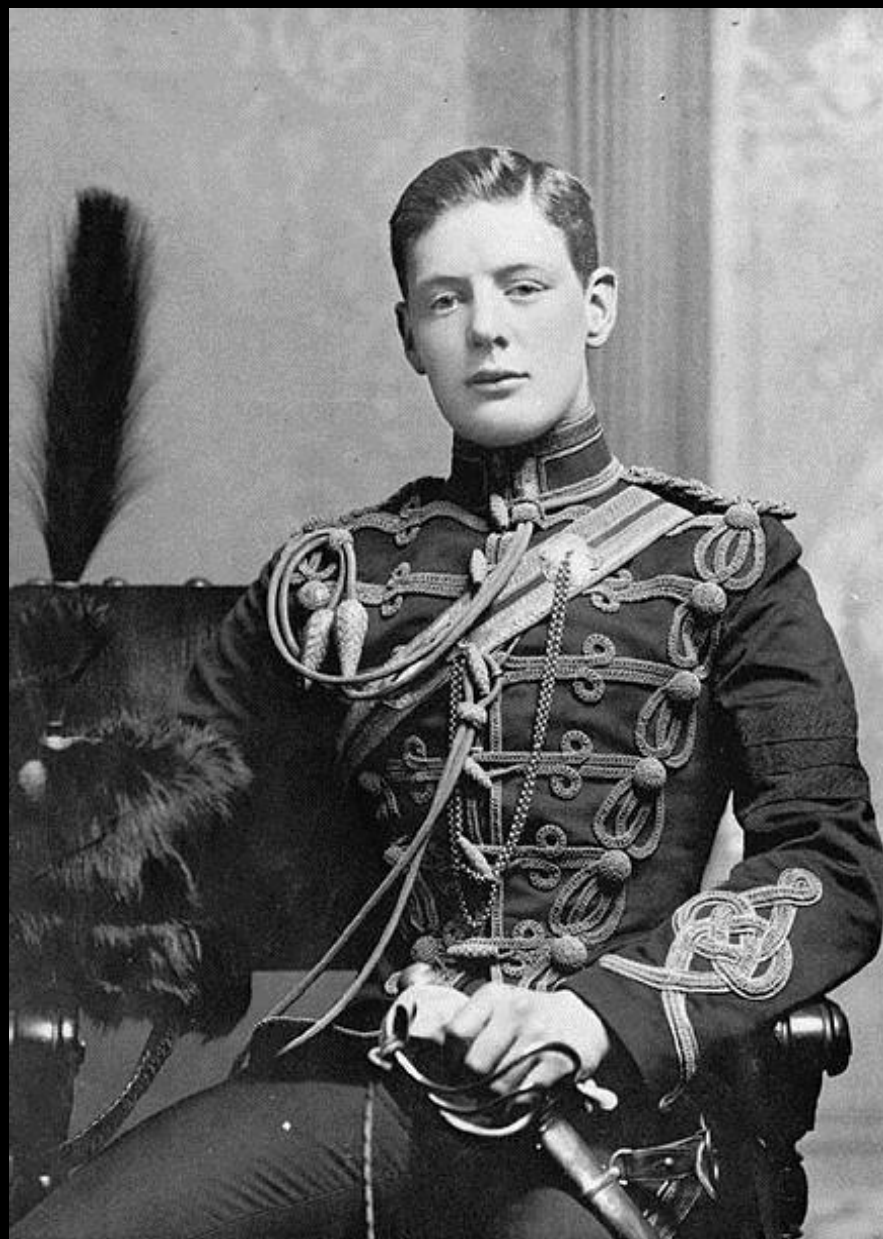


Project Horizon and Scenario-based Planning



CDR Elton C. Parker III, USN
Special Assistant to the President
National Defense University



“WANT OF FORESIGHT...UNWILLINGNESS TO ACT
WHEN ACTION WOULD BE SIMPLE AND EFFECTIVE...
LACK OF CLEAR THINKING...CONFUSION OF
COUNSEL UNTIL THE EMERGENCY COMES, UNTIL
SELF-PRESERVATION STRIKES ITS JARRING GONG—
THESE ARE THE FEATURES WHICH CONSTITUTE THE
ENDLESS REPETITION OF HISTORY.”

WINSTON CHURCHILL

House of Commons, May 2, 1935

❑ Overview

- Why the need?
- What is *Project Horizon*?
- Who was/is *Project Horizon*?

❑ Scenario-based Planning

- Why scenarios?
- Interview process
- How to develop and use scenarios
- Alternative Futures (scenarios)
- Assumptions
- Results: Developing the Capabilities

❑ Additional Uses, Benefits and Takeaways

- Above, Within, Across
- Trends & Shocks
- Way Ahead

“My service over nearly nine years under four Presidents on the National Security Council staff taught me well about the importance of interagency collaboration and cooperation. The U.S. clearly needs a government-wide approach to the challenges we face today and will face in the future.”

Secretary Gates during Confirmation Hearing

- ❑ Increasing unity of effort to achieve the nation’s security policy priorities across the agencies of the Federal Government is essential. Challenges to this include:
 - Interagency is ill-equipped to plan for and effectively address the emerging strategic environment
 - 30+ agencies and organizations now operate globally, and do so in a reactive and ad-hoc method

- ❑ *Project Horizon* is one way to help meet these challenges by:
 - Beginning to enhance and institutionalize interagency planning
 - Conducting long-term, interagency strategic planning to identify interagency capabilities needed to address threats and opportunities over the next 20 years
 - Creating scenario-planning toolset to support interagency planning
 - Developing a community of interagency planners

What is Project Horizon?

- ❑ Department of State-led initiative to foster scenario-based *interagency strategic planning* and identify *future strategic capabilities* worthy of investment
- ❑ Starting point to institutionalize interagency strategic planning
- ❑ Vehicle to develop realistic joint strategies and identify capabilities in which USG should invest *today* in order to prepare for the unforeseen threats and opportunities that will face the nation over the next 20 years
 - By creating a set of platform scenarios built with rich interagency community input which are malleable and re-usable by individual Services/commands, agencies and organizations to develop and assess strategies and capabilities
- ❑ ***Project Horizon* results:**
 - Developed multiple future scenarios based on senior executive concerns, challenges and opportunities
 - Conducted 16 (10 IA, 6 DOD) workshops, identified ~650 capabilities, defined a resulting ‘Top Ten’ interagency and DOD-specific strategic initiatives/capabilities
 - Conducted cross-agency “Knowledge Transfers” of *Project Horizon* deliverables
 - Established a foundation for an on-going interagency planning process
 - Intra-agency linkage analysis of 10 identified strategic initiatives
 - Agency-specific Scenario Based Planning
 - Interagency Strategic Planning Group (ISPG)

ABOVE
WITHIN
ACROSS

Project Horizon Charter Overview

❑ Purpose

- To develop realistic joint strategies and identify capabilities in which DOD and USG should invest in order to prepare for the unforeseen threats and opportunities that will face the nation over the next 20 years
 - To create a set of platform scenarios built with rich DOD and interagency input which are re-usable by individual services, commands and organizations to develop and assess strategies

❑ Participants

- Senior executives, strategic planners and subject matter experts from the combatant commands, services, Joint Staff and Interagency

❑ Intended Results

- Structured DOD and USG strategic initiatives through stress-tested analysis
- Knowledge transfer to enable individual commands and organizations to customize the scenarios and process to conduct individual internal planning
- Foundation for an on-going joint and interagency **strategic** planning process

Who was/is Project Horizon?

