The Challenge for the Next President: Reversing the Decline in U.S. Power

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Abstract
The man or woman who takes office as President of the United States in January 2017 must be aware that a top priority will be the ability to demonstrate the strength and confidence to protect the nation’s vital interests at home and abroad. These vital interests are: (1) defense of the homeland, (2) prevention or successful conclusion of a major war, and (3) preservation of freedom of movement within the global commons.

Covering the gap between the current economic and security situation and where the nation needs to be at the end of the first four years of the next presidency will require a “gap strategy.” The gap strategy identifies singular and critical priorities for the next Administration—strengthening enduring alliances, rebuilding defense, and repositioning the economy in order to protect and guarantee vital interests both at home and abroad.

A top priority for the next President of the United States must be to demonstrate the strength and confidence to protect the nation’s vital interests at home and abroad. These vital interests are: (1) defense of the homeland; (2) prevention or successful conclusion of a major war with the potential to destabilize regions of critical interest to the U.S.; and (3) preservation of freedom of movement within the global commons: the sea, the air, cyberspace, and outer space domains through which the world conducts business.

There is clearly a need to do something different. The Heritage Foundation’s Index of U.S. Military Strength graded the ability of the United States to protect its vital interests as “marginal,” an assessment that reflects both deteriorating U.S. capabilities and rising concerns in key parts of the world. Further, it is clear that this Administration’s
approach to defense and foreign policy is deeply flawed.\textsuperscript{3} In practice, it has served the nation poorly.

Demonstrating American will and power requires a sound strategy. Strategy is the integrated application of ends, ways, and means to achieve national objectives. More fundamentally, strategy is the lifeline of a guiding idea to get from the current situation to a better end-state. A good strategy is practical—meeting the standards that it is suitable, feasible, and acceptable.\textsuperscript{4} At the same time, it makes hard choices—and delivers results.

The next President will need a particular kind of strategy to guide his or her first years in office. America is a global power with global interests. The goal of government should be to sustain the key attributes that make America great—keeping the nation free, prosperous, and secure.\textsuperscript{5} The challenge for the next President is to exercise power in a manner that strengthens the nation while promoting economic growth and innovation without growing public debt. Improving the instruments of American power while at the same time reforming government’s fiscal policies will require a balanced effort from the White House. The trajectory of rebuilding the U.S. military will look like a ramp, matched by economic reforms that grow the economy and shift the weight of federal spending more toward its traditional mission of providing the common defense. Covering the gap between the current economic and security situation and where the nation needs to be at the end of the first four years of the next presidency will require a “gap strategy.”

The gap strategy combines key alliance, defense, and economic foreign policy initiatives to see the next Administration through the first tough, tumultuous years of office. In order to protect its vital interests, America must strengthen its enduring alliances and other security partnerships in Europe, the Middle East, and Asia, and rebuild and reprioritize defense capability and capacity without adding to public debt.

The gap strategy ought to include three core components.

1. **Empowering Enduring Alliances**

   America needs allies. America’s greatest strength is strength in numbers: the number of free nations that share its commitment to peace, justice, security, and—above all—freedom.

   Building strong alliances requires proactive action that reinforces rather than undermines the sovereignty of the state and at the same time strengthens the bonds of trust and confidence between free peoples, enabling them to act in their common interest. The focus of this should be on building enduring alliances, not just “coalitions of the willing,” with key nations in key regions.\textsuperscript{6}

   **Deepening U.S. Relations with Its European Allies.** The top foreign policy goals in Europe should include: living up to treaty obligations in order to defend, and when necessary liberate, NATO members; helping allies to develop military capability and capacity so they can better take responsibility for their own security; encouraging allies to increase defense expenditures; and helping nations to decrease energy dependence on Russia.

   The next President must strengthen America’s Special Relationship with the United Kingdom through both diplomatic and military initiatives. The U.K. is America’s closest ally and its anchor to Europe. Issues that could be addressed together include: standing up against Russian aggression in Central and Eastern Europe, joint military and defense procurement projects, pursuing joint initiatives to combat Islamist terrorism in Europe and the

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2. Ibid.
Middle East, and discussing how the U.K. could be an even closer partner with the U.S. By strengthening its relationship with the U.K. and anchoring its influence in Europe, the United States will be able to secure interests throughout the region.

