

The Influence of Sea Power in the 21st Century

**CDR John Pruitt
August 2000**

Working Paper 00-4

The Influence of Sea Power in the 21st Century

“When man ceased to look upon streams, rivers, and seas as barriers and learned to use them as highways, he made a giant stride toward civilization. The waterways of the world provided a new mobility – to man himself, later to the products of his toil and skill, and at all times to his ideas.”

E. B. Potter
Sea Power: A Naval History

Maritime forces have historically offered a highly flexible, adaptable and capable military option for national leaders without an unacceptable cultural or political price. Will this hold true in the 21st century? In this paper I will attempt to answer that very question.

Captain Alfred Thayer Mahan, twice the President of the Naval War College in the late 19th century and foremost proponent of *the influence of sea power*, might not recognize the size, scope of responsibility or technology associated with today’s American military machine, but he would appreciate the contemporary discussion over force structure and employment. In fact, many of Mahan’s writings were intended to invigorate purposeful strategic thought within the Naval Service as the United States groped for its “place and mission” in the world during an era of unprecedented national economic growth driven by maturing industrialization and technological innovation.¹ The debate within the American national security establishment over the proper structuring and use of military force has continued at various levels of intensity since his time.

The end of World War II propelled the national security debate to a new level. The U.S., which quickly became the acknowledged leader of the free world, was now not only responsible for its own defense, but for the protection of the Western world against a global communist challenge led by its onetime ally the Soviet Union. Today, over fifty years later and fully ten years after the end of the intervening Cold War, the debate continues to swirl within the government, academia and the services themselves over how much security is enough and whether it is affordable. As the

¹ John B. Hottendorf, “Alfred Thayer Mahan and American Naval Theory” in Keith Neilson and Elizabeth Jane Errington, editors, *Navies and Global Defense* (Westport, Conn.: Praeger Publishers, 1995), pg. 51. Mahan was

U.S. attempts to balance international responsibility against fiscal reality in a world without a peer competitor the discussion centers on developing a coherent view of the future and the American role within that future. Reduced to a series of questions today's debate looks something like this: What are the characteristics of the future security environment? Is American political leadership and military superiority a principle component of this environment? What are the proper uses of American power to further our national interests in such a world? How should our military forces be structured and employed to leverage today's preponderance while preparing for the future?²

I argue below that both the immediate and long-term future are best characterized by the political economic phenomenon known as *globalization* within which escalating economic interdependence fosters increasing global prosperity. Energized by the catalytic "information revolution," the rate of global change has reached unparalleled levels and appears to have no end in sight as an increasingly integrated worldwide free market combines with, what journalist and author Thomas Friedman has termed, the "revolutions in technology and information" to make globalization "the dominant organizing framework for international affairs."³ Of course, like the international structure that preceded it, globalization is not without risk. In the old Cold War system the international risk was principally managed by the enlightened leadership of the U.S., whose military dominance, economic power and proactive international leadership underwrote worldwide stability without insistence on lock-step compliance from its allies. Globalization changes the context within which international risk must be managed though not the necessity for stability as its foundation. I believe that the Trilateral Group (G3), formed by American led North America along with Western Europe and Japan, offers the most likely vehicle for global management in the future. Governance of the world economy, the provision of stability within the "globalization system" and the role the U.S. plays in each will be considered below.

President of the War College from 1886-1889 and again from 1892-1893. In the interim period he commanded the cruiser USS Chicago.

² Over the years a tremendous amount of scholarship has accumulated on this subject. Some of the current offerings include: Samuel P. Huntington, "The Lonely Superpower," *Foreign Affairs*, Vol. 78, No. 5, Mar/Apr 1999, pgs. 35-49; Garry Wills, "Bully of the Free World," *Foreign Affairs*, Mar/Apr 1999, Vol. 78, No. 5, pgs. 50-59; Robert J. Art, "Geopolitics Updated: The Strategy of Selective Engagement" *International Security*, Vol. 23, No. 3, Winter 1998/99, pgs 79-113; Richard Haass, "What to Do With American Primacy," *Foreign Affairs*, Vol. 78, No. 5, Vol. 78, No. 5, Sep/Oct 1999, pgs. 37-49; and Ashton B. Carter, "Adapting U.S. Defence to Future Needs," *Survival*, 41-4, Winter 1999-2000, pgs. 101-123.

³ Thomas L. Friedman, *The Lexus and the Olive Tree* (New York: Farrar, Straus and Giroux, 1999), pgs. 6 and 41-58.

The reality and extent of globalization are hotly debated. In particular, its perceived impact on the power of the traditional nation-state is subject to both misunderstanding and mischaracterization. Considered by the “strong globalization” lobby to be gradually withering away under the assault of supranational organizations and transnational commercial enterprises, the continuing prospects for the viability of the nation-state are critical to any view of the future and are considered in-depth below. In addition, concerns about social fragmentation and the consequences of unfettered international capital movement that hurt the smaller national economies and individual investors are not without some basis. However, most would agree that the prospect of increased economic openness and technological advance, both products of globalization, offer palpable opportunities for mining the economic benefits of greater integration and comparative advantage on an ever increasing scale. Such a world would, in theory, foster a continual rise in the global standard of living and conceivably lessen the chance of conflict – a prosperous world would be a peaceful world. I contend that shaping such a future is a vital U.S. national interest.

History tells us that the maintenance of any status quo is always risky and fraught with pitfalls. Even though, from the U.S. viewpoint, American hegemony has been open-minded and often exceedingly beneficial for its security and business partners, the structure of foreign relations between sovereign nation-states tends to dictate choices that would level the playing field. In the past, this international behavior has often taken the form of “balancing” or “bandwagoning” as states pursue security and economic strategies designed to enhance their survival and influence in an anarchic world.⁴ There is no reason to believe that the globalization system would change this basic behavior. Within the dynamics of this environment the U.S. will be unable to “rest on past laurels” without forfeiting its global leadership role. One key aspect of the future would entail the continued pursuit of the U.S. policies of proactive international engagement and global military superiority to reinforce the positives of globalization. The military aspect of this relationship is critical, for U.S. military superiority, with its high-tech edge and global reach, fosters an atmosphere that encourages continued integration while giving pause to any actor who would look to radically change the existing international status quo.

During the Cold War the U.S. dedicated a tremendous amount of its national treasure to providing the global stability necessary for world order. Over those years a roughly equal three-way

⁴ For a full theoretical treatment on “alliance behavior” see: Stephen M. Walt, “Alliance Formation and the Balance of Power,” *International Security*, Vol. 9, No. 4, Spring 1985, pgs. 3-43.

split of the defense budget between the Army, Air Force and Navy/Marine Corps evolved.⁵ Initially used to contain the communist threat through the maintenance of a continental commitment on the Eurasian landmass, this apportioning eventually became convenient politically and ultimately drove procurement for the individual services and thereby plans for employment. When a total war against a massive and, in theory, well-equipped Soviet military machine kept U. S. defense budgets high such apportioning was understandable. Any mistakes in procurement were simply overcome by the sheer size of the total budget. Since the end of the Cold War the concept of U.S. involvement in two near-simultaneous major theater wars (MTW) has been used to justify force structure procurement and the strategic fallout it dictated. This direction has become both hard to defend and strategically stifling in today's less certain security environment, particularly as the size of the budget has dropped in both real and relative terms.⁶ While some believe that the U.S. should and could spend an increased amount, a more reasoned and economical approach seems prudent.⁷ Certainly, an reevaluation of a military strategy tailored to succeed in the new post-Cold War security environment and the division of the budget required to support it seems a logical first step.

Without question the U.S. requires a superior and well equipped Army and Air Force to retain its status as the globes preponderant military power. However, in my view, the scope and economics of continued American military superiority and influence in tomorrow's world dictate that it be built around a cornerstone of flexible and combat-credible maritime-based forces employed in their traditional forward-presence role. Such a structuring acknowledges the proven benefits of "(f)orward-deployed naval forces (which) have long served as a useful expression of U.S. policy (and) have been chosen time and again to...give voice to its interests, wishes, and intentions

⁵ The FY00 Defense Budget (Total Obligation Authority (TOA) in billions of constant FY01 dollars) is \$287.8 and allocates \$71.5 to Army (24.8%), \$83.5 to Air Force (29.0%) and \$89.7 to the Navy/Marine Corps (31.2%). The remainder, \$43.1 (15.0%), goes to the defense agencies. Source: Tamar A. Mehuron, "The Defense Budget at a Glance," *Air Force Magazine*, April 2000, pgs. 9-10

⁶ Defense outlays as a share of GDP have been dropping since the early 1950s, though upward spikes for the Vietnam War and the Reagan defense buildup counter the overall trend. For example: over 14% of GDP was devoted to defense in 1953 compared with 6.2 % in 1986 at the height of the Reagan buildup and less than 3% in FY00. The last peak in TOA for all three services was in FY85 at the height of the Reagan buildup. Sources: Ibid. and Cindy Williams, Leader, Security Studies Program Defense Policy and Budget Project, Massachusetts Institute of Technology.

⁷ For an argument from the "spend more" school see: William Kristol and Robert Kagan, "Toward a Neo-Reaganite Foreign Policy," *Foreign Affairs*, Vol. 75, No. 4, Jul/Aug 1996, pgs. 18-32.

in a wide range of solutions.”⁸ It also recognizes a fundamental change in the global security environment from the Cold War model and force structure needs to the uncertainty of the future and the requirement for increased flexibility and mobility. In addition, an increased reliance on maritime-based forces minimizes the risks and the costs associated with the stationing of armed forces on foreign soil.

Admittedly, the connection between economics and military power is not a new one. Like historian Paul Kennedy, I believe there is an interaction between economics and strategy as nation-states compete within the international system for relative gains in wealth and power. However, the focus of my argument is narrower and somewhat more optimistic than many of Kennedy’s later works.⁹ It is narrower because my concentration is on U.S. military strategy and the force structuring choices that it should drive, specifically in light of the continuing expansion of the globalization phenomena, and not on a broad analysis of the relative overall economic competitiveness of the U.S. or other nation-states. It is more optimistic because, while I know intuitively that all “great powers” eventually “fall,” I do not believe that the U.S., as yet, stands on the edge of that precipice. Because U.S. power continues to be a major factor in underwriting the global stability that allows an increasingly open and multilateral economic structure, greatly benefiting a number of nation-states and other extra-national actors, there is little impetus for wholesale change. Furthermore, I believe that by carefully reading history and acting upon its “lessons” the future prospects for the U.S. and a globalized world are bright.

One of the “mysteries” of the post-Cold War world is the resilience of U.S. power and global leadership.¹⁰ The key to continued world leadership by the United States rests on the realization of an enduring strong connection between the global political economic and security environments and requires the tailoring of our national security policy to match this reality. A reality that, I contend, calls for an emphasis on the development and use of maritime-based military forces that are: flexible and mobile, combat credible and affordable, culturally sensitive and sustainable.

⁸ “Naval Forward Presence: Present Status, Future Prospects,” Report from the Center for Strategic and International Studies (CSIS) Conference on Naval Forward Presence, May 5-6, 1997, (Washington: CSIS, 1997), pg. 2.

⁹ In particular Paul Kennedy, *Preparing for the Twenty-First Century* (New York: Random House, 1993) and *The Rise and Fall of Great Powers* (New York: Random House, 1987).

¹⁰ For a more in-depth view on this “mystery” see: G. John Ikenbury, “Institutions, Strategic Restraint, and the Persistence of American Postwar Order,” *International Security*, Vol. 23, No. 3, Winter 1998/99, pgs. 43-78.

In investigating the future role of sea power I attempt to connect the lessons of yesterday with the challenges of tomorrow. I begin with a review of the evolution of U.S. naval strategy, in particular the use of maritime forces, since the writings of Mahan. I then frame the future by examining the characteristics of the much debated globalization phenomenon and its relevance to the nation-state and national security. My prescriptive argument begins with an analysis of an earlier period that was in many ways analogous to the current global context -- the experience of Great Britain in the era of “Pax Britannica” (1815-1914),¹¹ a period Thomas Friedman has already dubbed “the first era of globalization.”¹² The parallels between the British experience of the 19th century and the American future in the 21st century have appealed to many scholars. Joseph Nye has stated that the U.S. needs to “ give top priority...to those aspects of the international system that, if not attended to properly, would have profound effects on the basic international order and therefore on the lives and welfare of Americans” and goes on to offer the case of the three public goods that Britain provided for the world during the 19th century:

...maintaining the balance of power among major states, promoting an open international economic system and maintaining open international commons such as the freedom of the seas. All three [of which] translate relatively well to the current American case.¹³

I agree with the validity of looking at the British historical experience and its applicability to security structuring and decisions in the years ahead. The U.S. today stands near the beginning of a potentially long period of major power global peace just as Britain did after the defeat of Napoleon. Therefore, a closer examination of that era is worth the undertaking.

¹¹ Many dates are used to define the period of “Pax Britannica.” For instance Paul Kennedy describes it as “...the sixty or so years following the final defeat of Napoleon.” (Paul M. Kennedy, *The Rise and Fall of British Naval Mastery* (Amherst, NY: Humanity Books, 1998) [original copyright 1976], pg. 149). James Morris identifies its “moment of climax as 1897, the Diamond Jubilee of Queen Victoria” but provides no certain date for beginning or end. (James Morris, *Pax Britannica*, (London: Faber and Faber, 1968), pg. 9). I have chosen to use dates associated with Karl Polanyi’s “hundred years peace” (1815-1914). Polanyi notes: “The nineteenth century produced a phenomenon unheard of in the annals of Western civilization, namely, a hundred years peace – 1815-1914. Apart from the Crimean War – a more or less colonial event – England, France, Prussia, Austria, Italy, and Russia were engaged in war among each other for altogether only eighteen months. A computation of comparable figures for the two preceding centuries gives an average of sixty to seventy years of major wars in each.” (Karl Polanyi, *The Great Transformation*, Boston: Beacon Press, 1944), pg. 5.)

¹² Friedman, *The Lexus and the Olive Tree*, pg. xiv.

¹³ Joseph S. Nye, Jr., “Redefining the National Interest,” *Foreign Affairs*, Vol. 78, No. 4, Jul/Aug 1999, pgs. 28-29.

In examining this century of relative international stability and economic expansion, underpinned by the active role played by a predominant economic and sea power, along with the reasons for its demise, I find evidence for a preference of maritime-based vice land-based military power in force structuring. The British experience demonstrates the flexibility and potency provided by maritime superiority through: 1) the ability to protect global economic interests, 2) strategic flexibility and mobility and 3) political influence or, if needed, coercion capability of combat credible maritime-based forces. Conversely, examination of the pressures put on Britain through maintenance of its far-flung empire include: 1) preference for a policy of “splendid isolation,” 2) the challenges of overstretch, 3) increased risk of cultural conflict and 4) forces tailored for occupation vice combat. The final section of my paper merges the challenges of the future security environment in a globalized world with the Pax Britannica experience and postulates the efficacy and relevance of a maritime-centric strategy for the United States in the 21st century.

From Mahan to Today

Alfred Thayer Mahan is widely recognized as the father of the modern theory of sea power. His preeminence in analyzing the use of navies and maritime strength have been widely discussed and studied since his publication of *The Influence of Sea Power on History* over one hundred years ago. Though hesitant to define sea power himself, Mahan’s use of historical example made a strong case for the prominence accorded navies and maritime-based industry in the 19th century. From his works one could gain the...

impression that large battlefleets, and a concentration of force, decided control of the oceans...that the blockade was a very effective weapon which would sooner or later bring an enemy to his knees; that the possession of select bases on islands or continental peripheries was more valuable than control of large land masses; that overseas colonies were vital for a nation’s prosperity and that the colonial trade was the most treasured commerce of all; that ‘travel and traffic by water have always been easier and cheaper than by land’; that an island nation, resting secure upon its naval might, could with impunity ignore the struggles of land powers and adopt if necessary an isolationist policy; and that the rise of a country to world greatness without sea power was almost unthinkable.¹⁴

¹⁴ Kennedy, *The Rise and Fall of British Naval Mastery*, pg. 182.

Mahan's contribution to the connection between maritime strength and the synthesis of economic and military power is immeasurable. From his perspective a nation could not achieve "influence" on a global scale without developing a powerful navy, which, through the strategic mobility and flexibility provided by sea power, could leverage the international environment in furtherance of its best interests. Mahan's work was highly publicized and widely read in its time on both sides of the Atlantic.¹⁵ In particular, late 19th century British navalists and Kaiser Wilhelm II of Germany were most interested in the "lessons of history" provided by Mahan.¹⁶

The events of the 20th century tended to diminish the validity of Mahan and his theories concerning the overriding significance of sea power. The experience of two world wars, followed by the Cold War standoff, marked the last hundred years as largely one spent in preventing single-power hegemony over the Eurasian landmass. This "territorial" context overshadowed the prospect for a predominantly maritime-based military strategy, sometimes even often wrongly interpreting the easy interchangeability of maritime and land-based strategies.¹⁷ A series of views I hope to correct.