Participants at USG-wide Workshops

- NSC and HSC
- Agriculture
- Commerce
- **Defense (OSD and JS)**
- Energy
- Environmental Protection
- Health and Human Services/CDC
- Homeland Security
- Intelligence Community (ODNI)
- Labor
- National Defense University/ITEA
- Millennium Challenge Corporation
- State
- Treasury
- USAID

Participants at DOD NMS Workshops

- CENTCOM
- JFCOM
- NORTHCOM
- PACOM
- SOCOM
- SOUTHCOM
- STRATCOM
- TRANSCOM
- NDU/ITEA
- USA, USAF, USCG, USMC, USN
- Joint Staff (J-1→J-8)
- Environmental Protection
- Joint Forces Staff College
- Homeland Defense
- ODNI
- State
- Treasury

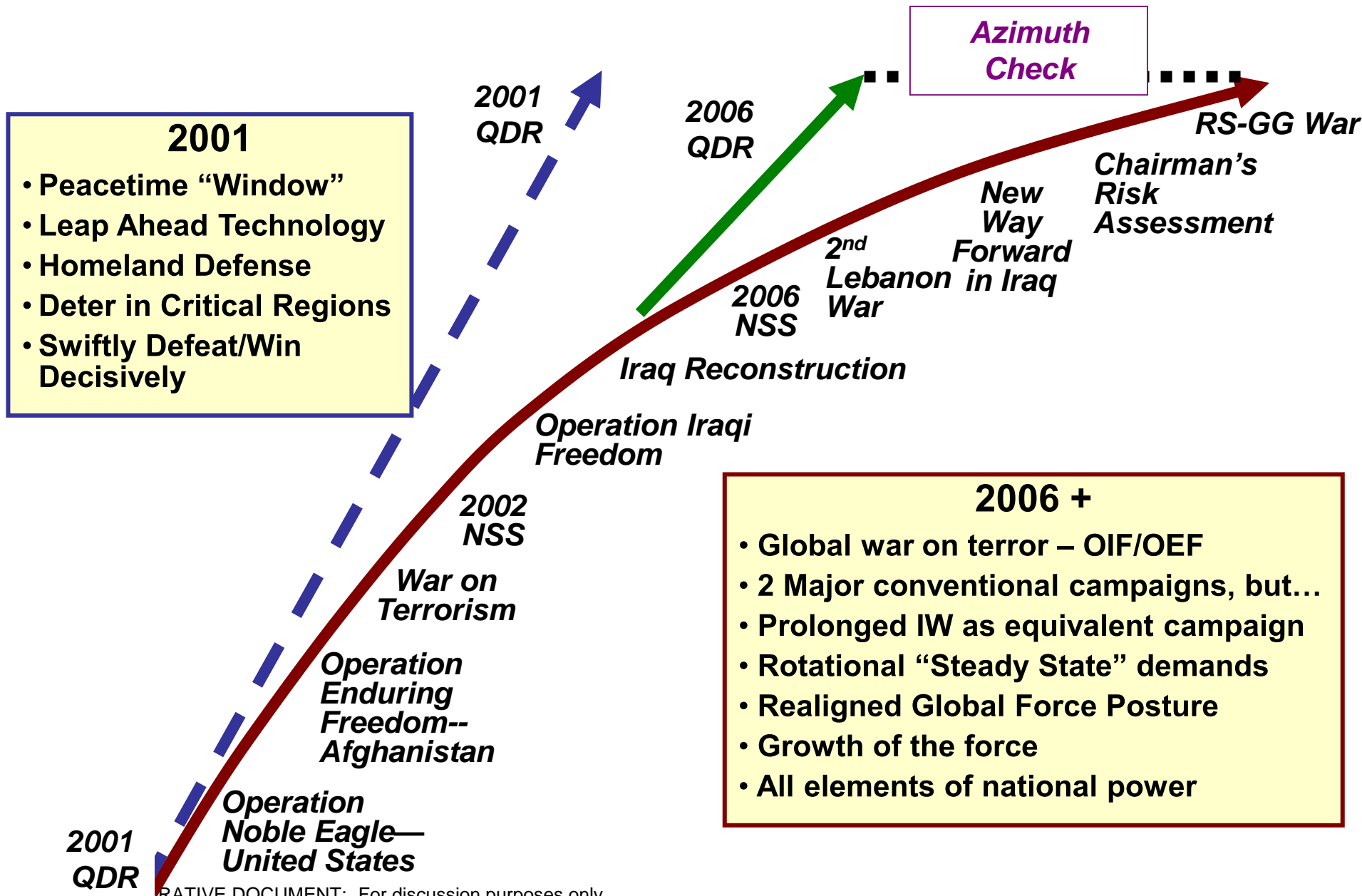
Primarily O-5/O-6/GS-15 level membership

Scenario Thinking/Planning is:

- ☐ A means to challenge the status quo
- ☐ A disciplined way to ask, “What if?”
- ☐ A proven tool to understand and manage uncertainty
- ☐ A way to create collective will to address complex, interdependent problems
- ☐ Designed to stretch our thinking about threats and opportunities of the future
- ☐ A platform for better decision-making and long term strategy