Further, America should reinvest in its relationships with allies in the Nordic-Baltic region, and in Central and Eastern Europe. These states have proven to be staunch American allies. Some of them are on NATO’s front line against Russian aggression. It is in America’s best interest to deepen its defense and security relationship with these nations. Therefore, as Russia ramps up its aggressive behavior in the region, the U.S. needs to undertake strong diplomatic and military initiatives to defend the region and thus deter Russian threats. In this regard, the U.S. should: (1) improve its security relationship with Finland and Sweden so that the U.S. will have permission to access the two countries’ airspace and territory should the U.S. need to defend the Baltics, and (2) take its NATO obligations to the Baltic states seriously in order to substantiate U.S. commitment to the transatlantic alliance.

Finally, the President must insist that NATO focuses first and foremost on deterring Russian aggression. The U.S. and NATO members should: (1) base NATO troops in Central and Eastern Europe permanently; (2) shift NATO training from counterinsurgency operations toward force-on-force and collective security operations; (3) pursue regular joint training exercises in order to assure the interoperability and readiness of NATO forces; (4) promote increased defense investment across Europe; and (5) encourage increased investments in missile defense programs, which have been underfunded and have lagged behind the ballistic missile threat for years. These initiatives would send a strong message to Russia.

The U.S. as an Asia-Pacific Power. The crucial foreign policy goal in the region is establishing an order whereby all peaceable nations of Asia that play by the rules are treated equally, with the right to chart their own course without being dictated to by any aspiring hegemon.

In light of China’s recent bullying of its neighbors, the next American President should pursue increased intergovernmental dialogue with key players in the Asia-Pacific in an effort to preempt and counter Beijing’s aggressive moves to recast the liberal order of the past 70 years in favor of its extensive and extralegal territorial claims.

U.S. efforts must start with the next American President strengthening security partnerships with traditional allies Japan and South Korea. Along with America’s forward-deployed military, they are the anchor of the U.S. as an Asia-Pacific power. In addition, the United States needs to reassert its traditional support for Taiwan with fresh, militarily consequential arms sales, particularly submarines and new fighter craft. Further, the U.S. must integrate these relationships with key states, such as India and treaty ally Australia.

9. Ibid.
11. Ibid.
In Japan, the U.S. should support Tokyo’s assumption of a larger international security role. This would include Japan’s participation in collective self-defense, and increasing defense expenditures in order to better deal with China’s influence and North Korean threats. The U.S. could expedite this process by augmenting public diplomacy in order to assuage regional concerns and persuade neighbors to support Japan’s larger security role.\(^\text{16}\)

The U.S. should support South Korea’s initiatives to exercise its sovereign right to defend country and citizens against the North Korean threat. The U.S. should deploy a comprehensive, interoperable, multilayered ballistic missile defense system, such as the Terminal High Altitude Area Defense (THAAD), in cooperation with the South Korean government. This would enhance defense against nuclear attacks and augment deterrence by reducing the potential for success of a North Korean missile strike.\(^\text{17}\) Additionally, the U.S. and South Korea should focus on transforming their existing relationship into a more comprehensive strategic alliance that looks beyond the Korean Peninsula. In this regard, the U.S. should retain the combined military command structure with South Korea instead of fixing on dates and milestones in the operational control (OPCON) transition plan.\(^\text{18}\)

The Philippines—pending the Philippine supreme court’s clearance of the U.S.–Philippine Enhanced Defense Cooperation Agreement (EDCA)—is poised to once again become an anchor of the U.S. presence in the Pacific. The next Administration must see through a full and robust implementation of the EDCA. It must also greatly increase the share of security assistance it provides to the Philippines. Less than 2 percent of U.S. foreign military financing goes to the Asia–Pacific, and although the Philippines are now the largest recipient in the Pacific, the country has much greater carrying capacity than its current allocation. America’s other treaty alliance in Southeast Asia, with Thailand, will require massive repair upon Thailand’s eventual return to democracy. The historical dilemma it has faced in its political development has not been met with the sympathy deserving of a decades-long ally.

India is one of America’s best potential partners in the Asia–Pacific. There is an increasing convergence of interests between the two nations on security cooperation, civil nuclear collaboration, clean energy, and respect for religious diversity.\(^\text{19}\) Therefore, the next U.S. Administration should seize Indian President Narendra Modi’s willingness to commit to enhanced counter-terrorism, defense, and security collaboration in order to deepen relations and safeguard mutual interests.

U.S. cooperation with Japan, India, and Australia should be coordinated through a relationship known as the “quad.” The four-way intergovernmental communication should focus on two issues—ensuring the freedom of the commons (air, seas, space, and cyberspace), and establishing a common approach to resolving territorial disputes. Freedom of the commons and the peaceful resolution of territorial claims are the grease that can best keep the friction caused by China’s expectations in check.