Specifically World War I, with its trench-based continental stalemate, despite large and capable naval forces possessed by the opposing sides, seemed to mark the sunset of Mahanian paramountcy. In such an environment the Mahan thesis was subordinated to strategies that articulated the primacy of land-based power, territorial expansion or, conversely, the containment of such expansion. The theoretical challenge to Mahan was initially based on the work of the English geographer Sir Halford Mackinder who, as early as 1904, advanced the notion that the Columbian era of discovery and expansion was over. In its place he introduced the concept of a great land-based "strategical pivot" centered on the "World Island" of Eurasia and Africa in the heart of the

¹⁵ For a succinct review of Mahanian thought see John B. Hottendorf, "Alfred Thayer Mahan and American Naval Theory" in Neilson and Errington, editors, *Navies and Global Defense*. Hottendorf makes the argument that Mahan, while widely read in the U.S., was not necessarily that influential to the American naval strategy of his time. However, Kenneth J. Hagan notes in "The Apotheosis of Mahan" in the same collection that "*The Influence of Sea Power Upon History* was the right book at the right time for the U.S. Navy," pg. 94.

¹⁶ See Robert K. Massie, *Dreadnought: Britain, Germany and the Coming of the Great War* (New York: Ballantine Books, 1991), pgs. xxi-xxiv, 164, 231 and 256. Also Paul M. Kennedy, "Tirpitz, England and the Second Navy Law of 1900: A Strategical Critique," *Militareshichtliche*, 1970, pgs 33-57. Of note, Mahan was not universally praised in Britain. Naval theorist Sir Julian Corbett found his work "unhistorical," while prominent naval instructor John Laughton termed it "premature." See: Andrew Lambert, "The Royal Navy, 1856-1914: Deterrence and the Strategy of World Power," in Neilson and Errington, editors, *Navies and Global Defense* (Westport, Conn.: Praeger Publishers, 1995), pg. 82.

¹⁷ See Donald M. Schurman, "Imperial Naval Defense: Then and Now," in Neilson and Errington, eds., *Navies and Global Defense*, pgs. 9-21.

Russian Empire.¹⁸ Could sea power be crucial if an area so far removed from the sea was vital to the global future?

Technologic innovation in the form of the aircraft and submarine also challenged the continued viability of the traditional surface-based navy. The employment of unrestricted submarine warfare by the Germans in World War I almost brought Britain to the brink of starvation in 1916. Only the entry of the United States into the war and the reinstatement of the old convoying system repackaged to combat the U-boat threat saved the day.¹⁹ Adding further impetus to these changes was the Washington Naval Treaty of 1922 that limited construction of the traditional battleship-dominated surface fleets among the major powers and, for the first time, put the U.S. at naval parity with Great Britain, historically the world's foremost maritime power. Furthermore, in 1923 Billy Mitchell demonstrated that aircraft armed with bombs could (in a sterile environment) attack and sink ships on the ocean's surface, prompting the Army Air Corps general to declare all navies obsolete.²⁰ These events plunged the navies of the world into the development of tactics and weaponeering innovations to both defend against these threats while simultaneously taking advantage of their offensive potential. Most notably in the U.S., Britain and Japan, the construction and tactical refinement of aircraft carriers -- ships specializing in sea-based air power -- was pushed forward with increasing speed, particularly after the Japanese abrogation of the Washington Naval Treaty in December 1936.²¹

The demise of the Washington Treaty arrangement mandated that inadequacies in U.S. naval force structure be addressed expeditiously. The Naval Act of 1938, spearheaded by Congressman Carl Vinson of Georgia, allotted \$1.1 billion over a ten-year period to increase U.S. fleet tonnage by 20 percent, including construction of two aircraft carriers, 3,000 aircraft and nine submarines, all of which were to prove essential in World War II.²² By the end of that conflict the aircraft carrier/submarine combination, augmented by the potent amphibious capability of the Marine Corps, had proven critical to American success in the Navy-dominated Pacific Theater,

¹⁸ H. J. Mackinder, "The Geographical Pivot of History," *Geographical Journal*, xxiii, No. 4, April 1904. Quoted in Kennedy, *The Rise and Fall of British Naval Mastery*, pg. 183.

¹⁹ James L. Stokesbury, *Navy and Empire* (New York: William Morrow and Co., Inc., 1983), pgs. 324-327.

²⁰ E. B. Potter, editor, *Sea Power: A Naval History*, 2nd edition (Annapolis: Naval Institute Press, 1981), pg. 237.

²¹ The Japanese deliberately wrecked the follow-on London disarmament talks in 1936 so that "...she would be limited in her armaments only by her resources, not by treaties with other powers." See: H.P. Wilmott, *Empires in the Balance* (Annapolis: Naval Institute Press, 1982), pg. 51-52 and Nathan Miller, "The American Navy, 1922-1945," in Neilson and Errington, editors, *Navies and Global Defense*, pg.149.

²² *Ibid.*, pg. 150.

where a successful holding strategy was followed by the rollback of the Japanese forces across thousands of miles of ocean. The offensive striking power of this tandem truly revolutionized sea power, often with telling effect, enabling the reach of maritime-based forces into the heart of the enemy's home waters and far beyond any defense along the shoreline.²³

Following World War II the U.S. Navy continued to espouse the importance of sea control as an integral part of sea power and as its unique contribution to the Cold War. In any conflict with the Soviet Union it was the Navy that would provide "the secure bridge" to Western Europe. In addition, the fielding of a sea-based nuclear deterrent in the form of Polaris missile-carrying submarines in the late 1950s assured a "navy stake" in an area of military operations that was central to the superpower standoff. The Cold War also saw the expansion of the Navy's forward-presence mission. Originally tied to the nuclear deterrence role of the aircraft embarked in forward-deployed aircraft carriers, U.S. naval forces eventually came to represent a visible commitment of the United States to contain the Soviet Union in Europe and the Far East. This obligation to the underwriting of global stability through the use of forward-deployed military force was to have far-reaching implications. However, a national grand strategy with the maritime-centric emphasis of Mahan's rhetoric was discarded as out of touch with strategic reality.²⁴

As the Cold War continued the U.S. Navy's conventional capabilities came under increasing attack as both too expensive and too vulnerable. During the 1970s the Soviet Navy outnumbered and, in the view of some, outgunned its U.S. counterpart. This perception led to a "roles and missions" crisis for the U.S. Navy, principally manifested through an inter-service rivalry with the U.S. Air Force with whom the sea service had shared lukewarm relations since its founding in 1947. Primarily focused on the aircraft carrier force, the assault was led by Secretary of Defense (and former Secretary of the Air Force) Harold Brown who in 1978 challenged the Navy "to justify its continued existence in its present form," requiring the service's leadership to "demonstrate precisely

²³ For a more in-depth view of this sensory and weapons revolution see: Capt. Wayne P. Hughes, USN (Ret.) *Fleet Tactics: Theory and Practice* (Annapolis, Md.: Naval Institute Press, 1986), Chap. 4– World War II: A Weaponry Revolution and Chap. 5 – World War II: The Sensory Revolution.

²⁴ In spite of this fact U.S. Naval Officers have been continually educated on the importance of Mahan. *Sea Power: A Naval History* (cited earlier), the principle text used in the study of naval history at the Naval Academy, includes the following statement in its preface: "A major influence on the Sea Power project has been the writings of Alfred Thayer Mahan. The authors have in general adopted Mahan's analysis of naval history from the beginnings of the age of sail to the early twentieth century, and where applicable they have also applied his concepts to more recent events."

what role the Navy can effectively play in wars of the future....”²⁵ Thus as the 1980s opened the U.S. Navy and the concept of sea power waited for a strategy that could again connect capabilities at sea with the prospect of “influence” ashore.

In 1981 John F. Lehman, Jr., the new Secretary of the Navy, was to bemoan the Navy staff's inability to articulate for him the service's “overall naval strategy” because it “did not exist!”²⁶ Secretary Lehman looked to correct the oversight. Controversial and outspoken, he staunchly advocated a return to a policy of naval superiority for the U.S. and the abiding connection of maritime and national security strategies. His forays into the world of strategic thought and, in particular, his plan to build a 600-ship navy, emanated from a service secretariat traditionally more involved with administration and management and often received mixed reviews. But, his insistence on focusing the Navy on an overarching strategy that “would restore confidence and a sense of mission” to the Navy and Marine Corps team marked a watershed event for the Naval Service.²⁷

Lehman's 600-ship navy was controversial politically, fiscally and strategically in its time. However, in practical terms it was barely reached before it became the target of downsizing in the wake of the Cold War's end. The true legacy of Lehman's maritime strategy was his insistence on a carefully thought out and articulated mission for the sea services, a trend that continues today. The current version of the maritime strategy has moved beyond the requirements of the past superpower standoff to address the continuing contributions of the sea services in missions short of total war. Through their traditional forward-presence roles the Navy and Marine Corps now advertise their conventional security contributions through the mechanism of naval engagement, providing conflict prevention and crisis control backed by robust warfighting skills.²⁸ Such a strategy emphasizes the influence and deterrence provided by maritime forces in the littoral areas of the world and, if necessary, the ability of these forces to project power far beyond the shoreline. This maritime-based power has been greatly assisted by technological developments in the form of cruise missiles, precision-guided munitions and digitized command and control systems that now allow naval forces to often be the platform of choice for the unified combatant commander in any geographical theater. But, is this new influence capability of sea power a critical policy tool needed

²⁵ Orr Kelly, “U.S. Navy in Distress,” *U.S. News and World Report*, March 6, 1978, pgs. 24-28.

²⁶ John F. Lehman, Jr., *Command of the Seas* (New York: Charles Scribners Sons, 1988), pgs. 128-129.

²⁷ *Ibid.*, pg. 121.

²⁸ See the Navy-Marine Corps Papers “...From the Sea” (1992) and “Forward...From the Sea” (1994).

in the future security environment? To answer this question we must develop a picture of the future and the part that maritime power might play. It is to a consideration of such a future that we now turn.

Defining the 21st Century: Globalization

In his final State of the Union address President Clinton declared that “we must reach beyond our own borders, to shape the revolution that is tearing down barriers and building new networks among nations and individuals, economies and cultures: *globalization*. It is the central reality of our time.”²⁹ Such a ringing endorsement invites further investigation into the extent and impact of this phenomenon. Only by truly understanding what globalization is and is not can we hope to successfully frame the future and adequately plan for the security environment and any potential maritime component that it may entail.

The concept of globalization is often mistaken as a synonym for the “information revolution.” Today anyone with access to a personal computer can log into “[www.fill](#) in the blank” and order almost any product for home delivery: clothes, food, books, a new or used car, groceries, entertainment, greeting cards...the list is almost endless. In addition, the ready availability and capability to exchange information with computer databases and other individuals over the Internet has expedited the production of “knowledge” (which assumes you know how to use the information available) and revolutionized our world.³⁰ However, such a limited conceptualization fails to capture the true essence of the character of globalization. In fact, economists Pascal Petit and Luc Soete call the ability to quickly transfer information in today’s world the “third dimension” of globalization.³¹ The first two dimensions, foreign trade and foreign direct investment, reflect the original fuel of the globalization engine and still correctly frame its basic economic nature. We will return to the information revolution and the more fully describe the part it plays in globalization later. Before we do, however, we need to develop a more fundamental understanding of what

²⁹ My emphasis. Text of speech drawn from ABC News, Internet, reference homepage: www.abcnews.com.

³⁰ For example, in 1994 25% of U.S. and Japanese scientific papers were internationally co-authored...in Europe the portion was closer to 50%. See: Pascal Petit and Luc Soete, “Globalization in Search of a Future” in “*Globalization*,” *International Social Science Journal*, June 1999, pgs. 165-180.

³¹ *Ibid.*, pg. 171.

globalization really means, analyze its perceived threat to the traditional nation-state dominated international structure and determine if its impact be governed.

-- *Globalization, the Nation-State and Trilateral Group (G3) Influence* --

The President's national security strategy defines globalization as " the process of accelerating economic, technological, cultural and political integration...that is bringing citizens from all continents closer together, allowing them to share ideas, goods and information in an instant."³² This, like many of the descriptions of globalization, clouds the true character of the concept behind rhetoric meant to allay fears vice inform citizenry. At its most basic core today's globalization system is a political economic phenomenon that combines the internationalization of commerce, the inter-actions of nation-states moving toward the benefits of greater integration and the supranational organizations empowered to achieve that end. When this system works to the mutually satisfactory benefit of its participants, economic activity and integration are generally treated on par, often even above, security considerations. Should it be perceived to be unsatisfactory, narrower domestic political and security considerations will inevitably take priority for the disaffected actors. This continuum of interplay between economics and defense is not a profound departure from the pre-globalization era. Understanding this often overlooked truth is critical to understanding globalization's reality and potential.

Along the road to understanding globalization we must develop a clear appreciation of the true level of integration in the global economy and the relationship of nation-states to increasingly integrated global commercial activity. Paul Hirst and Grahame Thompson, economists and well-known analysts of globalization, develop two models of the global economy that will assist us to a more informed understanding of its influence and extent. These models both fit under the general rubric of globalization, but can be contrasted due to the level of global interdependence and national autonomy they respectively portray. Though not necessarily mutually exclusive they address the potential loss of national sovereignty that globalization in its most radical manifestation would entail. In what they term a "Type 1 or inter-national economy" the principal entities are still national economies whose...

³² The White House, Office of the Press Secretary, *A National Security Strategy for a New Century*, December 1999. Text taken from the Internet, reference homepage <http://www.pub.whitehouse.gov>.

trade and investment produce growing interconnection between...still national economies. Such a process involves the increasing integration of more and more nations and economic actors into world market relationships...this worldwide inter-national system is also typified by the rise and maturity of the multinational corporation, as a transformation of the large merchant trading companies of a past era. However, the important aspect of these multinational companies is that they retain a clear national home base...are subject to the national regulation of the home country, and ...are effectively policed by that country.³³

In comparison a “Type 2 or globalized economy” is one in which...

distinct national economies are subsumed and rearticulated into the system by international processes and transactions. The international economic system becomes autonomized and socially disembedded, as markets and production become truly global...Multinational companies are replaced by transnational companies (TNCs) as the major players in the world economy. The TNC would be genuine footloose capital, without specific national identification and with an internationalized management...at least potentially willing to locate and relocate anywhere in the globe to obtain either the most secure or the highest returns.³⁴

Hirst and Thompson believe that the current and foreseeable world economy bears a much stronger relationship to the “Type 1: inter-national” model. In this “Type 1” world nation-states and “nationally based” commercial enterprises will continue to be the major arbiters of power within the international system. I agree with this analysis. Much of the literature surrounding globalization tends to, in some measure, predict the end of the nation-state as the principal actor in the international system. Such analyses usually concentrate on the decreasing ability of states to regulate the flow of capital across borders, the inability to adequately tax profits or govern their national economies. Such an approach misses the point. Nation-states will adapt, not disappear. Peter Drucker correctly states that “whenever in the last 200 years political passions and nation-state politics have collided with economic rationality, political passions and the nation-state have won.”³⁵ There is no reason to believe this basic relationship has changed. In sum, though transnational activity will continue to grow and the nation-state will be forced to evolve, the

³³ Paul Hirst and Grahame Thompson, *Globalization in Question, 2nd Edition* (Cambridge, U.K.: Polity Press, 1999) pgs. 8-9.

³⁴ *Ibid.*, pgs. 10-11.

³⁵ Peter F. Drucker, “The Global Economy and the Nation-State,” *Foreign Affairs*, Vol. 76, No. 5, Sep/Oct 1997, pg. 171.

complete loss of national sovereignty is at present not truly conceivable or, I would argue, even desirable.³⁶ I believe the reasons for this are five-fold.

First, Hirst and Thompson's "inter-national economy" may modify the role of the nation-state, but in the final analysis it will reinforce its primacy through inclusion in a quasi-voluntary or *confederal* network. This network ties nation-states together through structured supranational organizations as well as less tightly structured commercial relationships. By its very nature a confederal system is voluntary and depends on its members to, in Grahame Thompson's words, "accede to its conditions of operation and modalities of supervision."³⁷ I would carry this even further. The confederal aspect of globalization also empowers those within the system to limit or exclude other actors for any number of reasons. In addition, it also allows nation-states to somewhat limit participation and compliance, particularly within the supranational structure, if they feel their sovereignty is impinged. Such policy decisions may well cause economic hardship for the populace of the state involved and, in the end, may even force a regime change though many other factors would come into play before such an outcome would be reached. For our purposes, globalization is allowed to work in the contemporary context because it benefits nation-states and their nationally based commercial enterprises individually as they work collectively.

Nation-states remain the majority voters in these supranational confederations and have chosen to hedge against the anarchy of the international system by pursuing the real benefits of increased interdependence (trade, foreign investment and information connectivity). They remain participants only as long as it benefits them in the short-term politically and in the long-term economically. A perceived erosion of these benefits would cause a nation-state to either withhold or reconsider the extent of its global participation.³⁸ In addition, nation-states provide the internal cohesion and domestic stability within which economic enterprise may flourish. A comparison of the economic growth of the U.S. and Western Europe vis-à-vis the countries Former Soviet Union and Warsaw Pact is instructive as evidence of this relationship. For individual nation-states the benefits of a globalized economy vary widely. This is most often a function of scale of the state's

³⁶ Ibid., pg. 16. See also Grahame Thompson, "Introduction: Situating Globalization," in "*Globalization*," *International Social Science Journal*, June 1999, pgs. 139-152.