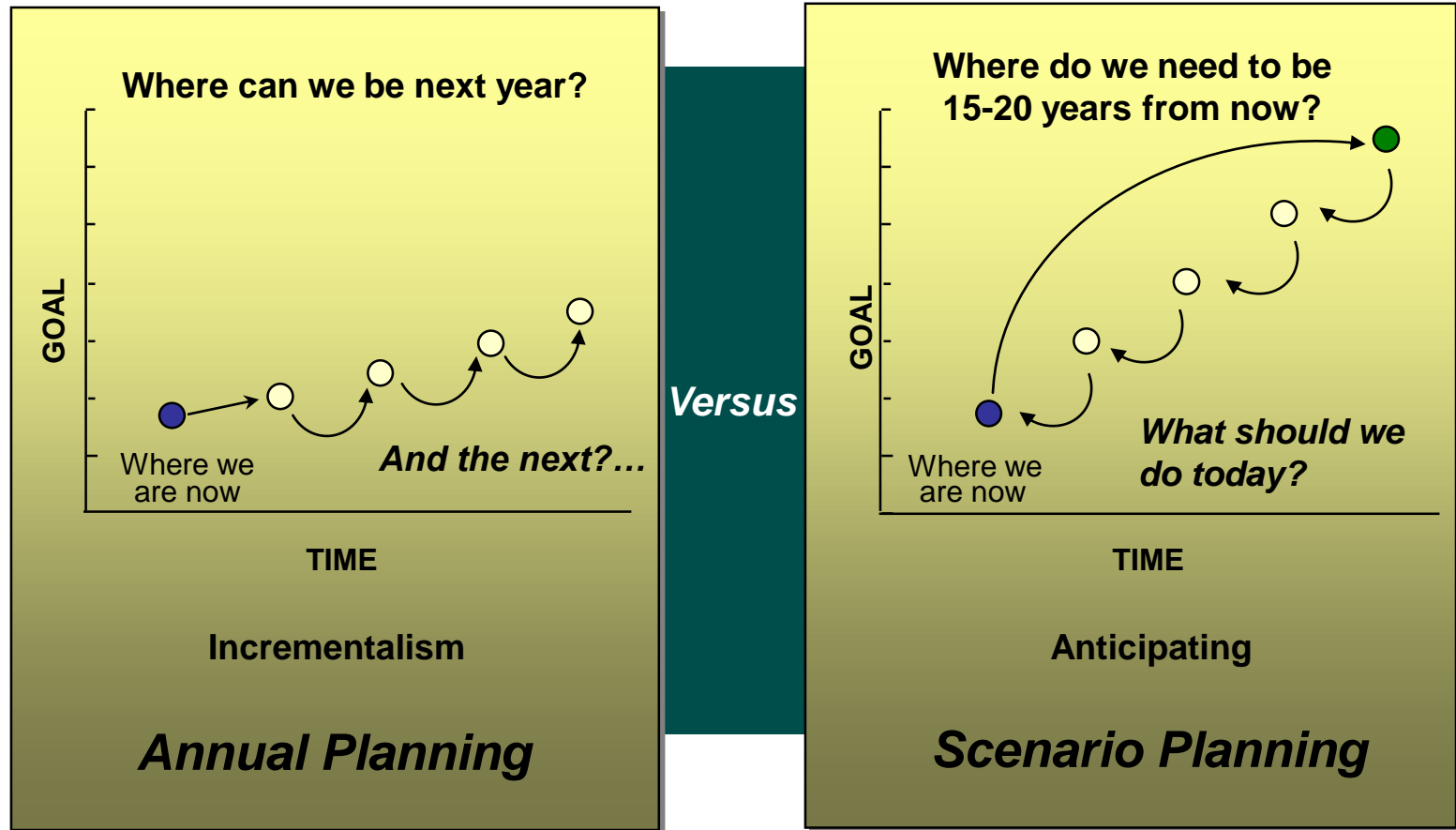
- ❑ **The future holds a truly extraordinary range of possibilities**
 - Interviews and research conducted by the Core Team and contractors
- ❑ **No one view of the future can contain them all**
 - A huge number of them are directly contradictory
- ❑ **Scenarios add the powerful element of a story**
 - Easier to remember and fill in the blanks
 - Provides coherency and a logic that interweaves issues
 - Has the power to engage and inspire that a list of issues cannot match
- ❑ **The *Project Horizon* scenarios were chosen by the Government because, as a set, they cover the fullest possible range of uncertainty**

Changing Strategic Environment



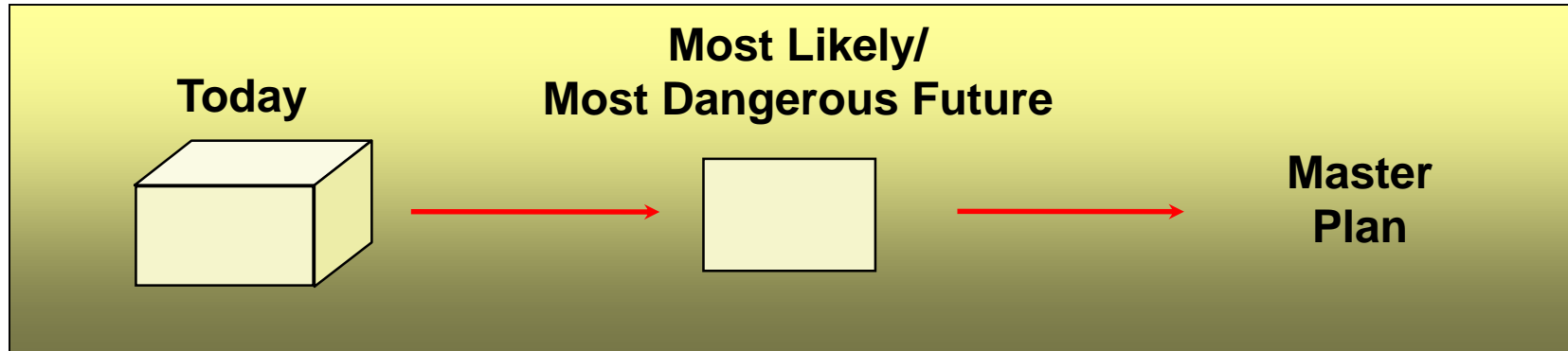
Scenario-based Planning

- ❑ Generates strategies for the present, based on analysis of the future
- ❑ Approach avoids the incrementalism of traditional annual planning

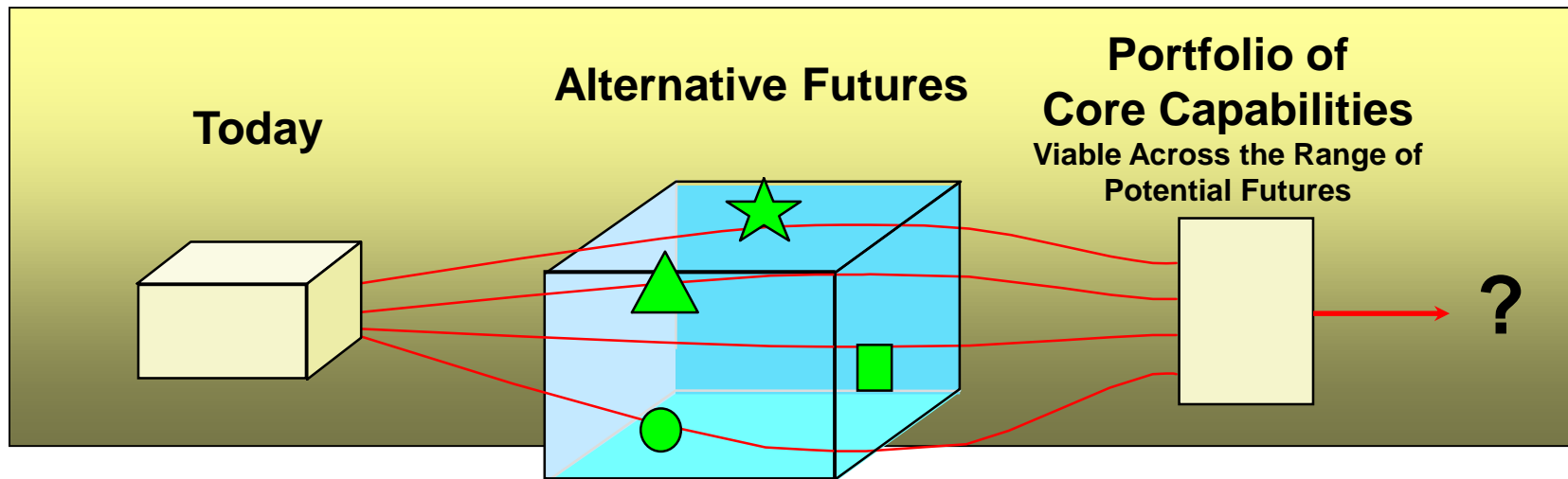


Avoiding the Limitations of Assumption

Linear planning “assumes a future” (‘most likely’, ‘most dangerous’, etc)