Finally, the quad discussions should not be the totality of America’s engagement with the region, nor the only venue for the four powers to deal with regional issues. There are many forums for dialogue and cooperation in Asia. The quad should complement, not subvert or replace, them. Remaining active and constructive participants in all these venues is part of what makes the quad valuable, as quad-developed interests can be promoted across a range of regional initiatives.\(^\text{20}\)

**Stabilizing North Africa and the Middle East.** The two chief goals of the U.S. in this region must be to reduce (or mitigate) Iran as a regional and global threat, and to eliminate terrorist control over large swaths of territory. Either could represent the core

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of a global Islamist insurgency movement which, if left unchecked, could threaten global stability.\(^21\)

For starters, the region desperately needs a core of free and stable states to serve as a foundation for restoring peace and stability and creating the prospects for greater economic freedom and more constructive civil societies. The U.S. should assist in building a firebreak against spreading lawlessness and violence by establishing strong bilateral relations with critical states, including Tunisia, Morocco, Egypt, Israel, Jordan, and Iraq, and helping them help themselves become models for regional security, governance, and growth.\(^22\)

Further, the U.S. must aggressively ensure that terrorist groups do not have territorial control of key strategic regions. At present, the most significant threat to regional stability is the Islamic State (ISIS) in Iraq.\(^23\) However, the Obama Administration’s tepid approach to counterterrorism operations in the Middle East is leading Iraq to choose between Sunni-Islamist ISIS and Shia-Islamist Iran. Either outcome would be disastrous for America, Iraq, and the Middle East as whole.\(^24\)

The next U.S. President must be prepared to inherit the burden of implementing a plan for breaking ISIS territorial control in Iraq and maintaining a stable nation after that goal is achieved.\(^25\) There may be an acceptable medium course of action between Obama’s vacillating, half-hearted initiatives and redeploying large numbers of ground troops. This might include (1) applying extensive and intensive air power, (2) embedding U.S. military advisers in Iraq’s front-line military units, and (3) deploying U.S. Special Operations forces in greater strength and embedding them with Kurdish Peshmerga and Sunni Arab tribal militias.\(^26\)

On the other hand, the next President may quickly find that these half measures are not enough.\(^27\) Conventional ground forces may be required to break an enemy’s territorial control and drive them out. Further, there has to be a serious conversation about what kind of country Iraq should be after ISIS is defeated. After being torn apart by the ISIS invasion and Iranian meddling, Iraq will need dependable strategic partners to make itself whole again. Lacking the confident, robust, intentional involvement of the U.S., one can expect recent sorry history to repeat itself. Meanwhile, the U.S. should continue to lead coalition efforts to help stabilize Afghanistan and leave a residual U.S. force in the country as long as necessary, dropping all arbitrary deadlines for a withdrawal.\(^28\)

Finally, the next President must take the first steps to constrain Iran as a regional threat. According to The Heritage Foundation’s 2015 Index of U.S. Military Strength, Iran also represents a significant security challenge for the region. Its open hostility to the U.S. and Israel, sponsorship of Hezbollah and other Islamist terrorist groups, and historic and avowed threats to the global commons foretell the additional problems it could pose if it acquires more resources and capabilities.\(^29\) The current Iran deal exacerbates these conditions. The deal enriches Iran’s coffers, expands its power and influence, strains U.S. relations with Israel and Saudi Arabia, weakens long-standing nonproliferation goals, and creates the circumstances for a multipolar nuclear Middle East.\(^30\)


\(^{26}\) Ibid.


Instead of delaying Iran’s nuclear build-up, the U.S. should focus on preventing Iran from ever becoming a nuclear weapons state. The U.S. should maintain its own as well as United Nations sanctions; keep the military option on the table as a credible deterrent; and pursue closer security cooperation with Israel, Turkey, and allied Arab states to force Tehran to accept much tighter restrictions on its nuclear plans. These initiatives would make a conventional or nuclear arms race in the region far less likely.

2. Rebuilding Defense

Diplomacy and economic power, even if skillfully deployed, are often most effective when supported by military force. They are not a substitute for military power, and in some instances are wholly ineffective or irrelevant without military power. Credible military power has a synergistic effect that makes the other elements of national power more influential and effective.

Today, there is Russian adventurism in Eastern Europe, Chinese expansion in the South China Sea, and radical Islamist terrorist organizations inciting violence across swaths of Asia, the Middle East, and North Africa. However, the U.S. is unprepared and ill-equipped to handle this reality. The military is being reduced to a size at which it will be able to fight one war at best. America’s technological edge is being challenged by prospective adversaries abroad and by a broken acquisition system at home. The U.S. defense industrial base, while still capable of producing world-class weapons systems, lacks the robustness to support a rapid and sustained defense build-up.