³⁷ Thompson, "Introduction: Situating Globalization," pg. 150.

³⁸ China offers an excellent example of a country resisting full inclusion in globalization because it is unwilling to pay the political price of full interdependence. (See: Richard Bernstein and Ross H. Munro "The Coming Conflict with America" *Foreign Affairs*, Vol. 76, No.2, Mar/Apr 1997, pgs. 18-32.) Iran is an example of a state that

domestic economy and its integral ability to withstand the ebb and flow of the global markets. Some smaller nation-states simply do not have the capacity to ride out the “ups and downs” of the global economy. This becomes more pronounced when they act or are forced outside of the established confederations. Therefore, states will seek inclusion within a confederal economic and security system that offers the benefits of integration and helps them to manage inherent risk.

The basic inequity of the “inter-national economy” offers the second justification for the continued viability of nation-states. Hirst and Thompson have pointed out that the truly interdependent economies of the world are the same ones that are benefiting the most from globalization. These groupings of states form a triad that dominates the global economy through their majority control of manufacturing output, world trade and foreign direct investment. Dubbed the Triad or Trilateral Group (G3) they are the highly industrialized countries of Western Europe and North America along with Asian economic superpower, Japan. Together they, in fact, could “effectively control the direction of the world economy if [they] *choose to act in concert*.”³⁹ While various criteria could be used for constructing the list of participants in this select group I have used membership in the two large trading blocks, the European Union (EU)⁴⁰ and the North American Free Trade Association (NAFTA), along with participation in the Organisation for Economic Co-operation and Development (OECD) to identify the critical nation-states involved (see Table 1). Note that all of the G3 states, with the exception of Austria and Luxembourg, are positioned on the littoral, giving this extremely powerful group a distinct maritime character. Certainly as the majority holders in the global economy their power is real.

redefined it global participation for political (religious) reasons. (See: Robin Wright “Iran’s New Revolution” *Foreign Affairs*, Vol. 79, No. 1, Jan/Feb 2000, pgs. 133-145.)

³⁹ My emphasis. Hirst and Thompson, *Globalization in Question*, pg. 228.

⁴⁰ Along with the EU I have also included Norway and Iceland who have bi-lateral trade relations with the Union and are both long-time members of NATO.

Table 1: The Trilateral Group (G3)

Western European (European Union) (a)		Japan (b)	North America (NAFTA)
Germany	France	Japan	United States
U.K.	Belgium		Canada
Italy	Spain		Mexico
Greece	Portugal		
Netherlands	Austria		
Sweden	Finland		
Ireland	Denmark		
Luxembourg	Norway		
Iceland			

(a) Norway and Iceland though not part of the European Union are included because of their bilateral trade relationships with the EU and longtime NATO membership. The Czech Republic (1995), Hungary (1996) and Poland (1996), who all gained OECD membership in the years shown and became members of NATO in 1999, are the most probable candidates for the next wave of EU expansion.

(b) Japan, currently alone in its bloc, could eventually be joined by other Asian states, though the development of a trade bloc in Asia is a far from certain proposition.. The most likely first candidate would be the Republic of Korea, which joined the OECD in 1996

Four further points are noteworthy concerning the G3. Together these factors combine to reinforce a global economic oligarchy that becomes virtually self-reinforcing as the Trilateral Group acts roughly in concert to its collective benefit, widening the gap between rich and poor. First, the G3 represents a very small collection of sovereign nation-states who exert a tremendous amount of global economic power through the control of trade, international capital movement and currency exchange. Together they not only control the foreign capital flows and terms of trade crucial to economic growth, but exercise a substantial influence on the major supranational organizations – the International Monetary Fund (IMF), World Bank, World Trade Organization (WTO) and OECD – that are often so influential in both industrialized and developing economies. Through

this control they provide an avenue for “governance” of the global economy by active, though measured, regulation and direction of the market place. Second, two of the three groups, the U.S. in the NAFTA group and, obviously, Japan as the lone Asian state, are dominated by a single country, while the EU includes a weighted voting mechanism that ensures Germany, France and the United Kingdom retain a semblance of control over all EU policies that do not already require unanimity.⁴¹ This elite group of five (G5) within the already powerful G3 has tremendous leverage over the global economic and security environment. Table 2 compares the power of the G5 to other selected nations. The contrast is particularly telling in the economic sphere, where G5’s per capita GDP far outstrips the others states depicted, but less so in the area of security related matters. The dominance of the G5, which is composed entirely of nations on the littoral, consolidates a tremendous amount of power in the hands of a very small number of sovereign states, making global concerted action more possible since, in reality, the acquiescence of fewer actors is required. Third, there is no inherent structural requirement for three groups to oversee the global economy. After all, the U.S. had more or less hegemonic control in this area from Bretton Woods in 1944 until the final eclipse of dollar dominance in 1973. Should one or more of the G3 become less important to the global economy its voice in “governance” would erode. Because of the continued recession in Japan and, in the view of some analysts, its dim economic prospects for the future the Japanese economy offers a possible future scenario from which the G3 could become a G2. The Asian voice in the G3 is already somewhat softened by the absence of a trading bloc in the Far East with an organic consumer base. Absent such a structure the Asian economies have all become principally export driven making them more vulnerable to economic events outside of their own borders. The final point is that the G3 grouping structure leaves a tremendous number of states “on the outside looking in.” This necessarily forces them to often “act alone” in relationships with members of the Trilateral Group and the supranational organizations that they effectively control. Though eventual inclusion within the G3 is possible for many emerging or recovering economies, the process promises to be uneven and highly selective. China, India and Russia all fall within this category. The first two are the most populous nations on Earth while the latter still possesses tremendous military power and potential. The policies that address the level and extent

⁴¹ The Council of the European Union decides by a qualified majority on issues where unanimity is not required. Sixty-two of eighty-seven votes are necessary for approval. Germany, France and the United Kingdom, with ten votes each, retain what is essentially a veto authority over policy should they decide to bloc vote. Information drawn from the Internet, reference homepage <http://europa.eu.int>.

Table 2: The G5 in Comparison to Other Selected States

Country	Pop. (Millions) (a)	GDP (Billions \$) /Per Capita (Thousands \$) (a)	Significant Alliances	Trade Bloc	OECD (Year)	UNSC Veto	Ind. Nuclear Deterrent	Signif. Domestic Oil Prod.
U.S.	270.56	8,759.9/32.4	NATO, Japan Bilateral	NAFTA	1960	Yes	Yes	Yes
Japan	126.41	4,283.7/33.9	U.S. Bilateral	None	1964	No	No	No
Germany	82.02	2,261.9/27.6	NATO, WEU	EU	1960	No	No	No
France	58.85	1,523.4/25.6	NATO, WEU	EU	1960	Yes	Yes	No
U.K.	58.20 (b)	1,403.5/24.1	NATO, WEU	EU	1960	Yes	Yes	No
Russia	146.54	169.0/1.2 (c)	None	None	No	Yes	Yes	Yes
China	1,243.7	1,243.7/0.78	None	None	No	Yes	Yes	Yes
India	955.12	361.7/0.38	None	None	No	No	Developing	No
Iran	61.63	187.5/3.04	None	None	No	No	No	Yes (OPEC)

Source: IMF Report, OECD membership info drawn from OECD Economic Outlook, Dec 1999.

a Population and GDP data reflect 1998 totals except as noted.

b 1997 data.

c Russian GDP figures reported by the IMF are production only. Estimates are that 30-40% of the Russian economy is unreported. For a more meaningful comparison the IMF figures have been increased by the more conservative 30% figure.

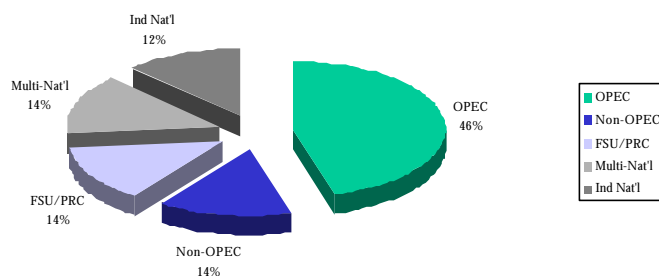
of their participation in the benefits of globalization comprise one of the major challenges for the G3 in the future.

A third reason why nation-states will continue to be viable for some time to come is that they hold a virtual monopoly on the greatest natural resource in the world today: crude oil. While the share of global energy consumption attributable to crude oil has decreased since the disruptions of the early 1970s, the industrialized world is still driven by petroleum-based energy.⁴² The use of oil for political leverage, even when it entails some economic risk, is well documented. One need

⁴² Current global estimates are: petroleum 39.5%, coal 24.2%, natural gas 22.1%, hydroelectric 6.9% and nuclear power 6.3%. See: Richard Rhodes and Denis Beller, "The Need for Nuclear Power," *Foreign Affairs*, Vol. 79, No. 1, Jan/Feb 2000, pg. 31.

look no further than the Organization of Petroleum Exporting Countries (OPEC) cartel and its susceptibility to political crisis (1979 and 1990), use of production controls (1999-2000) and even embargo (1973) to find evidence for this premise. Oil is the “Achilles Heel” of the globalization engine and will remain so for the foreseeable future. Energy analyst Michael Lynch notes that governments still hold “enormous power over world oil trade.” This is a far cry from 1941 when seven privately owned British and American oil companies controlled over 90% of the world’s oil

Fig 1: Crude Oil Production-1995



Source: Michael C. Lynch, Center for International Studies - MIT

production.⁴³ Today the situation is nearly reversed – data from 1995 show nationally owned or controlled oil companies accounted for 74% of the world’s production (See Figure 1). At that time OPEC totaled 46% of production, other state oil enterprises companies 14% and the Former Soviet Union (FSU)/People’s Republic of China (PRC) an additional 14%. The remainder was split between multinational oil companies (14%) and nationally based independent oil companies (12%).⁴⁴ This apportioning reflects the importance that states attach to crude oil as a means of national income and as a critical economic resource. Of further note, in the Arab petroleum producing countries oil revenue has been used to calm restive native populations since the

⁴³ Michael C. Lynch, “Oil Scarcity, Oil Crises, and Alternative Energies – Don’t Be Fooled Again,” *Applied Energy*, 64 (1999) pg. 38.

⁴⁴ Data courtesy of Michael C. Lynch, Center for International Studies (CIS), MIT during interview on March 13, 2000.

nationalization of production almost thirty years ago, making it a vital source of legitimacy for many regimes.⁴⁵

The 1999-2000 slowdown in OPEC production demonstrates the continued vulnerability of both the developing and industrialized worlds to energy access and oil-based cost increases as well as the potential for energy supply competition. A recently released International Energy Agency report paints a pessimistic view for the developing world, which now consumes 43% of the world's crude oil output as compared to only 29% in the 1970s. The economies of China and India, in particular, are both increasingly exposed. India's import bill is expected to rise by \$6 billion in 2000 "while China's energy demand is among the fastest growing in the world, at 5% per year," almost all of which is filled by more oil imports.⁴⁶ Within the industrialized world the projected impact of fluctuations in the access to crude oil and price increases often vary widely, depending on the analyst consulted. However, I believe it is reasonable to say that future significant disruptions would, at a minimum, slow the global economy and, in the worst-case scenarios, drive the industrialized countries and possibly the world into recession. OECD projections indicate that a prolonged \$10/barrel increase in the price of oil would reduce the GDPs of the U.S., Japan and the EU by 0.2-0.5% over a two-year period if not corrected.⁴⁷ In such a case the impact on continued globalization, with its strong economic character and dependence on the G3, would be extremely negative.

A fourth reason for the continued viability of nation-states is that they retain essential control over their populations who remain less mobile than the money, goods and ideas that are traded so rapidly in the globalized economy. Thus people, and the employment pool they represent, remain essentially "nationalized, dependent on visa, passports, residence and labor qualifications." Hirst and Thompson state that nation-states, through the exercise of population control, derive a "unique legitimacy" as the spokesman for their populations.⁴⁸ This is not to say that all is well on the population or labor front. Governments who abuse the right to control their populations through persecution or forced expulsion run the risk of a punitive international response. This was advertised as the basis for NATO action against the indigenous Serb forces that

⁴⁵ For a view of the problems many of the Arab producers might face in the future see: F. Gregory Gause, III, "Saudi Arabia Over A Barrel," *Foreign Affairs*, Vol. 79, No. 3, May/June 2000, pgs. 80-94.

⁴⁶ Scott Peterson, "Now Asia, not West, hit by oil," *The Christian Science Monitor*, March 27, 2000.

⁴⁷ OECD Economic Outlook 66, Dec. 1999, pgs. 8-9.

⁴⁸ *Ibid.*, pg. 257.

were persecuting the Muslim population of Bosnia-Herzegovina in the mid-1990s and in 1999 against Serbia proper over the treatment of the ethnic Albanian population in its province of Kosovo. Conversely, no action was taken against Russia for brutally crushing a rebellion in the breakaway “Republic of Chechnya.” The thresholds for tolerance and concerted response by the G3 or a supranational organization over which they have control to this sort of activity are still unclear.

Additionally, disaffection with employment stability and the potential social price embedded in a shifting globalized labor market must be confronted and nation-states still provide the best mechanism for intervention, though there are detractors. As international labor leader Jay Mazur has pointed out: “The forces behind global economic changes – which undermine social structures and ignore population concerns – can not be sustained.”⁴⁹ Sociologist Immanuel Wallerstein takes an even more pessimistic view arguing that states have already suffered a decline in “legitimacy accorded [them] by their populations [due to a] loss of faith in the prospects [for] gradual amelioration.”⁵⁰ Labor leaders and sociologists are not alone in their concerns as high-profile protests over the policies and influence of the IMF and WTO recently in Seattle and Washington clearly show. However, the oversight of the global economy by the U.S. and its “Western-oriented” democratic partners during the post-WW II era provides strong evidence that economically successful states will continue to take the social concerns of their populations seriously. Throughout the post-war period these states have stressed a liberalized international economic order that aided the connection between political power and social purpose while simultaneously benefiting from the economics of integration. John Gerard Ruggie calls the compromise engendered as a result of these policies “embedded liberalism.” In his view economic multilateralism in international trade and finance was married with domestic interventionism within individual states to ensure that “expanding domestic production, employment and the exchange and consumption of goods” allowed increased global integration without painful social disruption.⁵¹ This purpose still remains central to the states that have now graduated to form the G3 and, as full-fledged democracies, are accountable to constituent voting populations for performance. It is these *electorates* who believe the answers to their social concerns, as in the past, will invariably be found

⁴⁹ Jay Mazur, “Labor’s New Internationalism,” *Foreign Affairs*, Vol. 79, No. 1, Jan/Feb 2000, pg. 79.

⁵⁰ Immanuel Wallerstein, *The End of the World as We Know It* (Minneapolis: University of Minnesota Press, 1999), pgs. 74-75.

⁵¹ John Gerard Ruggie, “International regimes, transactions and change: embedded liberalism in the postwar economic order” *International Organization*, Vol. 36, No. 2, Spring 1982, pgs. 393-394.

within a national government vice international commercial context, forcing nation-states to seek national prosperity while concurrently providing protection for their populace.

Finally, and most importantly for this discussion, nation-states remain relevant because they hold a monopoly on the ability to develop and employ military power on a large scale.⁵² This is particularly true of the Trilateral Group, whose combined military potential dwarfs any other prospective coalition.⁵³ Security arrangements within the G3 are both explicit and implicit. Through formal agreements between the U.S. with both NATO and Japan, the group has a strong treaty-based defense structure. Additionally, in the Gulf War the group exhibited the ability to act in coalition outside of any established formal security arrangement should the situation warrant. The retention of a significant military force is by no means exclusive to the G3 as the large armed forces of Russia and China will attest. Historically we know that nation-states will use their military forces to promote their perceived national interests, often with little regard for economic outcomes. Paul Kennedy clearly states that in the 21st century “armed forces will remain...and on occasions will be used.”⁵⁴ As further evidence one need only note that the greatest period of global economic interdependence achieved until only recently was in 1913 on the eve of World War I (see Table 3).

⁵² In Chap. 9, “Globalization, Governance and the Nation-State,” Hirst and Thompson present their argument on the evolution of the nation-state including the decreasing utility of military power. While accepting their model of globalization, I do not fully ascribe to their views on the evolution of the role of the nation-state.

⁵³ A significant limitation currently exists for Japan in this area. Article 9 of the Japanese Constitution precludes “the threat of the use of force as means of settling international disputes.” As a result, Japan has only developed forces for defensive purposes since ratification of its Constitution in May 1947 though the deployment of their “defensive forces” outside of the Far East has taken place, most notably in the deployment of mine sweepers to the Persian Gulf.