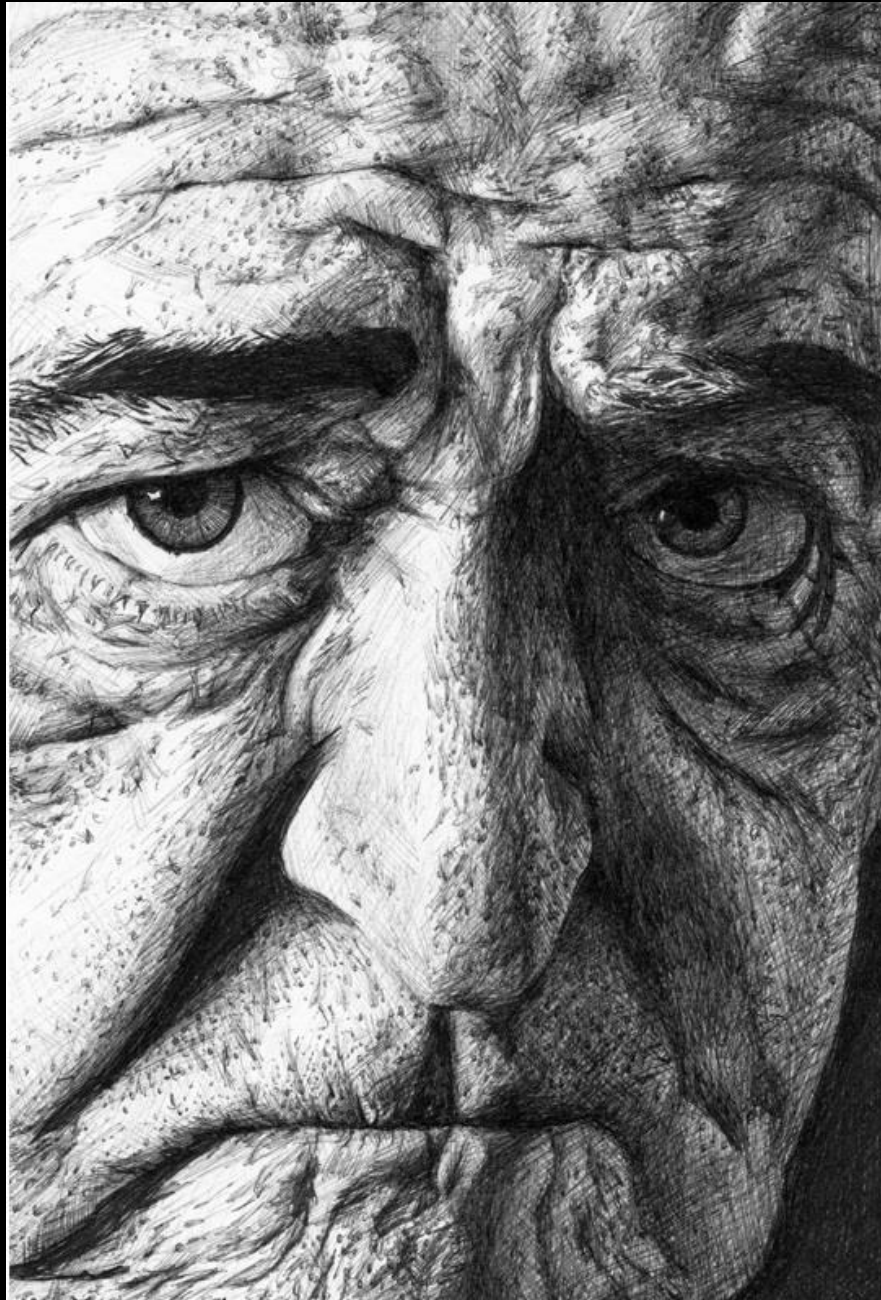


Scenario planning uses a range of potential futures









Findings Overview—Interview Summary

200 interviews (113 internal to USG, 87 external) yielded 15 most frequently mentioned forces for change expected to drive the landscape of threats and opportunities through 2025:

- ❑ **Global Interdependence**: Greater global interdependence is inevitable; smoothly continuing economic and social globalization, is not, however.
- ❑ **Science & Technology Competition**: US will lose its technological competitive edge; China and India are most likely to lead in engineering and information technology.
- ❑ **Rise of China & India**: Mix of optimism and apprehension because of continued rapid economic development, uncertainty of military intentions and global impact of populations.
- ❑ **Natural Resources/Energy**: Competition for scarce resources (energy, water and land) key drivers; petroleum dependence still a major factor and cause of disputes and war.
- ❑ **Global Perceptions of the U.S.**: U.S. image deteriorating; at the apex of its ability to influence global events and decisions without the use of its military superiority.
- ❑ **Changes in Military Power**: U.S. maintains conventional and nuclear advantages, although gap closing; main area of vulnerability will be asymmetric warfare.
- ❑ **Environmental Change**: Continued environmental degradation; main threats are pollution and global warming from growth of developing countries like China and India.

Findings Overview—Interview Summary (cont)

- ❑ **Global Health and Disease**: HIV/AIDS will ravage another generation in Africa, but could spread to developed world; pandemic of some sort is inevitable, impact range uncertain.
- ❑ **Advances in Science and Technology**: Innovation explosion in biotechnology, computing, communications and nanotechnology will occur; nature and consequences uncertain.
- ❑ **Globalization, Poverty and Development**: Globalization will continue, but only in certain areas, so gap in the global standard of living increases; ability of U.S. to influence new rule sets will decrease.
- ❑ **Demographics**: Mass migration will increase as gap between developed and developing countries widens; U.S. more able to assimilate immigration much better than Europe or Asia.
- ❑ **Religion**: Rise of both fundamentalist & extreme forms of religion and secularization will rise both because of and in spite of globalization; individual identity reaffirmation will increase in importance.
- ❑ **Sovereignty and the Role of the Nation State**: New series of global problems and weakening governance structures will challenge the ability of the nation-state to respond with speed and agility.
- ❑ **Terrorism**: Further attacks on the U.S. and other western nations will be inevitable, (Europe far more susceptible because of demographics and proximity); cyberspace is a new battlefield.
- ❑ **Interagency Issues**: Key requirements are new modes of interagency organization, accountability and human resource approaches; strengthened planning; greater leadership in support of interagency coordination; clarified roles and responsibilities, and enhanced information sharing.

