



# Why the National Intelligence Council (NIC) Uses Scenarios

Mathew J. Burrows  
Brown University  
March 23-24, 2007

# Contents

- The NIC and Scenarios
- Recent Case on Energy Security
- Current Task on Climate Change

# Scenarios:

## Off the Cuff Definition

- Plausible and highly consequential descriptions or storylines about some policy-relevant aspect of the future.

## Scenarios vice Alternate Futures

- Scenarios are narrower and focus on an object/process – e.g. Whither China, Whither Nuclear Proliferation.
- Alternate Futures are broader, and depict a future world or operating environment.

# Why Does the NIC Do Scenarios?

- Increasingly sophisticated consumers who are distrustful of single-point estimates.
- To bound the future and mitigate surprise (e.g. thinking across scenarios).
- To identify critical junctures/inflection points which afford opportunities for decisions to steer outcomes.
- To reflect inherent uncertainty.
- To provide a shared template for harmonizing interagency planning.

# The 2020 Global Landscape

## Relative Certainties

- Globalization largely irreversible, likely to become less Westernized.
- World economy substantially larger.
- Increasing number of global firms facilitate spread of new technologies.
- Rise of Asia and advent of possible new economic middle-weights.
- Aging populations in established powers.

## Key Uncertainties

- Whether globalization will pull in lagging economies: degree to which Asian countries set new "rules of the game."
- Extent of gaps between "haves" and "have-nots"; backsliding by fragile democracies; managing or containing financial crisis.
- Extent to which connectivity challenges governments.
- Whether rise of China/India occurs smoothly.
- Ability of EU and Japan to adapt work forces, welfare systems, and integrate migrant populations; whether EU becomes a superpower.

*(continued on next page)*

# The 2020 Global Landscape (*cont'd*)

## Relative Certainties

- Energy supplies “in the ground” sufficient to meet global demand.
- Growing power of nonstate actors.
- Political Islam remains a potent force.
- Improved WMD capabilities of some states.

## Key Uncertainties

- Political instability in producer countries; supply disruptions.
- Willingness and ability of states and international institutions to accommodate these actors.
- Impact of religiosity on unity of states and potential for conflict; growth of jihadist ideology.
- More or fewer nuclear powers; ability of terrorists to acquire biological, chemical, radiological, or nuclear weapons.

*(continued on next page)*

# The 2020 Global Landscape (*cont'd*)

## Relative Certainties

- Arc of instability spanning Middle East, Asia, Africa.
- Great power conflict escalating into total war unlikely.
- Environmental and ethical issues even more to the fore.
- US will remain single most powerful actor economically, technologically, militarily.

## Key Uncertainties

- Precipitating events leading to overthrow of regimes.
- Ability to manage flashpoints and competition for resources.
- Extent to which new technologies create or resolve ethical dilemmas.
- Whether other countries will more openly challenge Washington; whether US loses S&T edge.

# Scenario Origin: One Approach

- Influenced by which trend(s) come to trump which other trends.
- What if religious contestation is a/the dominant global feature two decades out (New Caliphate); or alternatively, economic interdependence (Davos World)?

# Fictional Scenario: A New Caliphate

Under this scenario a new Caliphate is proclaimed and manages to advance a powerful counter ideology that has widespread appeal. It is depicted in the form of a hypothetical letter from a fictional grandson of Bin Ladin to a family relative in 2020. He recounts the struggles of the Caliph in trying to wrest control from traditional regimes and the conflict and confusion which ensue both within the Muslim world and outside between Muslims and the United States, Europe, Russia and China. While the Caliph's success in mobilizing support varies, places far outside the Muslim core in the Middle East—in Africa and Asia—are convulsed as a result of his appeals. The scenario ends before the Caliph is able to establish both spiritual and temporal authority over a territory—which historically has been the case for previous Caliphates.

# Fictional Scenario: Davos World

This scenario provides an illustration of how robust economic growth over the next 15 years could reshape the globalization process—giving it a more non-Western face. It is depicted in the form of a hypothetical letter from the head of the World Economic Forum to a former US Federal Reserve chairman on the eve of the annual Davos meeting in 2020. Under this scenario, the Asian giants as well as other developing states continue to outpace most “Western” economies, and their huge, consumer-driven domestic markets become a major focus for global business and technology. Many boats are lifted, but some founder.

# Scenario Construction

Artistic ← ? → Architectural

(free-flowing,  
use of literary  
devices

(schematic-e.g., use  
of axes, quadrants,  
etc

## Other Considerations

- Group composition
- Process (meeting sequence)

# Case: Energy Security

- Energy dynamics have political effects.
- Energy markets historically cyclical—revert to the mean.
- Political effects particularly troublesome in a “persistently tight supply/high price” environment.
- Question: Is there a plausible scenario that warrants working with the unprecedented “persistently tight supply/high price” case?

# Case: The International Politics of Climate Change

Near-imponderables include:

- How do decisionmakers in 2025 perceive the impending impacts looking out to 2100?  
--What does this do to urgency, priority?
- If you're "dirty" now, can we assume you'll be dirty in 2025?  
--Might China "get religion"?
- How do persons in hard-hit areas respond—fight, flight, emaciate?

Plus all of the other physical, institutional, and technological uncertainties!

# Other Pertinent Issues

- “Base Case”: helpful or not?
  - Zeroes the policymaker in on the most probable?
  - or Psychologically discounts alternatives?
- Hall of Mirrors: anticipate the future to guide the U.S.’s own decisions yet our own decisions shape the future.