⁵⁴ Kennedy, *Preparing for the Twenty-First Century*, pg. 130.

Table 3: Ratio of Merchandise Trade (imports/exports combined) to GDP at current prices

Country	1913	1950	1973	1995
France	35.4	21.2	29.0	36.6
Germany	35.1	20.1	35.2	38.7
U.K.	44.7	36.0	39.3	42.6a
U.S.	11.2	7.0	10.5	19.0

a 1994 data

Source: Adapted from Hirst and Thompson, *Globalization in Question*, 2nd edition, pg. 27.

Yet, despite sound economic reasons to the contrary, the nation-states of Europe, which were enjoying the best of economic times, allowed themselves to be drawn into war.⁵⁵ Military force retains its viability because the international structure remains both competitive and anarchic and resort to force provides a much easier and often cheaper avenue for the redress of grievances than any long-term economic solution. In addition, the use of force threatens and can be used to attack and destroy the infrastructure and stability on which economic potential is built. In the words of Michael Howard: “Nothing has occurred since 1945 to indicate that war, or the threat of it, could not still be an effective instrument of state policy. Against peoples who are not prepared to defend themselves it might be very effective indeed.”⁵⁶

This preceding defense of the continued importance of the nation-state as the basic building block of the international system reveals that globalization is more than just an economic phenomena and can only be truly understood through the lens of political economy that examines the interplay between political and economic bases for action. Future competition within the evolving international structure may well include transnational entities only marginally accountable to states in an increasingly globalized world. However, the great majority of economic activity will be primarily influenced by the politically motivated actions of nation-states through the management of their domestic economies and participation in the “confederal” arrangements that

⁵⁵ See L.C. F. Turner, *Origins of the First World War* (New York: W.W. Norton and Co., 1970), pgs. 64-66.

make world integration possible and profitable. The slowly moving trend toward Hirst and Thompson's true "Type 2" globalization also may proceed as long as trade and foreign investment remain relatively unfettered, a proposition that cannot be wholly assured. In addition, the free flow of knowledge and information will also continue to invigorate the "air of interdependence" and facilitate the movement of capital. But, the complete loss of national sovereignty to transnational economic forces must wait upon the breakdown of the current confederal system, the dispersion of power away from the Trilateral Group that dominates the world economy, the control of the world petroleum supply by actors beyond the control of nation-states, the loss of nation-states' ability to control their basic populations and labor pools and a radical restructuring of military power outside of the nation-state context. None of these events seems likely in the near or distant future.

-- *The Pillars: International Trade and Foreign Direct Investment* --

While globalization is only completely understood by acknowledging its political economic character, its structure retains a distinctive international economic formation. World trade and foreign direct investment (FDI) are the two basic commercial activities that drive the global economy and thus provide the pillars supporting the economic interdependence critical to the globalization thesis. This is not a new or recently developed relationship. Hirst and Thompson point out that "(from) 1945-1973 the dominant factor driving the world economy was growth in international trade; from the early 1980's onward...it has been growth in FDI" through the internationalization of production by multinational companies.⁵⁷

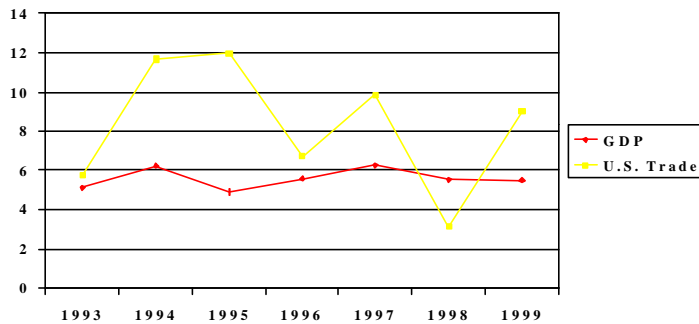
The benefits of free trade and comparative advantage are well known. In his January 2000 State of the Union Address President Clinton forcefully made the case that "...open markets and rules-based trade are the best engines we know for raising living standards, reducing global poverty and environmental destruction, and assuring the free flow of ideas. There is only one direction for America on trade: we must go forward."⁵⁸ Not surprisingly, the U.S. Department of Commerce agrees, noting that "[e]xports support 11.5 million American jobs and have fueled one-third of our total economic growth since 1993." In addition, "[i]nternational trade helps ensure political stability

⁵⁶ Michael Howard, *War in European History* (New York: Oxford University Press, 1976), pg. 143.

⁵⁷ Hirst and Thompson, *Globalization in Question*, pg. 66.

⁵⁸ Text of speech drawn from ABC News, Internet, reference homepage <http://www.abcnews.com>.

Fig 2: Percent Growth in U.S. GDP vs. Trade 1993-1998



Source: IMF International Financial Statistics, Feb. 2000, 1999 Data
is projected based on performance through 3rd Qtr.

in foreign nations, promote better international understanding and higher standards of living, and improve bilateral relations through the interchange of products, ideas and culture.”⁵⁹

Since the end of World War II international trade has blossomed and

increasingly fuels growth in domestic economies around the world. Over the last twenty years trade has become a significant part of the global economy and trends are toward greater increases. For example, one analysis predicts that trade’s share of world GDP; just 9% in the late 1970s will have exceeded 24% by 2005.⁶⁰

The Trilateral Group dominates global trade. Within the G3, the quantity and monetary value of trade has burgeoned and become an important portion of their individual national economies, most specifically within their individual trading blocs and with each other. In 1996 combined intra-bloc and G3 trading accounted for over 80% of EU exports, over 50% of U.S. exports and approximately 45% of Japan’s exports.⁶¹ Using 1996 WTO export data, Hirst and Thompson establish that this powerful triumvirate is responsible for two-thirds of the world’s trade, though it contains only 14.4% of the world’s population. When trade with “the top ten most important countries in terms of foreign investment” is included, the combined share jumps to an astounding 81.5%.⁶² Within the U.S. estimates vary concerning the portion of the overall domestic economy dependent on imports or exports. According to the Department of Commerce the total value of trade to the U.S. economy, as a percent of GDP, (including imports, exports, wages and

⁵⁹ U.S. Department of Commerce, “Statement of Policy Governing U.S. Department of Commerce Overseas Trade Missions,” Internet, reference homepage <http://www.commerce.gov>.

⁶⁰ Wm. Van Dusen Wishard “Globalization: Humanity’s Great Experiment,” *The Futurist*, October 1999. pg. 60.

⁶¹ Hirst and Thompson, *Globalization in Question*, pg. 197 (see Table 7.1).

⁶² *Ibid.*, pgs.72-73 (see tables 3.2 and 3.3). The ten most important FDI countries are: Argentina, Brazil, China, Hungary, Indonesia, Malaysia, Mexico, Poland, Singapore and Thailand.

overhead) has risen from under 10% in 1960 to approximately 25% in 1998.⁶³ While some may offer lower estimates of trade's domestic impact, throughout much of the 1990s the growth of combined imports and exports outdistanced the growth of GDP (see Figure 2).⁶⁴ Note that the growth of trade has consistently outperformed GDP in recent years, though a flattening of the export market in 1998 temporarily dropped increase in total trade below domestic growth. The U.S. experience mirrors the worldwide trend. Since the early 1950s worldwide merchandise trade has exceeded merchandise output and continues to do so at an ever-increasing rate.⁶⁵

Not surprisingly, trade also has a distinctive maritime character. Fifty to sixty percent of the dollar value of world and U.S. trade is waterborne; if a gross tonnage comparison is used the percentage for both jumps well above ninety.⁶⁶ The growth in world waterborne trade (using gross tonnage figures) showed an annual increase of 5.4% between 1993-1997 (though U.S. figures over the same period reveals a slightly more modest increase of 4.1%). In the fast-growing containerized freight business, which marries modular shipping, rail and trucking enterprises, the worldwide annual growth was an even more impressive 9.8%, with projections indicating per annum increases averaging around 8% through 2002. The U.S. also moved 24.2% (244 million metric tons) of its domestic waterborne trade over the oceans in 1997.⁶⁷ Ships remain the most economical means of transporting large cargoes between continents and often between or within countries on the same continent, a situation that seems unlikely to change. To retain this edge the maritime transport business is already developing bigger and faster ships that can be steamed with smaller crews. Speeds approaching an incredible 40 knots in open-ocean transit are considered achievable in the not too distant future. One plan for such a vessel uses a design that marries jet-ski technology to a novel aerodynamic hull structure. When deployed, these vessels are predicted to cut North Atlantic transits from eight to less than four days.⁶⁸ Just as in the time of Mahan, the world still depends on the "great highway...or wide common" of the oceans for trade and commerce making its uncontested availability critical to the global economy and hence an important aspect and consideration for globalization.

⁶³ U.S. Department of Commerce (International Trade Administration), *U.S. Industry and Trade Outlook 99*, Washington: McGraw-Hill Companies, 1999, pg B-3.

⁶⁴ For example, Robert Art estimates the current impact of trade on the U.S. economy at 10%. See: Robert J. Art, "Geopolitics Updated," pg. 83.

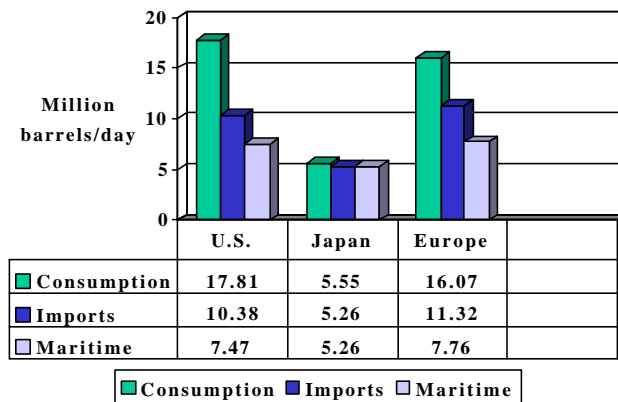
⁶⁵ Hirst and Thompson, *Globalization in Question*, pg. 70.

⁶⁶ U.S. Coast Guard 1998 Annual Report, Internet, reference homepage <http://www.uscg.gov>.

⁶⁷ *U.S. Industry and Trade Outlook 99*, pg. 43-18.

⁶⁸ Joseph C. Tardiff, editor, *U.S. Industry Profiles: The Leading 100*, (Detroit: Gale Research, 1998), pg. 666.

Fig 3: Consumption, Total Import and Maritime Import of Crude Oil -1998



Source: BP Amoco Statistical Review of World Energy - 1999

The relationship between maritime transport and trade is even more striking when considering the movement of crude oil and refined petroleum products. Figure 3 clearly shows the importance of maritime transport in the supply of crude oil

to the U.S., Japan and Europe. Using this 1998 data the portion of total consumption provided by maritime transport approaches 95% in resource-poor Japan and is still a significant 48% and 42% respectively in Europe and the U.S., which both still retain significant domestic production capacity. Also in 1998 worldwide energy consumption of all types declined for the first time since 1982 (by 0.1%), however, the industrialized world, led by Europe and the U.S. still depended on crude oil arriving by ship for 69% and 72% respectively of the total amounts imported.⁶⁹ Global consumption of crude oil now approaches 73 million barrels per day and, though the price of oil in 2000 is the highest it has been in a number of years, the projected demand for petroleum-based products is still increasing. In fact, many analysts believe that oil surpluses and falling prices, despite the current situation, are the most likely long-term trends in the oil industry due to the continuing discovery of additional recoverable reserves. Such a situation would only spur consumption, particularly in the developing world. The International Energy Agency now estimates that worldwide there are 2.3 trillion barrels in ultimately recoverable reserves and an additional 1.7 trillion barrels available in unconventional sources (shale and tar sands). Based on mean usage rates between 1970-1990 those reserves would suffice for another 80 to 130 years. Until a low cost and easily producible alternative to petroleum-based energy is developed, crude oil and its distilled

⁶⁹ Data derived from *BP Amoco Statistical Review of World Energy 1999*, pgs. 2-19.

products will remain the preferred sources for energy supply throughout the world and the oceans will continue to be the major highway for their movement from producer to refiner to user.

Foreign direct investment constitutes the second major pillar of the economic structure framing globalization. On the increase since the mid-1970s, FDI began a steep climb in 1982 and has continued apace, except for a short-term decline surrounding the Gulf War in 1990-91. Like trade, FDI is concentrated within and between members of the Trilateral Group whose governments, commercial enterprises and individual populations have the discretionary income and currency liquidity to invest and the necessary level of affluence to accept the risk. Again, Hirst and Thompson provide a convincing argument:

Sixty per cent of the flows of FDI over the period 1991-6 were between just the members of the Triad bloc, which also accounted for 75 per cent of the total accumulated stock of FDI in 1995. North America, Europe and Japan have dominated as both the originators and the destinations for international investment. In the case of investment the flows have been particularly intense between North America and Western Europe. Japan remained a net exporter of FDI in 1996 to both the other areas.⁷⁰

But, while FDI is definitely increasing in importance relative to trade its overall impact on the world economy is, like globalization itself, subject to mischaracterization. Levels of FDI vary greatly nationally. For example, Table 4 clearly shows that commercial banks' international business as a percent of total assets has varied markedly from country to country over the last thirty years. In the case of most, the portion is still far below that of domestic holdings. One explanation for this may be the size of the domestic economy along with the availability of internal investment opportunities and the management of risk. Another could simply be national policy or preference. The latter is certainly the case when comparing the integrated economies in the world: Singapore and Hong Kong. Comparative figures from 1993 show that in Hong Kong sixty percent of pension fund assets were invested overseas, while in Singapore's pension fund the level of international investment was zero. The difference was simply one of national preference. Managers of the Singapore fund were required to invest in domestic financial assets; in Hong Kong there was no similar restriction.⁷¹ Whatever the reason(s), FDI's share of the global economy, while growing slowly, is very dependent on the confluence of national preference, competing domestic opportunity and the weighing of relative risk.

⁷⁰ Hirst and Thompson, *Globalization in Question*, pg. 71.

⁷¹ *Ibid.*, pg. 45.

Table 4: Commercial Banks International Asset and Liability Holdings as a Percentage of Total Assets

Country		1970	1990	1996
France	Assets	16.0	24.9	30.9
	Liabilities	17.0	28.6	30.2
Germany	Assets	8.7	16.3	16.0
	Liabilities	9.0	13.1	12.9
Japan	Assets	3.7	13.9	13.8
	Liabilities	3.1	19.4	10.6
Netherlands	Assets	23.1	33.5	33.2
	Liabilities	22.2	31.2	34.1
U.K.	Assets	46.1	45.0	47.0
	Liabilities	49.7	49.3	48.8
U.S.	Assets	2.2	5.6	2.6
	Liabilities	5.4	6.9	8.2

Source: Hirst and Thompson, *Globalization in Question*, 2nd edition, pg. 46, Table 2.11.

The real impact of globalization in the area of finance is not so much level of investment as potential rate of change. Petit and Soete note that the volume of foreign exchange trading has increased to an astounding figure of “more than \$1200 billion per day.” Van Dusen Wishard puts the totals “closer to \$1500 billion.” Regardless of whose figures are used the rate of change and fluidity is phenomenal. This is the information revolution come to finance, a field that has always been volatile even when investment decisions moved by post or telegraph. However, the methods of global finance, though ever more highly developed, still bear an overwhelming connection to the

past in that “traditional financial areas such as London and New York continue to dominate. Despite the existence of new means of transacting...overall in the last decade the old hierarchy between financial places has been more consolidated than eroded.”⁷² This is business as usual for the large institutional financial interests, who are, interestingly enough, still predominately invested in their domestic economies.

The smaller investor is also much more apt to invest domestically vice internationally. Due to the inherent volatility of international finance he or she is often left behind by the institutional investors and typically makes less profit over the long-term due to the knowledge level and reaction time required for consistent success. This has caused individual investors to show a discernible inclination for national vice international investment though there is some variation in preferences within individual countries.⁷³ Merrill Lynch estimated that the percentage of overseas financial assets ultimately owned by individual households at the end of 1995 was between 16-17% in the U.K. and the Netherlands, only slightly over 10% in the U.S., below 8% in both France and Germany, two of the key “integrated” economies of the EU, and less than 5% in Japan.⁷⁴ Culture and historical experience with international finance seem to account for most of the differences, though the opportunity to invest is almost uniformly available to all.

While the transnational flavor and liquidity of capital is one of the foremost realities of globalization, the primacy of national economic policy is still central within the global marketplace. FDI is and will remain an increasingly important part of the global economy. However, with significant preferences still in place for domestic investment in the G3 countries its importance tends to be misconstrued. The true importance of FDI can be seen as a vote of confidence in continued global integration by investors. Like trade, expanding FDI calls for international engagement by nation-states as they seek to balance the paradox of both economic coordination and competition. This necessitates domestic policies that make national economies attractive for investment through rate of return and reduction of risk. Size also matters in a world where capital

⁷² Petit and Soete, “Globalization in Search of a Future” pg. 170 and Van Dusen Wishard, “Globalization: Humanity’s Great Experiment,” pg. 60.