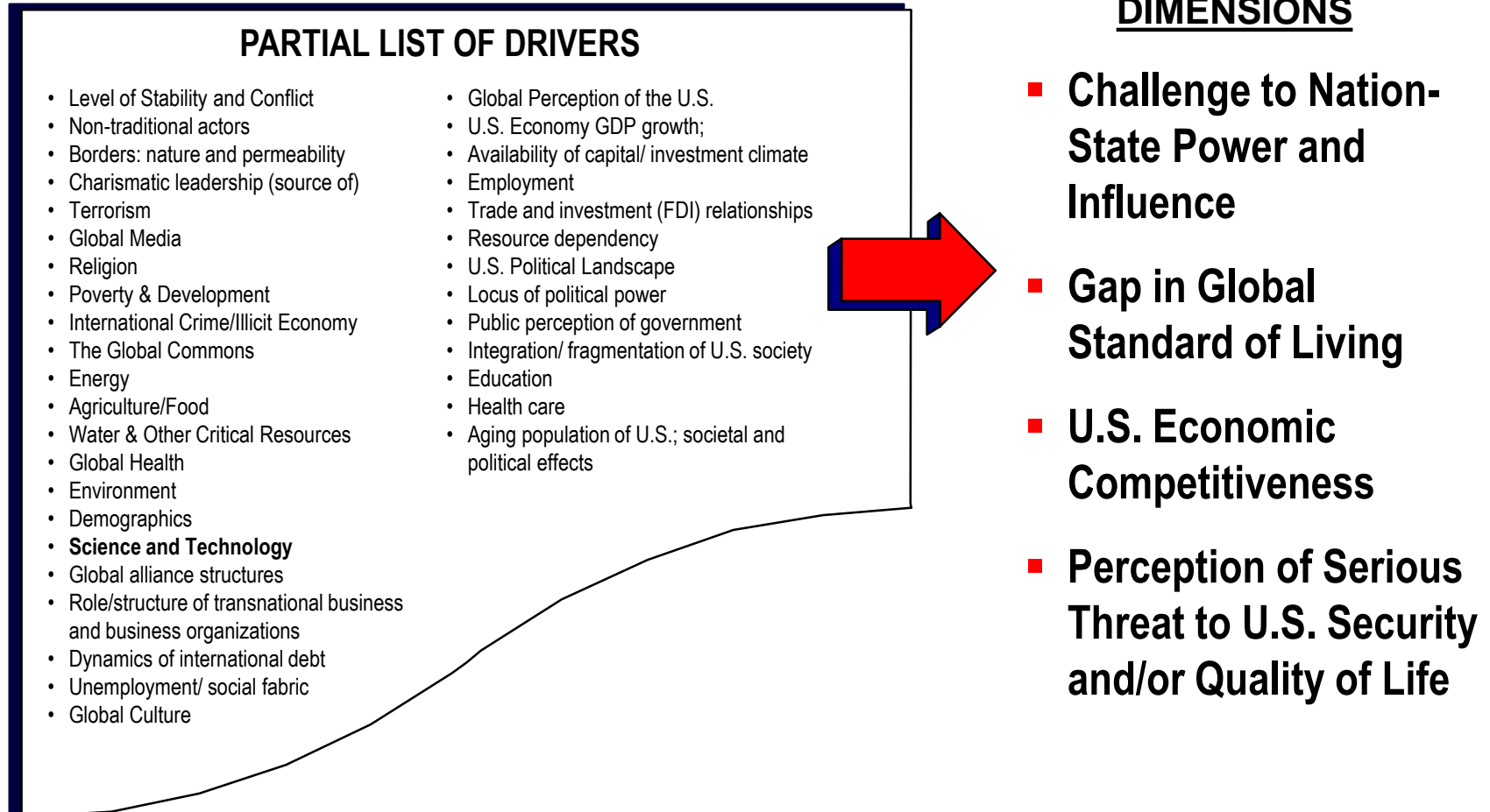
Future Environment Assumptions

There was broad consensus that DOD will be challenged to define new roles while attempting to maintain 'traditional' ones. Equally important will be the need to engage the interagency community, early and often, in the planning process

The Workshop suggested that the global affairs operating environment is changing in myriad important ways, including:

- ❑ Challenges and opportunities will emerge, spread globally, and mature with stunning speed of impact and with greater inherent complexities as issue intersections proliferate
- ❑ The types and capabilities of non-traditional actors will expand dramatically, and they will seek competitive advantage through means that diminish classic forms of U.S. power
- ❑ Retaining the advantages of super-power status while addressing different forms of power will be increasingly difficult
- ❑ Achieving consensus on global standards is likely to get more difficult and the seams between them will be susceptible to strategic exploitation
- ❑ The intersection of compressed decision cycles, proliferation of information, shifting interdependencies, lack of governance rules, and new forms of competition will create a profound sense of unpredictability
- ❑ Tactical decisions in one venue will have strategic implications heightening the demands for total awareness, rapid response and long-term shaping of the global environment

- ❑ Based on 200 interviews, ‘drivers’ were identified and then distilled into dimensions of broader, more universal scope

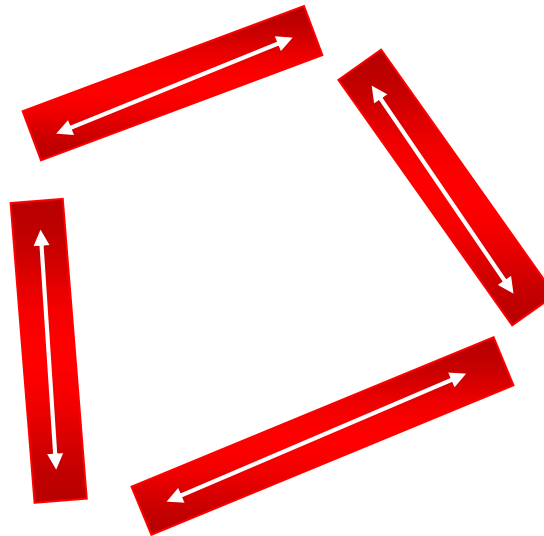


Key Global Affairs Mission Drivers



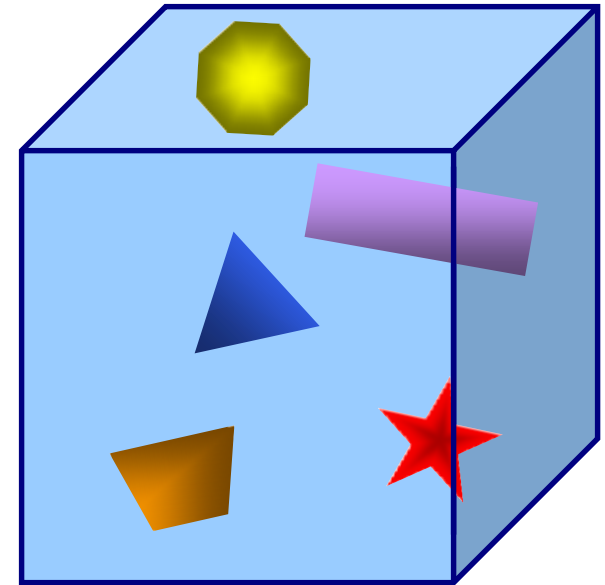
Energy
Economy
Education
Trade
Regional Conflict
Technology
Demographics
Health & Disease
Fiscal Health
Ethics