If this nation is to protect its vital interests, deter conflicts with would-be regional hegemons, reassure allies, and respond to crises of all sorts, it needs a robust military of sufficient size, sophistication, resources, and readiness to deal not only with the known threats, but also with inevitable surprises. In order to meet these demands, the next President will have to increase military readiness across the board.

First, the next President should reprioritize defense spending while maintaining the aggregate spending levels for discretionary programs under the Budget Control Act levels. Increased defense funding should be channeled in such a way as to: (1) restore cuts to capacity, particularly U.S. ground forces; (2) accelerate readiness for all the services; (3) shift initiatives from the Overseas Contingency Operations account to the baseline defense budget; (4) increase funding for updating nuclear weapons and missile defense systems; and (5) provide stability for modernization programs. Ultimately, fixing readiness and maintaining modernization programs critical to the preservation of America’s technological advantage is of tremendous importance and is necessary to sustain America’s ability to fight and win wars.

Second, the next President should pursue reforms to make the Pentagon and the Department of Defense more efficient managers of U.S. defense. Within this context, the next President should: (1) cut excessive Defense Department bureaucracy, (2) mandate widespread employment of performance-based logistics, (3) establish the right global military footprint, and (4) craft a 21st-century acquisition system. These initiatives would make the Pentagon and the Defense Department sustainable, cost-effective, and streamlined.

Together, these initiatives will enable the U.S. to rebuild its defense capabilities and reassert American power in a fiscally responsible manner.

31. Ibid.
34. Ibid.
36. Ibid., p. 7.
37. Ibid., p. 8.

It is vital that the next President take a broad view of the tools available to advance America’s interests. The powerful role that freedom and free markets play in advancing economic freedom and opportunity at home and abroad must not be forgotten, with particular care given to America’s allies.

Though the interplay between democracy and free markets is hard to characterize, it is undeniable that greater economic freedom “can provide more fertile ground for effective and democratic governance.”\(^{39}\) In fact, evidence shows that economically free countries are “more politically free and have higher levels of civil liberties than those countries with less economic freedom.”\(^{40}\)

These freedoms—which the military exists to protect—are also some of America’s greatest tools to build the alliances and nurture the objectives the U.S. military needs to protect that freedom. America should strengthen enduring alliances and build on nascent ones by increasing economic opportunities and collaboration—by removing barriers to free trade and promoting an economic freedom agenda abroad. In some cases this may mean taking the first step, perhaps unilaterally, to eliminate economic barriers.

The next President should undertake the following steps to foster a stronger and more self-confident American economy and promote an economic agenda abroad:

- **Create a bold, consistent narrative about the benefits of free trade and market liberalization.** This narrative should highlight positive consequences of economic freedom, including its positive impact on individual states, the value of imports to the national economy, the realities of the global value chains and their value to the U.S., and the salutary effects of economic growth on the environment.

- **Adopt an aggressive, free-market energy export agenda.** This single initiative would boost the economy and reinforce U.S. foreign policy goals. From natural gas to oil, coal, nuclear energy, and associated energy technologies, the United States has the capacity to fundamentally liberalize global energy markets and in doing so dilute abuse of energy markets for political ends by countries like Russia.\(^{41}\)

- **Repeal the Jones Act, a protectionist measure that has decreased U.S. competitiveness in shipbuilding, trade, and maritime services for 85 years.** Repealing this act would greatly enhance the U.S. position as a global energy-market leader. It would also boost U.S. competitiveness across the maritime domain, particularly in regards to transporting energy resources.\(^{42}\)

- **Endorse economic freedom in the Arctic.** The next President should promote responsible economic development in an environmentally sensitive, and increasingly important, theater of economic activity.

- **Rethink the Trans-Atlantic Trade and Investment Partnership (TTIP).** The European Union has indicated that it is more interested in “harmonizing” regulatory practices than in promoting free trade and liberalizing markets. Therefore, the U.S. should proceed through negotiations cautiously.

By promoting economic freedom at home and abroad, the next President would set the proper tone and character of a new foreign policy and deliver strategically meaningful results. These initiatives would unshackle the U.S. economy at home and promote economic freedom around the world—both of which would allow the U.S. to pursue its vital interests.\(^{43}\)


Conclusion

The gap strategy identifies singular and critical priorities for the next Administration—strengthening enduring alliances, rebuilding defense, and repositioning the economy in order to protect and guarantee vital interests both at home and abroad. The strategy sets a demanding but doable to-do list. More important, it establishes a foundation from which the future President can act with greater freedom and more confidence in meeting the challenge of keeping the nation free, safe, and prosperous in the 21st century.

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