⁷³ For example *Individual Investor* magazine only recommends two foreign stocks in its list of “The Magic 25” equities for investment. See: “Catalysts for Change,” *Individual Investor*, Vol. 19, No. 4, April 2000, pgs. 41-43. The risk of market volatility and its quickly negative impact on individuals was also amply demonstrated during the East Asian financial crisis when smaller investors who were heavily involved in the high risk/high yield “hedge funds” got burned when the sudden collapse of the Thai baht precipitated a worldwide shuffle in the global capital markets.

⁷⁴ Quoted in Hirst and Thompson, *Globalization in Question*. See Figure 2.5, pg. 47.

can shift so quickly since domestic economies need to be large enough to accept the shock of adverse capital flows. Thus, nations must engage in sound fiscal policy practices that help build and buttress strong economies, with a view toward creating an indigenous consumer market and healthy financial sector.⁷⁵ Economist Martin Feldstein, after reviewing the 1997 Asian financial crisis, believes increased “[l]iquidity is the key to financial self-help.” In his view a “country [with] substantial international liquidity – large foreign currency reserves and a ready source of foreign currency loans – is less likely to be the object of a currency attack.”⁷⁶ Of course, increased liquidity doesn’t just happen overnight, it takes time and sound policy. International capital flows will reward those who adopt the long-term approach and inevitably punish those who do not. This has always been true; today it just becomes true sooner.

-- *The Catalyst: Information Revolution* --

The “information revolution” and its interplay with globalization is a subject of much speculation. Some contend that the increasing ability to share knowledge and transact business electronically now provide the “content” of globalization. However, I believe such a view minimalizes the role of trade and FDI, already identified as the basic commercial activities that frame the phenomena. Petit and Soete correctly categorize the “internationalization of information and knowledge (as the) third dimension of the globalization process.” In particular, they note that the expansion of intangible transactions made possible by today’s technology “may play a great role in stimulating trade and FDI flows.”⁷⁷ I define the impact of the information revolution as the catalyst of globalization vice its content, though an extremely potent catalyst it is.

Without question, the speed with which information and knowledge can move today is daunting. Has this speed changed the way decisions are made or just quickened its pace? Peter F. Drucker contends that “...there has been practically no change in the way major decisions are made in business or government. But, the Information Revolution has routinized traditional *processes* in an untold number of areas.”⁷⁸ In other words, what may once have been complex *processes* are now

⁷⁵ For a more in-depth view see Alan S. Binder, “Eight Steps to a New Financial Order,” *Foreign Affairs*, Vol. 78, No. 5., Sep/Oct 1999, pgs. 50-63. Binder addresses both domestic policies for states and reform of the IMF in his essay. Also: Petit and Soete, pgs. 177-178.

⁷⁶ Martin Feldstein, “A Self-Help Guide for Emerging Markets,” *Foreign Affairs*, Vol. 78, No. 2, Mar/Apr 1999, pg. 93.

⁷⁷ Petit and Soete, “Globalization in Search of a Future,” pg. 171.

⁷⁸ Peter F. Drucker, “Beyond the Information Revolution,” *The Atlantic Monthly*, Vol. 284, No. 4., October 1999, pg. 50. Original author’s emphasis.

made routine and expeditious by the information revolution. Today information can be collated, analyzed and acted upon much more expediently than even ten years ago. This gives decision-makers leverage over one of the basic constants of their day-to-day existence: time. In this new temporal context informed decision can and does happen faster and often with a high degree of satisfaction. Of course, this all stems from a technological revolution in the ability to transmit digitized information reliably and cheaply, using state-of-the-art information and communication systems. Thomas Friedman has dubbed this “change the ‘democratization of technology’ (that) is enabling more and more people, with more and more home computers, modems, cellular phones, cable systems and Internet connections, to reach farther and farther, into more and more countries, faster and faster, deeper and deeper, cheaper and cheaper than ever before in history.”⁷⁹

Moore’s Law predicts that computational capability in the digitalized world doubles every eighteen months. The use of the ever more capable technologies that result from this steady advance are widely employed by both government and business. Information is more plentiful every day and information that begets knowledge is power. In particular, all of the military services are attuned to the leverage that the exploitation of information translated to knowledge delivers in the battlespace. Each has a concept of “network centric” warfare that finds a place for the use of information translated to knowledge in today’s and tomorrow’s operational environment. Yet, even in the military’s “network centric” world individual units must move, be supplied and potentially employ ordnance that hits assigned targets. Just as in the business world goods and services must be delivered in a three-dimensional reality apart from cyberspace.

The power of the “information revolution” is real. Its complete impact is only partially understood. The global connectivity and ready access to information that are at the core of this revolution have powered the pace of technological change by fostering a “globalization of innovation” that includes the scientific, academic and business communities. Many “current and future global economic, social and environmental problems will have their solutions found in the more efficient uses of new technologies.”⁸⁰ Business opportunity and economic expansion can be predicted to increase based on the powerful catalyst of the information revolution. However, the interdependent world of information and knowledge, like every other aspect of the worldwide interdependence known as globalization, depends on international political stability for both

⁷⁹ Friedman, *The Lexus and the Olive Tree*, pg. 41-42.

⁸⁰ Petit and Soete, “Globalization in Search of a Future,” pg. 166.

continuation and full utilization. It is to this final important part of the globalization structure that we now turn.

-- *The Foundation: Hegemonic Stability* --

The openness and economic freedom that underpins globalization does not exist by chance or fortunate happenstance. U.S. economic and military power have underwritten global economic expansion through the last half of the 20th century just as British power supported the similarly open world of the late 19th century. Charles Kindleberger, Robert Keohane and Stephen Krasner have all postulated the dependence of global economic openness on the power of a hegemon in an attempt to connect the theories of political science with those of international economics.⁸¹ Known as “hegemonic stability,” this theory relies on the existence of a “dominant state with symbolic, economic, and military capabilities that can be used to entice or compel others to accept an open trading structure.” Krasner predicts that the hegemonic state will opt for an open system because it increases its national aggregate income, economic growth and political power while mitigating any social instability resulting from exposure to the international system.⁸²

It was Keohane who first identified the medium through which the power of the hegemon is translated to global stability: the construction and safeguarding of strong international regimes “that provide the norms, rules and procedures that guide the behavior of states and other important actors.”⁸³ Such regimes can also be thought of as international arrangements or agreements and may be found between different types of international actors – nation-states, multinational corporations, supranational organizations, etc. They may be explicit, for example the IMF, or implicit, such as the relationship among the G7 countries.⁸⁴ In either, what is important is the strength of the international regime and its ability to influence predictable international activity vice

⁸¹See: Charles P. Kindleberger, *The World in Depression: 1929-1939*, (Berkeley: University of California Press), 1974; Stephen D. Krasner, “State Power and the Structure of International Trade,” *World Politics*, Vol. 28, April 1976, pgs. 317-347; and Robert O. Keohane “The Theory of Hegemonic Stability and Changes in International Economic Regimes, 1967-1977,” Ole R. Holsti, Randolph M. Siverson and Alexander I George, eds., *Change in the International System*, (Boulder: Westview Press, 1980).

⁸² Stephen D. Krasner, “State Power and the Structure of International Trade,” reprinted in Jeffrey A. Freiden and David A. Lake, editors, *International Political Economy: Perspectives on Global Power and Wealth*, 4th edition (Boston: Bedford/St. Martin’s Press, 2000), pg. 23.

⁸³ Keohane, “The Theory of Hegemonic Stability and Changes in International Economic Regimes, 1967-1977,” pg. 132.

⁸⁴ The G7 are U.S., Canada, Japan, U.K., Germany, France and Italy.

its implicit or explicit nature.⁸⁵ Krasner notes that once acceded to by the hegemonic power strong international regimes tend to remain in place until some external event renders them inappropriate or untenable for the hegemon. Thus, while the hegemon may no longer be the preeminent economic power, institutions which it either developed or accepted may well continue to govern the international economic structure under its titular “leadership.” This might be particularly true if the hegemon retains significant military capability.

One could argue that such is the case today. America is no longer a complete hegemonic power, but it is a dominant power. Though the U.S. still retains the largest domestic economy in the world, American economic power is not so overwhelming in scale as to be able to completely dictate all the norms that govern the global economy. As stated earlier, global economics is now a confederal arrangement among the G3. The multilateral nature of this new arrangement makes agreement a much more political process. In turn, some important issues are not easily settled.⁸⁶ However in the military sphere, Americans retain tighter control. This is because the proven quality and demonstrated capability of U.S. military power has no equal and still forms a significant part of the foundation on which international stability rests. This international regime in the area of security and its product, international stability, has a dual explicit and implicit nature. The explicit portion is found in the U.S.’s NATO and Japanese treaty arrangements. The implicit piece rests with the realization throughout the remainder of the world that U.S. reaction must be taken into account in any projected use of military force. This state-of-affairs lasts until the U.S. unilaterally reduces its military capabilities, withdraws from a policy of international engagement due to changes in domestic priorities or fiscal limitations or is replaced by another dominant power. In either case, the benefits derived from globalization continue only if some other nation-state or “group of states” supplies the forces backed by the resolve to assure international stability.

⁸⁵ Keohane, “The Theory of Hegemonic Stability and Changes in International Economic Regimes, 1967-1977,” pgs. 134-138.

⁸⁶ The current flap over the selection of a Western European (in this case German) as the next head of the IMF is instructive. Only after rejection of the first candidate (Caio Koch-Weser) as “not up to restoring confidence in a fund” criticized “for its role in the financial crises of the late 1990s” did Washington agree to support the second (Horst Koehler) even though his nomination evoked little enthusiasm. The key bone of contention seemed to be the implicit agreement that the IMF would be run by a European while an American would oversee the World Bank. See: Jim Hoagland, “Germany’s Costly Win,” *Washington Post*, Mar. 15, 2000, pg. A27.

What impact does the globalization phenomena have on the future security environment? Below I offer five observations, drawn from the preceding discussion of globalization, and postulate their impact on the future security environment.

First, nation-states will continue to be the primary actors within the international system. The oligarchic control of the Trilateral Group will continue to dominate both the global economy and cooperative security system arrangements, though G3 collective decision-making capacity will often be slow and cumbersome and on many issues may never reach consensus. Because of this the G5 subset of the Trilateral Group will in many cases decide for the whole due to their ability to more easily act in concert. The role of the hegemon or dominant power, conducive for stability in this increasingly open world, will, in the short-term, remain the responsibility of the U.S., who's acknowledged military might and leadership role are currently unchallenged. However, the oligarchy of the G3, particularly in the economic sphere, has already relieved the U.S. of some of this burden and can be expected to expand along the security front at a slow pace in the future. This disparity between economic and military power in the governing group will tend to push economic considerations ahead of security issues in the coming years. In this situation changes in commercial and security relations within the Trilateral Group, specifically involving U.S. leadership, and between the G3 and the remainder of the world will be a major determinate of international stability and the rate of global economic expansion in the foreseeable future.

Second, emerging or recovering economies may eventually play a larger role in the governance of the global economy and security arrangements, though the rate of inclusion will be both uneven and slow. This disparity, evidenced by the widening economic and military gap between the world's rich and poor, will offer a significant source of strain and potential conflict in the future. The fault lines between the have and have-nots of the world are already a source of pressure, strain and danger primarily because significant, though increasingly obsolete, military powers (Russia, China) as well as the most populated states (China, India) are marginalized in the global economic and security governance systems. These states demand a greater role in world affairs based on their military potential and, in the case of China and Russia, their historical experience. In addition, small emerging economies, most noticeably in East Asia, have become strong export-driven economic performers. Burned by a combination of poorly managed

economies, inadequate domestic financial structure and G3 capital flight in the 1997 Asian economic meltdown they provide a source of both future growth or geopolitical chaos in the 21st century. Ethnic and sometimes even religious friction within and among established states also fuel conflict in the developing and recovering world – witness Somalia, Bosnia-Herzegovina, Rwanda, Kosovo, Chechnya, East Timor and Kashmir on the India-Pakistan border – often slowing indigenous economic development and assistance from the developed world. Political scientist Barry Posen has noted that Western aspirations for political and humanitarian goals in these types of conflicts are often resisted by the local populace and turned “into nasty back-alley fights.”⁸⁷ Continued tensions along the dangerous fault lines between rich and poor, often possessing an ethnic overtone, offer the most likely source of conflict in the 21st century.

Third, trade and FDI can be expected will continue to constitute the important economic framework of globalization. Trade, through the medium of comparative advantage is, from a purely economic perspective, highly beneficial globally, while FDI provides the capital required for continued global integration and development. Businessmen and women through private vice public channels best pursue these commercial enterprises through the pursuit of profit weighed against risk. However, military-to-military engagement plans that foster mutual understanding and basic inoperability will be important to global environmental shaping in the future – commerce has always followed the flag. Trade will also retain a significant maritime character especially in the transport of the critical resource of crude oil from producers to users. Continued freedom of movement on the seas and the protection of ships laden with precious natural resources will be a significant interest in the years ahead. Additionally, both trade and FDI are also tremendously dependent on the maintenance of international stability to reach their full potential for raising the global standard of living. The rise of a rival for global hegemony outside of the oligarchic arrangements of the Trilateral Group would most likely not be conducive to continued stability and could be expected to be opposed. Increasing instability in such a scenario would potentially curtail the economic benefits derived from globalization.

Fourth, the “information revolution” will continue to act as the catalyst driving the pace and depth of globalization. Continued advances in digitization and communications technology will accelerate the potential for change invariably producing a world more connected and informed. This trend will be much more discernable in the industrial world than in its developing counterpart.

⁸⁷ Barry R. Posen, “The War for Kosovo,” *International Security*, Vol. 24, No. 4, Spring 2000, pgs. 83-84.

Information and communication advances can be expected to benefit the commercial and military worlds as the production and application of knowledge continues to speed the development of new technology. The maintenance of a technological edge through the encouragement and exploitation of breakthroughs will be most critical in the military sphere. Conversely, misuse of technology, particularly in the development of Weapons of Mass Destruction (WMD), by nation-states, organizations or individuals unhappy with the status quo offers a tremendous challenge for the future. Threats emanating from the continuing “information revolution” must be taken seriously in the 21st century.⁸⁸

Finally, geographically the major tasks in providing stability in the years ahead are slowly shifting eastward away from a Western Europe, that can now fend for itself, and towards an arc that begins in southern Europe passes through the Persian Gulf into the littoral areas of the Indian Ocean and the western Pacific and the sweeps north through China, terminating on the Korean peninsula. This large semi-circle covers almost half the globe and connects our two G3 partners at the extremes of the Eurasian landmass. Contained within it are most of the security challenges in the coming years as well as vital natural resources and tremendous economic opportunities. This critical area also exhibits a significant littoral character that makes it a natural area for engagement by maritime-based forces.

If we combine these factors and examine their impact on the U.S. one overriding concern seems apparent: the significance of combining national security and economic policy into a coherent national strategy that ensures continuation of the benefits of globalization while minimizing the risks. The world will become an increasingly level playing field in the 21st century. Allies and economic competitors will increasingly be the same, in fact, in many ways they already are. Long-term U.S. strategy must solve the paradox of security in a still dangerous world and affordability. Consensus for large defense expenditures, which provide global stability enjoyed by all, but put the U.S. in a deteriorating relative economic situation, will disappear.

Economically such a strategy would call for a sound domestic macro-economic policy (low inflation, minimal deficit spending) and the encouragement of free trade and FDI through the continued opening of our own markets. These policies are already part of our broad economic policy. Militarily, in the short-term, this strategy would maintain the ability for global

⁸⁸ For instance see Bruce D. Berkowitz, “War Logs On,” *Foreign Affairs*, Vol. 79, No.2 May/June 2000, pgs. 8-12

preponderance in support of our allies and trading partners while ensuring access to vital natural resources, primarily crude oil. In the longer term we would anticipate greater assistance from our allies in accomplishing these tasks. Our strategy would also contain capabilities to confront both nation-states as well as extra-national actors who would attempt to change the status quo.⁸⁹ It would be affordable, provided within the limits of a finite military budget and would impel decisions on force structure and utilization be made in response to an over-arching strategic vision in an era where the search for prosperity can be placed, at least temporarily, ahead of the search for security. To accomplish this it would field forces that are flexible and mobile, combat credible and culturally sensitive, able to exert maximum influence with minimum footprint. As I have already stated I believe a maritime-centric strategy addresses all of these needs. However, we will consider the consequence of strategic choices similar to the ones we face today through the examination of the first era of globalization: the Pax Britannica.

Lessons From Pax Britannica

The Pax Britannica lasted roughly one hundred years (1815-1914) – from the final defeat of Napoleon to the beginning of World War I.⁹⁰ This was a period of relative international stability and economic expansion, underpinned by the active role played by a predominant economic and sea power. In historian James Morris' words the Pax “was not a boastful fraud...thanks largely to British power, since the Napoleonic Wars the Western world had enjoyed one of its more tranquil periods.”⁹¹ British strategy during the Pax Britannica rested primarily with its Navy, which maintained a maritime superiority second to none for homeland defense as well as forces forward deployed for the protection of shipping and communications with the overseas commercial interests and colonial empire. The British Army, in contrast, was used to expand, defend and police the Empire and concomitant commercial interests. This increasingly required a substantial ground force in country to ensure the protection of British profit and honor, particularly in the late 19th century. In addition, Britain was also interested in opposing the domination of the European

on the part computer war played in the Kosovo Conflict and the future threats of the digital world.