Derive Key Forces For Change (Dimensions) Outside Direct Control



Set the Boundary Conditions of the Planning Space

The “Planning Space”



Scenarios Selected to Capture The Range of Planning Uncertainty



Dimensions and Resulting Planning Space

Challenge to Nation State Power and Influence			Gap in Global Standard of Living		U.S. Economic Competitiveness		Perception of Threat to U.S. Security and/or Quality of Life		Scenarios
	High	Low	Increasing	Decreasing	Strong	Weak	High	Low	
1	High		Increasing		Strong		High		Profits & Principles
2	High		Increasing		Strong			Low	Puppet Masters
3	High		Increasing			Weak	High		Huddles
4	High		Increasing			Weak		Low	Eastphalia
5	High			Decreasing	Strong		High		Congagement
6	High			Decreasing	Strong			Low	WTO on Steroids
7	High			Decreasing		Weak	High		Thunderclouds
8	High			Decreasing		Weak		Low	Asian Way
9		Low	Increasing		Strong		High		Dragon and the Eagle
10		Low	Increasing		Strong			Low	Asleep at the Wheel
11		Low	Increasing			Weak	High		Lockdown
12		Low	Increasing			Weak		Low	Spent
13		Low		Decreasing	Strong		High		Almost Paradise
14		Low		Decreasing	Strong			Low	Be Careful What You Wish For
15		Low		Decreasing		Weak	High		Second String
16		Low		Decreasing		Weak		Low	Life is Elsewhere

Project Horizon scenario selections are in blue

Economic Conditions



Be Careful What You Wish For

Globalization & democracy everywhere; U.S. is sole superpower, world's policeman and stretched thin



Profits and Principles

Global clash between rapid capitalistic drive for profits and an emerging moderate Pan-Islamic movement with a message that Islam cares



Congagement

Political and economic power increasingly regional; global institutions lack significant influence; friction exists between the three blocs over resources versus trade

Asian Way



Dominated by Asian mega-corporations; end of the era of American leadership in the world

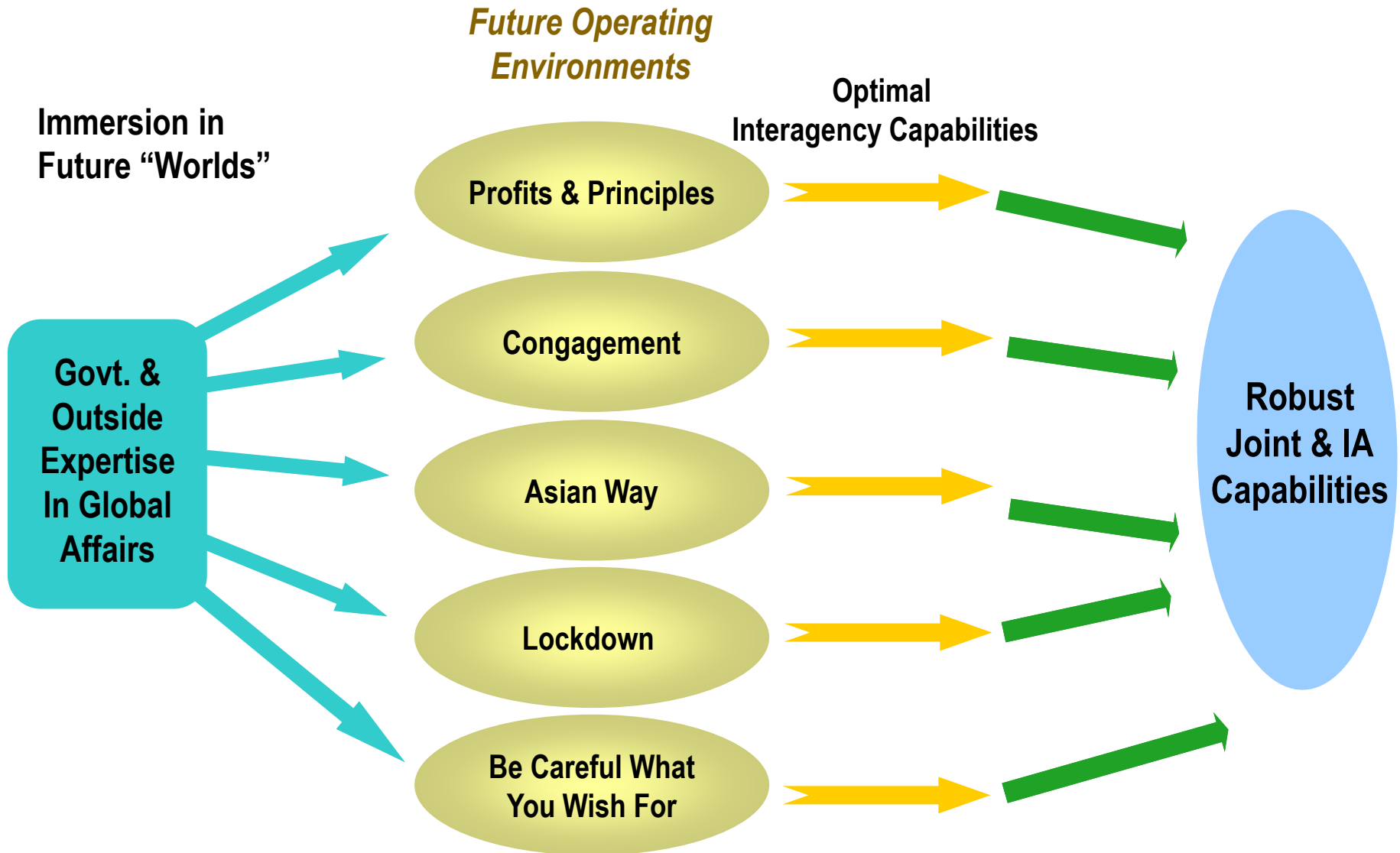
Multi-threat world: persistent terrorism, nuclear proliferation, and worst economics in 50 yrs; U.S. heavily defensive and isolationist; profoundly negative impact on globe

Lockdown



Threats and Security Challenges

Planning Using Scenarios



□ Strategy Workshops

- 15-18 senior-level participants from multiple USG agencies and other organizations were brought together into unified planning teams
- Each team developed portfolios of strategic interagency capabilities that they found to be most critical for addressing the challenges and opportunities of their assigned scenario
- The capabilities of each team were then stress-tested across the other scenarios to identify those concepts that demonstrated greatest strategic value with respect to the full range of future uncertainty
- Proposed refinements to the capabilities to enhance their value in meeting the demands of each scenario were also captured

□ Synthesis

- After three workshops, there were ~150 distinct raw capabilities – each scored for robustness across the worlds
- The Core Team then synthesized the workshop data and identified the 10 strategic interagency capabilities that proved of greatest strategic value across all of the scenarios and all of the workshops