⁸⁹ Thomas Friedman has called the latter group the “Super-Empowered Angry Man or Woman” who “no longer needs to take control of a state to wreck havoc on the world” because he or she can use the power of connectivity provided by the “information revolution” to inflict significant damage. See: *The Lexus and the Olive Tree*, pgs. 322-328.

⁹⁰ Justification for the dates chosen for Pax Britannica were discussed earlier, see footnote 11.

continent by a hegemon unfriendly to her interests. In such a situation, the benefits of trade with the continent would be curtailed or even cutoff. Britain, while comfortable with strategic isolation, truly feared the prospect of economic isolation. Hence, her active opposition to Napoleon, including the dispatch of troops to first the Iberian Peninsula and later the Low Countries in the early 19th century. However, after Waterloo ended the French drive for continental supremacy active intervention on the continent became increasingly unnecessary and thus rare.

The parallels between Great Britain and the Pax Britannica and today's world and the role of the U.S., while not perfect, are striking: In both a single power plays a dominant and sometimes hegemonic role in maintenance of global economic and military stability; in both there is a long period when there was no true peer competitor (structural theorists would say they tended toward "unipolarity"); in both economic and security issues have significant overlap; in both liberal global economic integration is encouraged by the dominant power; in both this integration significantly benefits a number of other states and; in both a professional military is employed to buttress the status quo through forward presence, crisis response, and environmental shaping.

There are also significant differences between the two periods so our pursuit of lessons does have limits. Most obviously Pax Britannica was an imperial period for the British, the time when their empire reached its zenith. The American experience is not overtly imperial, but based on the construction and support of regimes for international management, including alliances and supranational organizations, which the U.S., in the past, dominated through preponderant economic and military power. Conversely, David Lake argues that "[t]he differences between British and American hegemony are considerable, and tends to call into question the appropriateness of the historical analogy."⁹² However, the problems related to comparing the two eras are most often associated with questions concerning the mechanics of global economic governance.⁹³ For example the basic monetary and exchange regimes in each were very different. The Pax Britannica depended on the gold standard for settling current accounts. Today the gold standard is an anachronism, used only academically for comparison to the contemporary systems of global floating and currency pegs. This analysis avoids these areas of uncertain comparison by focusing on British global security arrangements as reflected in her force structure and employment decisions during the Pax Britannica. To accomplish this our examination will concentrate on the pluses and minuses of the

⁹¹ Morris, *Pax Britannica*, pg. 403.

⁹² Lake, "British and American Hegemony Compared," pg. 138.

⁹³ In addition to the previously cited David Lake work see John Gerard Ruggie, "International regimes, transactions and change: embedded liberalism in the postwar economic order."

use of the British military power in pursuit of her maritime-centric strategy during this period, particularly the contrast between the use of sea-based and land-based forces. Summarized these points are: 1) the ability to protect global economic interests; 2) strategic flexibility and mobility; 3) political influence or, if needed, coercion capability of combat credible maritime-based forces; 4) the preference for a policy of “splendid isolation”; 5) the challenges of overstretch; 6) the increased risk of cultural conflict and 7) forces tailored for occupation vice combat. The first three are positive aspects of the British strategy, the fourth a well-intentioned policy that became a negative and the final three of overall negative impact. We will consider each in turn.

-- *Protecting Global Economic Interests* --

In describing Pax Britannica James Morris states that “one imperial end was basic to all others: profit...the deepest impulse of the Empire was the impulse to be rich.”⁹⁴ This was an era centered on the creation of wealth through the establishment and protection of commercially profitable colonies and overseas business enterprises. Trade tied the entire edifice together, most often flowing through the free ports of the Empire: Gibraltar, Aden, Singapore and Hong Kong. In 1820 British trade was worth 80 million pounds, by 1897 it had increased almost tenfold to 745 million pounds. Additionally, overseas investments were a significant source of British wealth. By the end of the century Britain was the wealthiest of all nations, with over 1700 million pounds invested overseas earning 100 million pounds of interest each year.⁹⁵ Military support for these far-flung but extremely lucrative enterprises took three forms: 1) maintenance of international stability within which commerce could flourish, 2) protection of the lines of communication between Britain and its commercial interests and 3) onsite defense of the most important colonies and commercial interests. In the first two the Royal Navy played a primary role, in the third its part was important though secondary to the army.

⁹⁴ Morris, *Pax Britannica*, pg. 99.

⁹⁵ *Ibid.*, pg. 107-108.

Table 5: Selected Entries from the Report of the Admiralty to the House of Commons – July 1862

Date of Request	Department or person making application	Nature of application	Remarks
27 January 1857	Gentleman connected with Honduras, through the Colonial Office	Ship of war be stationed at Belize to protect settlements	Directions given to Admiral on the West India station
20 August 1858	Colonial Office	Urging a continuance of naval force in British Columbia	Her Majesty's Ship "Tribune" sent from China with as many marines as possible, to Vancouver's Island
16 December 1858	Borneo Company, through Foreign Office	Continuing naval protection to Borneo	Orders sent to the Admiral on the China Station
9 March 1859	Foreign Office	Request for the presence of a ship on Coast of Ecuador, in consequence of the Peruvian blockade of coasts	Ordered
27 October 1859	Governor of Bahamas, through Colonial Office	Ship of war to suppress abstraction of guano from Bahamas by United States vessels	Orders accordingly
4 April 1860	Foreign Office	Vessel of war to visit Zanzibar in consequence of insurrection there	Ordered
2 May 1860	Foreign Office, on behalf of the Borneo Company	Vessel of war to visit Sarawak to protect British interests in Borneo	Ordered
1 February 1861	Foreign Office	Two frigates required at Gibraltar to prevent seizure of vessels by Spanish revenue authorities in British waters	Frigates sent accordingly
6 October 1861	Liverpool African Association, through the Foreign Office	A vessel of war to be stationed in the Bonney River to protect British interests	Orders given to the Commodore on the West Coast of Africa

Source: Maritime Strategic Studies Institute, London, Paper number 1

The Royal Navy of the 19th century was constructed and operated to defend Britain's commercial interests by maximizing its forward presence potential. Between 1817 and 1848 the number of warships on foreign stations more than doubled (from 63 to 129). Not only were British ships often deployed away from home, they were spread over an impressive number of stations. In 1848 there were 31 ships in the Mediterranean, 27 off the West Coast of Africa, 25 in the East Indies and China, 14 in South America, 12 in the Pacific, and 10 each off the Cape of Good Hope and the West Indies, contrasted with only 35 left in home waters.⁹⁶ This vast commitment promoted international stability while also protecting the critical lines of communications between the outposts of the Empire and the home country. It was the deterrent nature of the Royal Navy, deployed on a multitude of oversea stations, which gave adversaries pause and it was used often. In

⁹⁶ Kennedy, *The Rise and Fall of British Naval Mastery*, pgs. 169-171.

May 1862 the House of Commons asked that a listing be compiled of the “[a]pplications...that have been made by the Commercial and other Interests, during the last five years, to the Governments of the Day, for Ships of War to be sent to Foreign Stations, for the Protection of British Interests and Commerce.” In July of the same year the Admiralty responded with a list that included an astounding 105 entries! A sampling of these is included in Table 5.⁹⁷ One immediately notes the wide dispersion of geographic interests as well as the ability of the Admiralty to meet each requirement.

Communications were extraordinarily important to the Empire. Historian William Manchester, records that there were ten mail deliveries a day in Victorian England.⁹⁸ The British also invented submarine cable and laid it between all of the significant points of their Empire, greatly improving connectivity. Through these telegraph wires London could continually monitor the global pulse and communicate with its Empire.⁹⁹ But it was the sea lines of communication that truly tied the Empire together and they were dependent on the control of the world’s vital maritime chokepoints. Britain dominated these as well. Morris points out that “the British held key ports and maritime fortresses all over the world, and their instinct had always been to gain control of communications, before carrying sovereignty further.”¹⁰⁰ Gibraltar, the Suez, Aden, Singapore and the Cape of Good Hope were all under either British possessions or subject to her suzerainty. Such control ensured the unimpeded flow of people, goods and mail throughout the Empire tying it closely to direction from government and business interests in London.

Of course the most important colonies were secured through the permanent stationing of troops, often drawn from the local populace. For instance in 1897, India boasted a colonial army of 350,000 led by British officers (including 40 Generals) but principally made up of native troops (to ensure reliability one purely British battalion was assigned to each Indian brigade).¹⁰¹ There was also noteworthy Army presence in Malta, South Africa, Egypt, Mauritius, Canada, the West Indies, Singapore, Bermuda, Ceylon and Hong Kong. In 1897 almost one half of the regular Army was on

⁹⁷ This entire document is reproduced in: Captain Peter Hore, editor, *Royal Navy and Royal Marines Operations 1964 to 1996*, Maritime Strategic Studies Institute (MSSI) Paper Number 1, (London: MSSI, 1999), pgs. 112-118.

⁹⁸ William Manchester, *The Last Lion: William Spencer Churchill, Visions of Glory 1874-1932*, (Boston: Little, Brown and Co., 1983), pg. 52.

⁹⁹ For example James Morris reports that Queen Victoria’s eleven-word Jubilee message, marking the sixtieth year of her reign on June 22, 1897 (“From my heart I thank my people. May God bless them.”) was received throughout the Empire in a matter of minutes. *Pax Britannica*, pgs. 21, 27.

¹⁰⁰ Morris, *Pax Britannica*, pg. 56.

¹⁰¹ Kennedy, *The Rise and Fall of British Naval Mastery*, pgs. 410-412.

colonial station, the rest at home.¹⁰² This ground presence was imposing and often quite effective but also was a double edged sword with a significant negative aspect, a point to which we will return.

-- *Strategic Flexibility and Mobility* --

The maritime-centric strategy of the British Empire offered the assets of flexibility and mobility to its leaders. The flexibility of maritime force allowed it to be easily dispatched but not committed to action until necessary. From a mobility perspective naval forces could deliver great amounts of men and material to many areas of potential trouble and support them from the sea as required. Throughout the period of Pax Britannica the leverage provided by these unique capabilities proved an invaluable instrument to British foreign policy; examples are numerous – a couple are developed to support the point.

The Suez Canal made Egypt of vital strategic importance to the British, particularly after Benjamin Disraeli negotiated the purchase of an interest in the Canal from the French in 1875. In 1882 it provided a clear example of the flexibility of maritime-based forces. In that year an internal power struggle led to chaos in Egypt, a matter of some concern to the British and French who both dispatched ships from their Mediterranean Fleets to Alexandria as a demonstration of resolve. In June rioting broke out in the city, resulting in the deaths of about fifty Europeans and sending hundreds of refugees fleeing to the warships anchored offshore. Attempts to resolve the situation peacefully slowly eroded as the Egyptians, instead of restoring order, began strengthening their harbor forts. This caused the British to transfer their embarked refugees to commercial vessels and begin plans for intervention while the French decided to simply sail away. Under the command of Admiral Sir Beauchamp Seymour, the thirteen-vessel British flotilla (an unusual mix of eight battleships and five gunboats) engaged the Egyptian batteries on July 12th in a heated exchange lasting over ten hours. After the smoke cleared the Egyptian forts were neutralized and “[a] naval landing brigade of 150 sailors and 450 marines came ashore to [restore order] and form a defensive perimeter around the town.”¹⁰³

Maritime dominance also provided the invaluable advantage of strategic mobility for the British. When the despotic King Theodore of Abyssinia jailed British diplomats in 1864 and diplomatic entreaties to secure their release resulted in the jailing of the messengers as well, it was

¹⁰² Morris, *Pax Britannica*, pgs. 404-405. The actual figures Morris reports are 104,000 Army troops on colonial stations (including India and Ireland) of a total force of 212,000.

¹⁰³ Massie, *Dreadnought*, pgs.420-422. Interestingly, Jack Fisher, then a young Captain and later to become First Sea Lord, led this force

determined that a military expedition should be mounted to protect British interests. The key to this campaign would be the ability to project power over 400 miles inland through rugged terrain. The actual engagement of Abyssinian forces was considered much less problematical. Maritime mobility would provide the answer. In historian James Stokesbury's words, "the campaign took almost eleven months of preparation and two months of actual operations [and was later] regarded as a model of what a campaign should be." The British force was organized in India and required 250,000 tons of shipping provided by 300 different vessels to transport 14,000 troops along with 50,000 laborers to first construct a base on the Red Sea coast and then support the force as it moved inland.¹⁰⁴ The effort was launched in 1867 under the leadership of General Sir Robert Napier, with the actual campaign taking place in 1868. According to expectation, Abyssinian resistance, once encountered, was ineffective. Napier's force reached the capital of Magdala on April 7th and hostilities ended on April 11th after the suicide of King Theodore. The British suffered less than 50 British combat casualties during the quick war compared to over 4,500 for the Abyssinians. With national pride and interests sufficiently defended, Napier retraced his steps to the Red Sea, reembarked his forces and supporting contingent and left the country. By June 19th "there was not a British soldier or ship to be seen."¹⁰⁵

-- *Political Influence and Coercion* --

In James Morris' words: "To every right-thinking Englishman the army was only a second shield. The Pax was always a peace of the sea."¹⁰⁶ The political and potentially coercive message implied by the dispatch of a warship to a point of trouble was well known to the British and used on a number of occasions. Many were of only minor consequence, possibly to nudge some local prince or tribal chieftain in the right direction. Table 5, again, provides some excellent examples though it only covers a portion of the maritime activity over a five-year period. But, the Pax Britannica was not without power-to-power confrontation and the Fashoda Crisis of 1898 offers us an example of the influence and coercive potential of naval force against another militarily developed state.

That Britain and France should come to the brink of war over a "crumbling African mud fort called Fashoda" on the upper Nile appears at first glance surprising.¹⁰⁷ That the dispute should be settled by Britain's naval superiority, though the object in dispute was hundreds of miles from

¹⁰⁴ Stokesbury, *Navy and Empire*, pgs. 254-255.

¹⁰⁵ Byron Farwell, *Queen Victoria's Little Wars* (New York: Harper and Row, 1972), pg.175.

¹⁰⁶ Morris, *Pax Britannica*, pg. 421.

¹⁰⁷ Massie, *Dreadnought*, pg. 248.

any ocean, is quite amazing. In Victorian era historian James Massie's view, the crisis resulting from the unexpected French occupation of this small outpost in the Sudan, theoretically belonging to the British client state of Egypt was "not about a mud fort but two visions of Africa and the interests of two empires."¹⁰⁸ In essence the British looked for a North-South axis in Africa, connecting Egypt with their interests in South Africa. The French, in contrast, sought an East-West axis on the same continent connecting their colonies in the Congo and Djibouti. The two visions naturally crossed and the place they intersected in 1898 was at Fashoda. It was there that Lord Kitchener, recent liberator of the Sudan, and Captain Marchand, a French Army officer, met and agreed to disagree on who would control the dilapidated citadel.¹⁰⁹ In the interim both Egyptian and French ensigns were allowed to fly over the fort while Marchand stayed on and Kitchener returned to England and talk of war with France. British interest in resolving the crisis favorably was pushed along by a nationalistic press and public opinion, causing Lord Salisbury, the Prime Minister, to turn to the trump card of naval superiority quickly. In response to his directives the resolve of the Empire was fully symbolized by the mobilization of a strong reserve squadron to reinforce the Channel fleet and the intimation that any conflict with France would be global in scope. In other words, French colonial possessions would be subject to attack by the Royal Navy and almost as surely be lost. Summarizing the subsequent plight of France, Paul Kennedy would later remark "the French nation found to its dismay that...[t]he numerical, material and strategic superiority of the Royal Navy was a hard cold reality."¹¹⁰ In the face of such opposition, the French had to find a way to back down without completely losing face. Eventually they decided to redefine the importance of Fashoda to a level more commensurate with its actual appearance declaring, through their ambassador to London, that "the occupation of Fashoda was of was of no sort of value to the French Republic."¹¹¹ This tactical retreat prompted Kaiser Wilhelm of Germany, who "had keenly looked forward to a Anglo-French war," to remark, "Poor France: She acknowledges herself beaten without a shot having been fired. This is abdication on the sea. They have not read Mahan."¹¹²

¹⁰⁸ Ibid., 253.

¹⁰⁹ A full account of their "negotiation," conducted over coffee and liqueurs can be found in: Phillip Magnus, *Kitchener: Portrait of an Imperialist*, (London: John Murray, 1958), pgs. 139-141. Massie, *Dreadnought*, presents a more abbreviated version, pg. 252-253.

¹¹⁰ Kennedy, *The Rise and Fall of British Naval Mastery*, pg. 206.

¹¹¹ Quoted by British Prime Minister Robert Cecil, Lord Salisbury, in Massie, *Dreadnought*, pg. 255.

¹¹² Ibid., pg. 256.

-- *The Policy of "Splendid Isolation"* --

Behind her impregnable Navy the British Isles and colonial possessions stood untouched. Geography, coupled with maritime superiority, allowed her to remain apart as global hegemon for much of the 19th century. Lord Robert Cecil, Third Marquess of Salisbury and the last British Prime Minister of noble descent, coined the phrase "Splendid Isolation." Because he sat in the House of Lords, and was thus spared the burden of leading his Conservative Party in the Commons debate, Salisbury was able to act as both the Foreign Secretary and Prime Minister with effectiveness rarely seen, even when the posts belonged to separate individuals. His management of foreign policy had two guiding stars: "the supremacy of the interests of England" and the invincibility of the Royal Navy.¹¹³ It was a formula that had worked for many years before his time but Lord Salisbury was to make the continued isolation of Britain from the Continent the cornerstone of his foreign policy.

Splendid isolation did not cut Britain off from international discourse or maneuver. The British simply played the game of balance of power but without formal alliances due to their overwhelming economic and maritime superiority. Through this policy they avoided entanglement on the European continent, concentrating instead on the expansion and management of Empire. The success of this British policy unfortunately produced rivalry, especially in the race for colonies around the world. Eventually the rivalry reached European politics itself with the emergence of Germany as a political and naval competitor.

German aspirations for "great power" status had begun in the mid 19th century with the Prussian drive for the unification of all Germany. Quick victory in the Franco-Prussian War of 1872 and the diplomacy of Prince Otto van Bismarck made it an unfolding reality. By the end of the century German expansionist *Weltpolitik*, spearheaded personally by Kaiser Wilhelm II, was one of the central forces in European and global affairs. Critical to German ambitions was the development of a large and battle-worthy fleet able to challenge any other (including Britain's) on the high seas. In 1897 the Kaiser appointed Admiral Alfred von Tirpitz as State Secretary for the *Reichsmarineamt*, charged with presenting the case for increasing the German Navy's size and capability to the Reichstag in order to gain the necessary financing.¹¹⁴ Tirpitz did not disappoint. Noting that: "For Germany the most dangerous enemy at the present time is England...the enemy against which we most urgently require a certain measure of naval force as a political factor..." he pushed through legislation, in the form of the First and Second Navy Laws of 1898 and 1902

¹¹³ Ibid., pg. 201.

¹¹⁴ Kennedy, *The Rise of the Anglo-German Antagonism, 1860-1914*, pgs. 224-225.

respectively, authorizing a vast increase in size and capability for the German sea service.¹¹⁵ The plan for this expanded fleet, totaling almost forty first-line battleships, was bold and audacious. The new fleet was to be primarily deployed in the North Sea where it would threaten regional naval superiority and thereby leverage British naval deployments around the world. It succeeded; in 1904 the British were forced to restructure their fleets, decommissioning older obsolescent vessels and more than doubling their assignment of battleships to home waters. Overseas, naval forces were consolidated geographically at Singapore for the Far East and Cape Station for Africa and the Atlantic from which they could be dispatched when required.¹¹⁶ Most importantly, the German challenge brought an end to the policy of splendid isolation, forcing Britain to ally herself first with Japan (1902), then with France (1904) and finally with Russia (1907).¹¹⁷

Britain, seemingly a potentially strong ally for her partners was, in fact, ill prepared for her new role. Too many years apart had negatively impacted British desires for the level of military planning and integration that beget an effective alliance in either a deterrent or operational context. For example, in 1897 the British maintained a paltry nine military attaches in foreign countries.¹¹⁸ Furthermore, promotion for the British Army officer was often tied to experience in the colonial wars vice planning for continental intervention or alliance management. Accustomed to the British way of war, they had no desire for engagement plans overseas beyond the continued occupation of their imperial holdings. Unfortunately these were becoming simultaneously too costly and too far-flung to manage.

-- *Challenges of Overstretch* --

The maturation of the British Empire in the late 19th century presented more problems than commercial opportunities. Joined by a growing group of “middle powers” such as France, Germany, Russia, Italy and Japan in the quest for empire, Britain increasingly found itself pushed to maintain the status quo. In 1895, for example, “the Cabinet found itself worrying about the possible breakup of China following the Sino-Japanese War, about the collapse of the Ottoman Empire as a result of the Armenian crisis, about the looming clash with Germany over southern Africa at almost the same time as the quarrel with the United States over the Venezuela-British Guiana borders, about the French military expeditions in equatorial Africa, and about a Russian

¹¹⁵ Ibid., pg. 224.

¹¹⁶ Kennedy, *The Rise and Fall of British Naval Mastery*, pg. 217.

¹¹⁷ Paul Kennedy, *The Rise of the Anglo-German Antagonism, 1860-1914*, (London: George Allen & Unwin, 1980), pg. 249 and L.C.F. Turner, *Origins of the First World War*, (New York: W.W. Norton & Co., 1970), pgs. 3-5.

¹¹⁸ Morris, *Pax Britannica*, pg. 407.

drive toward the Hindu Kush.”¹¹⁹ In addition to these global concerns there were challenges closer to home. As previously discussed, the balance of power on the European continent raised its ugly head again for the first time since Napoleon. Germany, united after the Franco-Prussian War of 1870, felt the call of great power status and pursued policies to that end in the years leading to World War I. Though German expansionism was not initially anti-British in origin or application it increasingly took that air as they vied for predominance, inevitably drawing the two toward conflict, complicating British strategic options.

The British Empire was not the first to find itself over-committed – Athens, Macedonia and Rome had all confronted the same problem in antiquity and Spain, the Netherlands and France in the centuries just preceding the Pax Britannica. However, these well known lessons aside, the British celebrated their imperial accomplishments with verve. In 1897, the Diamond Jubilee of Queen Victoria was marked with pomp and circumstance throughout the Empire. It included an imposing display of military power – fifty thousand troops marched through London in her honor, thought to be the largest military force ever assembled in that city.¹²⁰ Most impressive of all was the Fleet Review staged at Portsmouth, comprising almost one hundred fifty British warships as well as vessels from at least eight other countries.¹²¹ The Empire’s military power was on display for its queen and it was remarkable. However, once the celebration of superiority had ended one gets the feeling that the British were thinking: What next? Like Alexander the Great they were faced with the reality that “there were no more lands to conquer.” As Hobson and Lenin both pointed out, “imperialism is a finite process, the end point of which is determined by the quantity of available land.”¹²² The globe had been carved up, now leaving them with the maintenance of an imperial status quo with a cost that was only slowly becoming apparent.

Paul Kennedy notes that “the shifting balance of world forces was eroding British supremacy in two interacting and ominous ways.” The first was the spread of industrialization and the relative weakening of British military power relative to other states because it was “*the* established Great Power.” The second was the slow decline of “Britain’s industrial and commercial preeminence, upon which in the last resort, its naval, military, and imperial strength rested.”¹²³ By 1900 Britain had been supplanted by the United States as the leading economic power in the world,

¹¹⁹ Kennedy, *The Rise and Fall of Great Powers*, pg. 227.

¹²⁰ Morris, *Pax Britannica*, pg. 31.

¹²¹ Massie, *Dreadnought*, pgs. xviii-xix.

¹²² Lake, “British and American Hegemony Compared,” pg. 131.

¹²³ Original author’s emphasis. Kennedy, *The Rise and Fall of Great Powers*,” pgs. 226-228

falling behind in iron and steel production, total industrial potential and relative share of world manufacturing output.¹²⁴ This is not to say that Britain was not wealthy or powerful, it still remained the acknowledged financial capital of the world, retained significant industrial capacity and a navy second to none. But, the ability to defend the vast landward approaches to the Empire was growing and, later in the century, the threat of hegemony on the European continent became a problem again.

The rim of the Empire and the European continent had always been dangerous places. An entire British Army was destroyed when forced to retreat from Afghanistan in 1842.¹²⁵ In the same year the “treaty port system” was set up with the Chinese Qing dynasty after three years of fighting in the first Opium War.¹²⁶ Native populations in Africa, New Zealand and India were continually restive. Meanwhile, on the continent the post-Napoleonic order began to unravel with the expansion of Prussia in the 1860s, the advent of rail transportation and the recruitment of large conscripted armies by many of the European powers. By the late 19th century Britain was thus confronted by an always-existent native menace on the imperil perimeter and increasingly capable European threat employing and mass armies, often under the guidance and planning of a capable central staff.¹²⁷

Faced with these challenges Britain confronted a strategic crossroads. What to do with an Empire that was increasingly indefensible and at the same time prevent hegemonic control of the European continent? Geostrategically one would argue that the defense of the homeland came first and that commitments to the Empire should be curtailed. A possible solution: recall regular Army units stationed abroad, except in areas of overriding strategic, and leave the defense of the Empire to native troops and the Royal Navy. Unfortunately, like many nations confronting hard strategic choices the British inevitably decided not to decide. Certainly, some of the British fleet (still their greatest strategic asset) was redeployed to home waters to counter the growing German naval buildup but they virtually left their empire and its forces of occupation intact. In fact, the Empire was given even more special treatment and tied ever more closely to the home island through the imposition of the preferential trade measures, a break with Britain’s long-standing support of free trade. In the end unimpeded overstretch and inelastic policy killed hopes of retaining the Empire. Maybe it was the emotional tie to empire that could not be broken or perhaps simply immutable

¹²⁴ Kennedy, *The Rise and Fall of Great Powers*, pgs. 200-202.

¹²⁵ Featherstone, *Colonial Small Wars 1837-1901*, (London: David & Charles, 1973), pgs. 42-44.

¹²⁶ Jonathan D. Spence, *The Search for Modern China*, 2nd edition, (New York: W.W. Norton, 1999), pgs. 154-166.

¹²⁷ Kennedy, *The Rise and Fall of Great Powers*, pg. 230.

feelings of social Darwinism. James Morris, in retrospect, calls the Empire “the grand illusion [that] collapsed, [making] England...a European island once more.”¹²⁸

-- *Increased Risk of Cultural Conflict* --

British culture inevitably conflicted with that of the native peoples with whom it formed commercial relationships as well as those that were eventually absorbed into the Empire. Just a reading of the names given many of the conflicts of the Victorian era gives the sense that the Empire was a constant struggle between cultures. Table 6 summarizes some of the more significant conflicts. Notice that they are widely dispersed around the globe and often were objects of military action more than once – the First Afghan War, the First Sikh War, the Second Burmese War, etc. Historian Donald Featherstone calls them “small colonial wars” that “were expeditions and campaigns...undertaken to add the territory of barbarous races to the British Crown; suppress rebellion or lawlessness in a conquered or annexed territory; or to avenge a wrong, or wipe out an insult.”¹²⁹

Whatever the justification all shared the common starting point of perceived British superiority. This feeling of cultural ascendancy, backed by the pseudo-scientific theory of social Darwinism, was philosophically to blame for much of the violence. Granted, the occupiers did their best to segregate themselves from the local populace. The separateness of the British cantonments, with their own banks, parks, government buildings, stores and churches ensured that contact between overseers and overseen would be kept to the absolute minimum. There were some valid reasons for this: health concerns, the safety of women and children, and the desire to keep the regular Army troops (on whose bayonets defense of the colony ultimately depended) from becoming too familiar with the locals were most often mentioned.¹³⁰

¹²⁸ Morris, *Pax Britannica*, pg. 523.

¹²⁹ Donald Featherstone, *Colonial Small Wars 1837-1901*, pg. 11.

¹³⁰ Morris, *Pax Britannica*, pg. 131

Due to the arms-length nature of British governance indigenous populations were much more likely to see the uniform of the British soldier or his native colonial counterpart, co-opted and indoctrinated into the benefits of service to the queen, than a British businessman or civilian in their daily lives. For many natives it was the uniform of the

Table 6: Selected Victorian Wars of Cultural Conflict

Name	Year	Location
First Afghan War	1838	Baluchistan and Afghanistan
Opium War	1840-41	China
Retreat from Kabul	1842	Afghanistan
First Sikh War	1845-46	Punjab
Second Burmese War	1852	Burma
Indian Mutiny	1857-59	Bengal
Storming of the Taku forts	1859-60	China
Maori Wars	1861-64	New Zealand
Expedition to Abyssinia	1868	Abyssinia (Ethiopia)
Ashanti war	1874	Guinea Coast of Africa
Expedition to Perak	1875-76	Malaya
Zulu War	1879	South Africa
Reconquest of Egypt	1896-98	Egypt and the Sudan
Boxer Rising	1900-01	China

Source: Donald Featherstone, *Colonial Small Wars 1837-1901*

occupier's army that represented the Empire and the caste system it inspired, summoning a confusing mixture of feelings: fear, respect, curiosity, rage and, sometimes even, revenge. Nowhere was this system more entrenched than in India where in 1857 the native sepoys of the Bengal Army surprisingly rose in mutiny.

The backlash against British imperial domination of the Indian sub-continent was not planned or orchestrated on a grand scale. It began at a single post in the lower ranks of the Bengal Army¹³¹ – before it was over it engulfed much of northern India. While its cause undoubtedly had deep roots, its catalyst was a classic case of cultural insensitivity.¹³² In 1857 due to a bureaucratic oversight new cartridges sent from England for the native Indian soldier's Enfield rifles arrived greased with the fat of pigs or cows (so the rumor went). This seemingly minor point had profound

¹³¹ The Bengal Army was manned by native sepoys but officered by Britons. It was a peculiar institution in that the Honourable East India Company, which saw to its outfitting and employment, controlled it completely. Supplemental to, but apart from, the Bengal Army were regular regiments "hired" from the home British Army. These units might serve in India for as long as twenty years before returning to Britain. After the Mutiny this arrangement was terminated and all forces reverted to command by the Crown.

¹³² Policies in India were designed to ensure that Britain, as the dominant power, retained "paramountcy" over the internal affairs of all the approximately 500 Indian states. Intervention was used often and with little regard for local concerns. In addition, the British were aggressive overseers conducting over twenty expeditions against frontier tribes in the eight years preceding the mutiny. See: Farwell, *Queen Victoria's Little Wars*, pg. 89 and Stokesbury, *Navy and Empire*, pgs. 246-249.

religious implications for the sepoys who, according to the tactical training of the day, were to tear the cartridges open with their teeth before loading. Hindus objected to this because of their reverence for the sacred cow and Muslims considered the possibility of ingesting any part of a pig an abomination beyond description. Complaints about British attempts to subvert local religions elicited a mixed response. Many officers quickly withdrew the offending cartridges and orders were issued to develop a new loading drill that allowed the sepoys to tear open the cartridge with their hands vice teeth. However, at Meerut, the British stronghold twenty-five miles from the ancient capital of Delhi, eighty-five men from the 3rd Native Cavalry were “stripped of their uniforms, chained and sent off to serve long prison terms” because of their refusal to handle the new cartridges.¹³³ The following afternoon, the mutiny erupted at that same Meerut cantonment and quickly spread to the surrounding countryside where the natives went on a prolonged and extremely violent rampage, killing Europeans and destroying their property.

In response, 40,000 reinforcements were dispatched from England (a force that would double the number of European soldiers in India and was also more than the entire force sent to the Crimean War) for the three-month voyage around the Cape of Good Hope to India. They arrived courtesy of the Royal Navy in transports and commercial vessels, commandeered for the purpose, first as a trickle and then as a steady stream. Once reinforced the Army began to retake command of the areas in revolt with a savagery that was very un-Victorian. After the Indians massacred women and children at the garrison town of Cawnpore, quarter was rarely given to any armed native. Through sheer determination, superior weaponry and stalwart leadership the British eventually regained total control of India, though the entire process took more than two years, costing thousands of lives and millions of pounds. The Indian Mutiny became a watershed event for Great Britain. British attitudes toward native races, never overly tolerant, became further alienated. As James Morris aptly points out: after the Mutiny “the British never felt quite the same about coloured peoples.”¹³⁴

The British experience in India offers a stark example of the risk of cultural conflict during the Pax Britannica. Certainly anti-imperialist sentiment today in much of Africa and Asia has much to do with the cultural conflicts of the era. Even in its time the policy of stationing large numbers of ground forces overseas to protect British interests and, if need be, to impose the British will was a double-edged sword. On the positive side British citizens and commercial enterprises had ready

¹³³ Farwell, *Queen Victoria's Little Wars*, pg. 86.

¹³⁴ Morris, *Pax Britannica*, pg. 136.

protection. Under the shelter of the British Navy or Army, Englishmen and often other Europeans could migrate to a number of different colonies in search of fortune. Most often, they could eventually even settle down and raise a family there. The negative side was both more dangerous and subtle. Segregated colonies and the use of troops to maintain order established an air of distrust and exploitation that too often boiled over. The conflicts that resulted were often costly in lives for the protagonists and costly in pounds sterling for the British treasury as more troops were required for occupation and contingency response. Between 1880 and 1900 the number of men in British military service rose by seventy percent from 367,000 to 624,000, almost all associated with maintenance of the Empire. During the same period naval tonnage increased from 650,000 to 1,065,000.¹³⁵ The significant costs of these increases strained British resources to the breaking point. In the end, the superiority of British firepower, organization and leadership against the threats within the colonial world won the cultural battles of the Empire but slowly eroded the capabilities of the British military against more organized and better-equipped forces. To this latter consideration we now turn.