USG and Individual Agency Benefits

❑ Common Framework and Understanding

- Coordinated approaches to strategic opportunities and challenges
- Stress-tested *interagency* and *agency-specific* strategic initiatives and capabilities
- Understanding of strategic fit with other USG global agencies

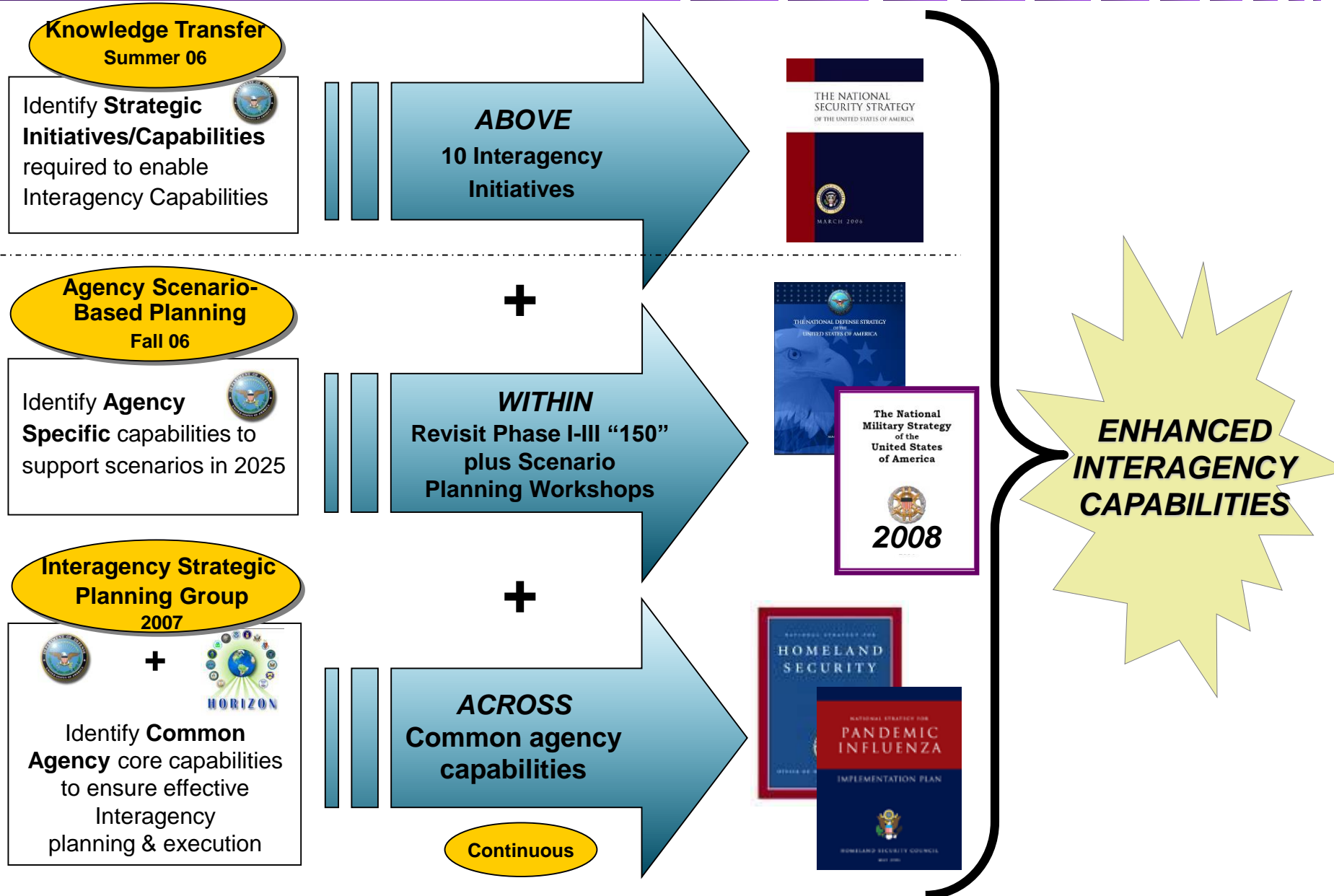
❑ New Institutional Planning Capabilities

- Scenario-based planning tool set: scenarios and methodology for using them
- Interagency seeded with Core Team members who are subject matter experts in applying the tools
- Foundation for conducting follow-on, in-depth individual agency scenario planning and analysis (DOD NMS Workshop, State, Treasury, USMC, HELP, tbd)

❑ Interagency Strategic Planning Group (ISPG)

- Interagency communication and alignment of national strategic goals
- Vehicle to institutionalize strategic planning within the Interagency
- Identification of cross-cutting interagency capabilities to improve operations
- Agency-specific insights directly applied and/or addressed in strategic planning documents (NMS, JSP, NIS)

Project Horizon Levels



Project Horizon

- ❑ Serves as a vehicle to institutionalize strategic planning within the interagency community and process (e.g., ISPG).
- ❑ Provides valuable insights to inform future agency-specific strategic plans (i.e., DOD: NMS development, JSR, Risk Assessment, etc)
- ❑ For DOD, provides a venue to reconfirm QDR identified interagency requirements while identifying new ones derived through analysis of five alternative future scenarios.
- ❑ DOD can help influence and enhance the planning culture within the interagency community by:
 - Educating agency planners in national security curriculum
 - Seeding key agencies with experienced military planners
 - Supporting strategic planning initiatives like *Project Horizon*
 - Supporting establishment of interagency strategic planning organizations in actual operations
- ❑ Senior leader advocacy will help ensure support and progress of *Project Horizon* in and out of DOD

❑ Institutionalizing the Process

▪ “Within”

- DOD (NDS, NMS, Risk Assessment, JSR, etc.)
- Knowledge Transfer for CoComs and Services—ongoing
- In support of other DOD planning efforts (DPS, OA, Strategic Shocks, etc.)