-- *Forces Tailored For Occupation Vice Combat* --

That British forces found themselves totally unprepared for 20th century combat after years of action in colonial service is, in retrospect, not surprising, though at the time it came as quite a shock. Of course, there were warning signs. James Morris records that in 1897 the British Army was as “an imperial police force...efficient enough, but neither by temperament nor by training...fitted for *la grande guerre*.”¹³⁶

Confirmation of this came readily in the Second Boer War (1899-1900), when performance against a determined foe of European stock, had been initially quite poor and overall less than optimal. Lulled by the ease of quelling local populations that had neither their modern firepower nor their logistical acumen, the British Army was supremely over-confident as it entered a conflict against the determined Dutch settlers of the Transvaal and Orange Free State who were attempting to end British suzerainty over South Africa. What resulted was a near disaster. The war that followed exhibited many of the characteristics found in the later world wars: large armies, ill-trained volunteers, heavy reliance on the civilian resources of the countries involved and greatly affected by technological changes in weapons and logistics. The British eventually required over 60,000 men to quell the Boers who rarely had more than 30,000 men under arms. The messy two-year conflict

¹³⁵ Kennedy, *The Rise and Fall of Great Powers*, pg. 203.

¹³⁶ Morris, *Pax Britannica*, pg. 407.

ended only after the Dutch settlers had lost the conventional war and resorted to guerilla warfare and the British had burned many of their farms and formed concentration camps in retaliation.¹³⁷ World public opinion, outside of the Empire, was also almost totally anti-British in content as the needs of empire, fueled by revenge, resulted in the a ferocity of combat not seen since the Napoleonic Wars.

Of even greater concern for the British was the inability of the Army to first adapt quickly to a new tactical situation and second to successfully distill and learn from the lessons of the Boer War. Historian Byron Farwell states that this “was the first war in which brains and skill on the part of generals were more important than bravery and endurance on the part of the soldiers and junior officers. Unfortunately, brains were in rather short supply in the British Army at this time.”¹³⁸ Initiative, intelligence and innovation, all required to succeed in this and later wars had not been highly valued during the imperial era and, when needed, were now hard to find. Learning from the experience was even more troublesome. Lessons derived from the conflict were debated but eventually included the continuing importance of cavalry for mobile firepower and shock attack and the effectiveness of massed infantry in offensive frontal assault (if troops of sufficient morale were properly led). Only the experience in Flanders in 1914 would change these outdated assumptions.¹³⁹

By the dawn of the 20th century the influence of imperial experience and tradition had completely changed the combat potential of the British Army. Able to keep native populations in line, its forces were completely unready for the challenges and the costs of major power conflict. Four years of war and thousands of casualties later, near bankruptcy and on the verge of collapse, Britain survived. Not because of the military prowess on which the era of Pax Britannica had rested but because her enemy collapsed before she did. Thus the start of World War I marks the end of “the peace of one hundred years” and the beginning of the end for British maritime-centric strategy. We now turn to the application of the lessons drawn from Pax Britannica to the future.

From Mahan to Tomorrow

¹³⁷ Farwell, *Queen Victoria's Little Wars*, pgs. 339-340.

¹³⁸ *Ibid.*, pg. 341.

¹³⁹ For a complete analysis of these lessons and their relationship to the subsequent combat in the Russo-Japanese War (1904) see: Michael Howard, “Men Against Fire: Expectations of War in 1914,” in Steven E. Miller, Sean M. Lynn-Jones, and Stephen Van Evera, editors *Military Strategy and the Origins of the First World War*, (Princeton: Princeton University Press, 1991) pgs. 3-19.

The British experience in the 19th century, with its demonstrated parallels to the current U.S. position, offers a perspective from which we can assess our strategic options. I have argued that the globalization of the future, like the Pax Britannica of yesteryear, will be a period when economic concerns will often take precedence over security issues. How do we plan for this challenge? Mahan certainly believed that an examination of the past provided a window to the success in the future. Geoffrey Till has pointed out “the chief utility of history for the analysis of the...future lies not in its ability to point out lessons, but to isolate things that need thinking about.”¹⁴⁰ In this final section we will pursue those “things that need thinking about” as we learn from the past. We begin by reviewing the themes of our brief analysis of the Britannica, examining each for lessons applicable to success in the future security environment.

-- *Protecting Global Economic Interests* --

The second of three core objectives in the current National Security Strategy is “to bolster America’s economic prosperity.”¹⁴¹ Like the British Navy of the 19th century, no service is better equipped to provide the underlying stability and support for vitally important overseas economic interests than the Navy and Marine Corps team. Forward deployed in or near the littoral they operate and integrate everyday with our current principle trading and investment partners and many others destined to become important in the future. Naval engagement in the 21st century is international engagement – that is its past and its future. The U.S. Navy, in particular, through its commitment to freedom of movement on the seas and capabilities for sea control ensures that the safe transport of merchandise and raw materials via oceanic freight can be virtually taken for granted. A vital subset of this capability is the means to monitor the shipment of crude oil, natural gas and distilled petroleum products if required. These materials will continue to fuel the developed and developing world for the foreseeable future and their ready availability and timely delivery is critical to the economic well being of the U.S. and our friends and allies. Additionally, stability of the littoral areas of the globe, which contain almost all of our current security and commercial partners and the vital arc along the southern edge of Eurasia connecting our two G3 partners, is a natural mission for the sea services. Whether the mission is peaceful presence, steadfast deterrence, political coercion or actual combat, maritime-basing offers a combination of flexibility and capability that is unmatched. As the only services able to operate in each combat medium – sea,

¹⁴⁰ Quoted in Colin S. Gray, *The Navy in the Post-Cold War World*, (University Park, Penn.: Pennsylvania State University Press, 1994), pg. 30.

¹⁴¹ The White House, Office of the Press Secretary, *A National Security Strategy for a New Century*, December 1999. Text taken from the Internet, reference homepage <http://www.pub.whitehouse.gov>.

land, air, space, electromagnetic and cyberspace – and to effectively influence events in the most vital areas the Navy and Marine Corps team will be invaluable in the coming years.

-- *Strategic Flexibility and Mobility* --

Maritime-based forces offer a proven flexibility and mobility. Military power configured for employment from the sea can be used around the world without concern for manning, supply and defense of land installations.¹⁴² The Navy's carrier air arm has always provided a significant and combat credible capability for global power projection with unrivaled flexibility. The development and continuing refinement of precision-guided bomb and cruise missile technology further enhances this capability by expanding the possible launch platforms to both the surface and submarine fleets. The relevance of this capability has been amply demonstrated over the last ten years. Iraq, Serbia and suspected terrorist bases in the completely landlocked countries of the Sudan and Afghanistan have all felt the sting of naval power projection. In addition, the flexibility, mobility, capability and relevance of the Marine Corps is unquestioned. One is hard pressed to remember the last deployed Marine Expeditionary Unit (MEU) that was not called on for intervention in either a humanitarian or combat role. The Corps ability for forcible entry from the sea, if required, is a priceless military asset, worthy of retention and expansion. Our ability to control and sustain from the sea also benefits the Army and Air Force. U.S. commitments to Europe, the Far East and the Persian Gulf have always relied on the ability to resupply by sea and will continue to do so in the future. Another often overlooked benefit of the flexibility and mobility of maritime-based power is the relative ease of withdrawal of forces once a mission is completed. Apart from the obvious case of a ship just steaming away, there is also a different outlook attached to maritime operations that include the projection of ground forces ashore. I would contend that the mindset of *from the sea and back to the sea* is useful in avoiding protracted involvement in non-strategic areas. One of the key components for success in the future will not be when to go but when to leave. Maritime basing makes this easier. For all these reasons as our global commitments become more dispersed and less predictable the benefits of the flexibility and mobility of maritime-basing makes more and more sense from a strategic perspective.

¹⁴² For a good analysis of current and future vulnerabilities of land-based assets see: John Stillion and David T. Orletsky, *Airbase Vulnerability to Conventional Cruise-Missile and Ballistic-Missile Attacks*, (Santa Monica: RAND, 1999).

-- Political Influence and Coercion --

The combat credibility of maritime-based forces still offers a tangible influence on international affairs around the globe. Just as the dispatch of a British warship during the Pax Britannica signaled the resolve of the foremost military power in the world, so does the forward-deployment of an American naval vessel today. The combat credibility of maritime-based forces has already been discussed above but there is one further attribute of a naval vessel that also sets it apart from an overseas military installation, the aspect of national sovereignty. By international convention a naval ship mirrors the sovereignty of the nation-state whose flag it flies, even when underway or anchored in the territorial waters of another state. This cannot be said of an overseas military installation or even the airspace above foreign soil. Thus, a naval vessel is not only representative of its own indigenous combat power but, the power, prestige and interest of the state it represents as well. This gives the warship a diplomatic and almost embassy-like quality. In addition, the sea services commitment to a network-centric warfare concept, that embraces the force multiplication possibilities of the information revolution, provides the capacity for even greater combat capability and influence potential in the future. The manipulation and use of information is not new to the Naval Service, which for years has used data links for the command and control of a fleet that, though widely dispersed geographically, is able to act in concert operationally. This demonstrated capability provides a solid foundation for the network-centric revolution. Together this unique convergence of symbol of national sovereignty, mobility and continued combat credibility give the forward-deployed naval warship and the maritime-based force it embodies capabilities for diplomatic subtlety, political leverage and premeditated coercion that have proven real and lasting in the past and will be more important in the future.

-- The Policy of "Splendid Isolation" --

The U.S. avoided the trap of isolationism following World War II but now confronts the isolationist approach in a much more subtle form – unilateralism. The maintenance of the vitality of our current alliances is critical to our future. NATO and the Japanese Bi-lateral Defense Treaty stand out as the two most vital agreements for the U.S. in this area. Because they bind us in security arrangements with the other members of the powerful G3 oligarchy their importance cannot be overstated. Both have always had a distinctive maritime feature that, I believe, should be expanded. The connections between the U.S. and Europe and Japan must rely less on forward deployed land-based forces and more on maritime basing. Our allies must also become less reliant on U.S. forces and more reliant on indigenous units for their territorial defense. While Japan has some

constitutional limitations in this area, our NATO allies (including Canada) have long lagged behind in the percent of GDP devoted to defense (in 1999 the U.S. devoted 2.96% of GDP, the NATO allies an average of 1.66%).¹⁴³ This is not to say that all U.S. troops in these areas should be brought home. A militarily significant force should remain, fully capable of combat operations and demonstrative of U.S. commitment. However, innovative deployment and stationing options, including increased maritime-basing of our military power, possibly even deploying Army and Air Force units at sea, should become a greater part of day-to-day operations and contingency planning. For example, lighter Army units could deploy as part of naval amphibious forces and Air Force tactical air assets could be trained for carrier operations.¹⁴⁴ The stated goal of both of these services to become more expeditionary offers a great opportunity to experiment with innovative basing options. Additionally, maritime basing options could also be developed with our European allies who want to become more capable of power projection but lack the requisite lift capability.

-- Challenges of Overstretch --

All nations that expand seem to invariably fall into the trap of overstretch. This was true of Britain in the 19th century just as it was for many others before them. The U.S., after a brief flirtation with empire after the Spanish-American War, has seemingly bypassed the imperial era. As former colonies, there still remains a strong anti-imperialist sentiment in America. However, few would argue that the end of World War II left the U.S. in a position of military and economic superiority that became tantamount to empire. Obligations for free-world defense rightly consumed us throughout the Cold War. Now, with the Cold War victoriously ended on advantageous terms hardly imaginable until its very end, the U.S. continues to either get involved in every crisis or go through a fit of soul-searching when we do not. This trend has caused some of our own allies to refer to us as a “hyper-power,” creating an anti-American undercurrent in many parts of the world. In particular, our use of military forces in areas that bear little strategic relevance to the U.S. are most troubling, expensive and eventually doomed to either frustration or outright failure. Somalia, Bosnia and Kosovo are all examples of this type of military activity and, in the latter two cases, continuing commitments that run counter to our long-term interests. Extended stationing of ground forces in these areas is unsustainable as each obligation is added to the next with little thought to exit strategies or the impact of cumulative commitments. A maritime-centric

¹⁴³ Japan is limited by Article 9 of its Constitution. Defense spending data derived from IISS, Military balance 2000.

¹⁴⁴ The planned procurement of the Joint Strike Fighter (JSF) offers an interesting opportunity to develop this type of interoperability.

strategy helps avoid these tendencies through less reliance in forces on the ground while still accruing the benefits of international engagement and environmental shaping through forward-presence.

-- Increased Risk of Cultural Conflict --

Troops on the ground invariably conflict with the culture of the occupied country. Only in the rarest of cases is the continuing stationing of troops overseas sustainable. Britain found the maintenance of large ground forces away from the home island hard to maintain and prone to conflict. In effect, British culture was moved with them and, though often segregated in cantonments, invariably caused friction with the local populace. Conversely, international engagement of other nations was vital to the British and is vital today. However, a subtlety and cultural sensitivity, not entirely natural to the image of a high security military compound in a foreign land, are what will be most needed in the years ahead. Granted there are places in the world that need some U.S. military ground presence, most only on a very temporary basis. I would put the current deployments of troops for humanitarian and peacekeeping operations in this category. Permanent presence is required for only the most vital interests. I place our allies in Europe and Japan, as well as the resource rich Persian Gulf in this category. In these latter cases host nation acquiescence and support are usually basic requirements. In the many other more short-term areas maritime-basing offers the best opportunity for influence while minimizing the risk of cultural conflict.

-- Forces Tailored For Occupation Vice Combat --

The prospect of U.S. forces becoming experts at policing vice combat would have seemed far-fetched at the end of the Cold War and the Gulf War that soon followed. Today, less than ten years later, that threat seems very real indeed. Soldiers, Sailors, Airmen and Marines are often called on today to do many things other than train, prepare and, if necessary, engage in combat. Because U.S. military forces bring a high level of organization and a “can do” attitude to any mission they are one of the favorite policy instruments of national decision-makers for what have been termed Operations Other Than War (OOTW). Humanitarian, peacekeeping and law enforcement actions all fall under this rubric. Rarely considered in these assignments however is the slow erosion of combat capability that these activities entail. Even more rarely considered are viable options to replace the use of military forces for non-military tasks. The British discovered first in the Boer War and most poignantly in World War I that success in combat requires a force trained, equipped and ready to fight vice occupy and police. OOTW may be the most prevalent mission for the U.S.

armed forces but it is far from the most important. The deterrent capability of our forces is very much tied to their perceived combat capability. A greater emphasis on power projection from the sea and a decreased reliance on forces employed in an OOTW role helps sharpen deterrence and avoids the slow erosion of combat capability.

-- *The Maritime Future* --

Does sea power have influence in the 21st century? I think the answer is unequivocally yes –invaluable influence. At the beginning of this paper I identified the military strategy of the 20th century as one largely devoted to a territorial context. That was correct and prudent; there were a number of real, resourceful and active threats to vital lands during the last one hundred years. The defeat or waning of those threats and the expanding of the globalized further have changed the strategic challenge and thereby call for a strategic shift.

Is a roughly equal three way split between Navy, Army and Air Force the most efficient use of finite defense budgets? Does it dictate, by default, a marriage to a strategy that is now outdated? Or does a more innovative approach offer greater chance of success? I have argued that maritime-based forces offer the best chance of success in future security environment. Such forces would stress the potential of conventional power projection from the sea that can protect and support our global interests through the flexibility and mobility of forces with combat credible deterrence, influence and coercion potential. Maritime-based forces also reduce the problems associated with cultural conflict and the dulling of combat capability during extended missions of occupation or overseas stationing. Such forces also offer a chance for true strategic innovation. What is left to consider are the economics and strategic wisdom of overstretching our commitments and any temptation toward a policy of isolation based on an overwhelming maritime capability. The British fell prey to both these traps but I believe they are manageable if a long-term view is maintained.

The globalized world will demand a flexible mix of forces capable of international engagement and combat credibility against a wide array of potential threats. It will be built around the governance of a Trilateral Group of economically bloced nation-states whose prosperity continues to grow within a more integrated world that is continually evolving within the framework they establish. The 21st century, like the 19th, will be an era shaped by economic interests and opportunities and built on a foundation of international stability provided by military power that must be flexible. In the past the U.S. has provided this stability and the bill has been enormous. In the future the U.S. will continue to provide most of the military power required for continued

stability but the bill cannot be enormous. It is time to let our strategy shape our budget, not let our budget shape our strategy.

Like Britain in the 19th century, the United States of the 21st century stands at a strategic crossroads. Unlike Britain however, we have the British experience to consider as we confront our challenges. Based on that wisdom selection of a maritime-centric strategy makes the most economical and viable manifestation of our military power in the coming years. To put off to tomorrow decisions of today eventually will result in a loss of influence for America in a world that needs and wants our help.

CDR John Pruitt

May 2000