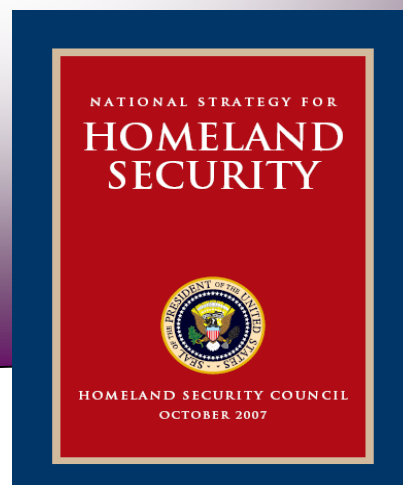
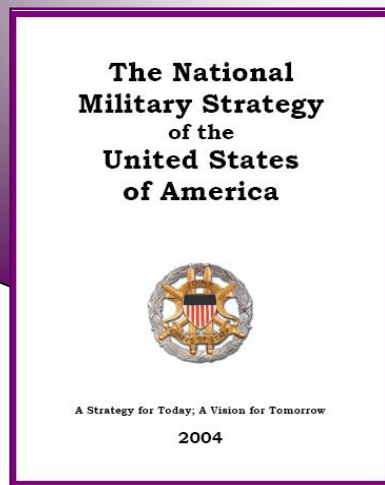
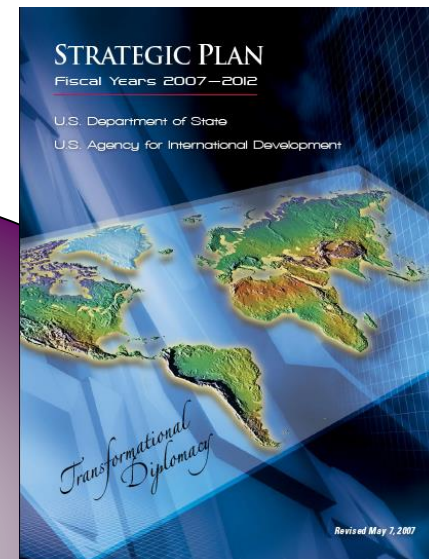
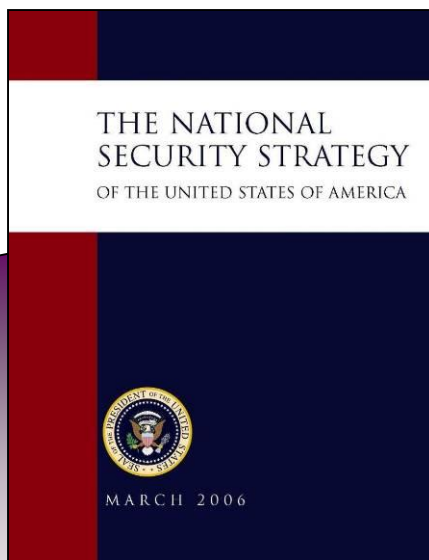
▪ “Across”

- Interagency Strategic Planning Group (ISPG) sessions
 - Rotational hosting; monthly; Top Four focused
 - As required for issue-dependent/smaller working groups
 - Inaugural one in Jan 07 (May 08 on PNSR)
 - NHSP, QHSR, NSEC, GHE, Info Sharing, NSPD on SPC
 - One focus from this point forward will be on QSR
- Senior Principals Board re-engagement and oversight

▪ “Above”

- “Return on Investment” work and other efforts with NSC
- Engagement with the Hill and collaboration with PNSR

ISPG Objective: Linked Strategies



Avoid Failures of Imagination

- ❑ **Imagination is more important than knowledge...For knowledge is limited to all we now know and understand, while imagination embraces the entire world, and all there ever will be to know and understand."**

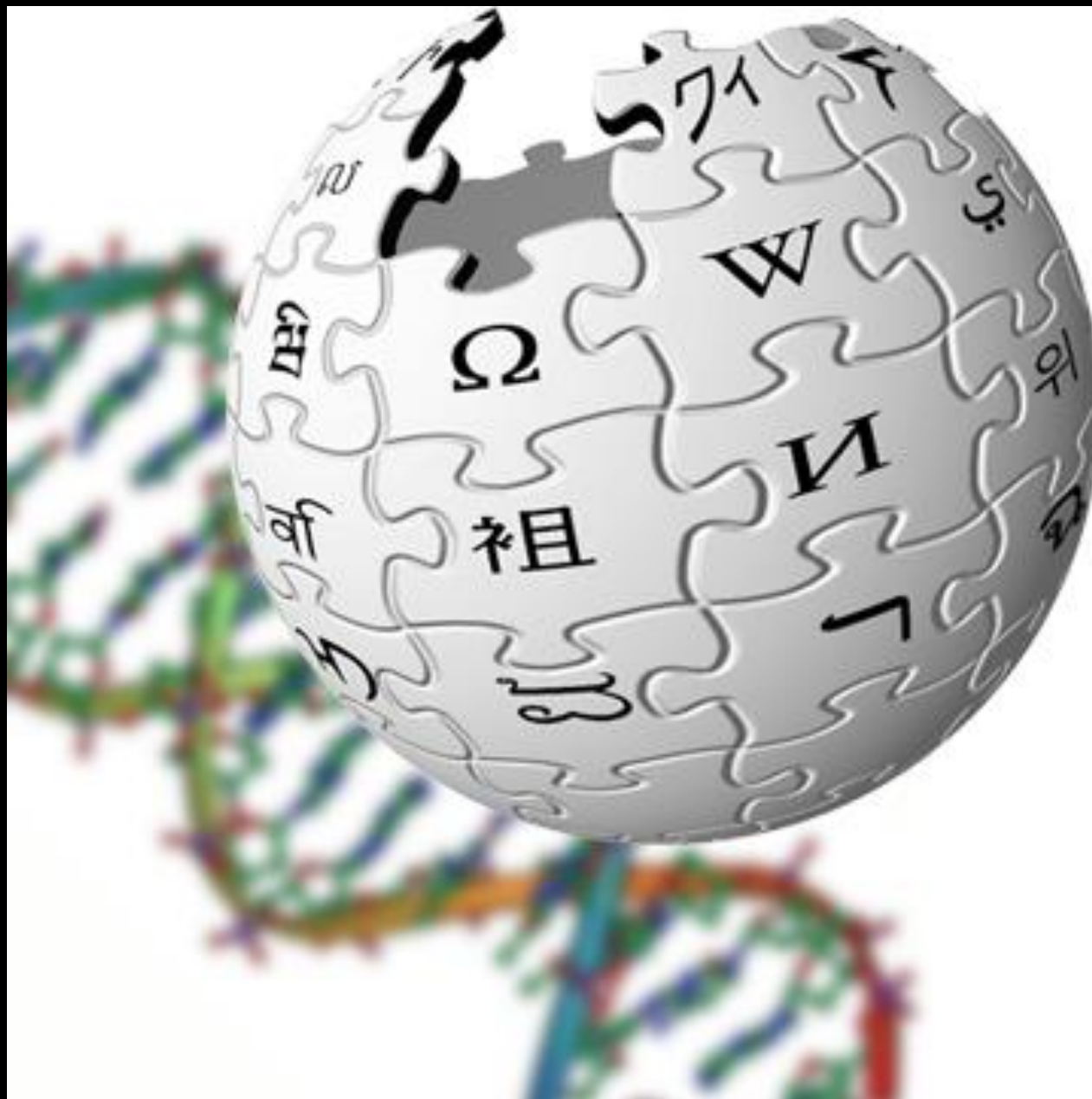
Albert Einstein

- ❑ **Think left and think right and think low and think high...Oh, the thinks you can think up if only you try!**

Theodor Geisel (Dr. Suess)

- ❑ **The empires of the future...are the empires of the mind.**

Winston Churchill





Questions

Your First Assignment: Immersion

- ❑ **Each World Team is to Produce a brief overview of the strategic landscape of their 'world'**
 - **Key Headlines**
 - **Key Strategic Challenges**
 - **Role and Place of the US**
 - **Highest priority focus area for USG**
- ❑ **Each world will have 5 minutes at the end of tonight. This will be the only insight that everyone else gets into your world until the final session.**