CHAPTER 4

THE STRATEGIC APPRAISAL: THE KEY TO EFFECTIVE STRATEGY

H. Richard Yarger

Strategy is best understood as the *art* and *science* of developing and using the political, economic, socio-psychological, and military powers of the state in accordance with policy guidance to create effects that protect or advance the state's interests in the strategic environment. The strategic environment is the realm in which the national leadership interacts with other states or actors and the possibilities of the future to advance the well-being of the state. It is inclusive, consisting of the facts, context, conditions, relationships, trends, issues, threats, opportunities, and interactions that influence the success of the state in relation to the physical world, other states and actors, chance, and the possible futures—all effects or other factors that potentially affect the well-being of the state and the way the state pursues its well-being. As a self-organizing complex system (a system of systems), the strategic environment is a dynamic environment that reacts to input but not necessarily in a direct cause and effect manner. Strategy is how the state exerts purposeful influence over this environment. Thus, strategy is a disciplined thought process that seeks to apply a degree of rationality and linearity to an environment that may or may not be either, so that effective planning can be accomplished. Strategy does this by identifying strategic ends (objectives), ways (concepts) and means (resources) that when accomplished lead to favorable effects in regard to the state's well-being.[1] It explains to planners what must be accomplished and establishes the boundaries of how it is to be accomplished and the resources to be made available. However, to formulate a proper strategy, the strategist must first determine the state's interests and the factors in the environment that potentially affect those interests. Only from such a strategic appraisal can the strategist derive the key strategic factors and determine the right calculation of ends, ways, and means.

The purpose of the strategic appraisal is to quantify and qualify what is known, believed to be known and unknown about the strategic environment in regard to a particular realm of strategy and identify *what is important* in regard to such strategy's formulation. It represents a rational, scientific approach to acquiring what Carl von Clausewitz referred to as *coup d'oeil*—the ability to see what is really important.[2] But while displayed below as a linear process to assist the reader's understanding of the concept, in reality the appraisal is always an iterative process wherein each new piece of information must be considered with reference to what is already known, and what is already known revalidated in light of the new information. In this process, the strategist determines pertinent desired end states (interests) that facilitate the well-being of the nation and evaluates the environment to determine what factors may preclude or assist realization of these interests. Based on his assessment of these factors, the strategist chooses key strategic factors on which to formulate ends, ways, and means that address or make use of these factors to create effects that favor the realization of the interests.

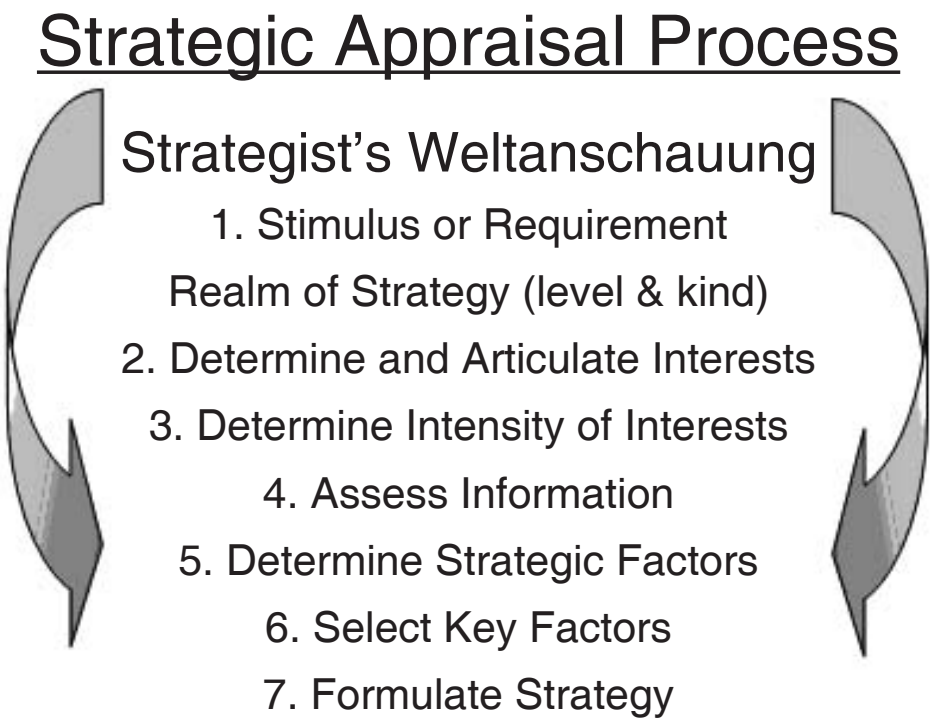

Figure 1. Strategic Appraisal Process.

Through constant study and analysis the strategist maintains a holistic world view that gives meaning and context to his understanding of the strategic environment and the forces of continuity and change at work in it. Consequently, the strategist's *Weltanschauung* is both an objective view of the existing current environment and an anticipatory appreciation of the implications of continuities and change for his nation's future well-being. Appreciating that the strategic environment possesses the characteristics of a system of systems and exhibits some of the attributes of chaos theory, the strategist accepts that the future is not predictable but believes it can be influenced and shaped toward more favorable outcomes.[3] His *weltanschauung* makes the strategist sensitive to what national interests are and the threats, challenges, and opportunities in regard to them. However, a new, focused strategic appraisal is conducted when circumstances demand a new strategy or the review of an existing strategy is undertaken. Understanding the stimulus or the requirement for the strategy is the first step in the strategic appraisal. It not only provides the strategist's focus and motivation, but it will ultimately lend legitimacy, authority, and impetus to the appraisal and strategy formulation processes and the subsequent implementation of the strategy.

The levels and kinds of strategy fall in different realms. Realms reflect both the hierarchical nature of strategy and its comprehensiveness, thereby allowing the state's leadership to delegate responsibility for strategy at different levels and in different domains while maintaining control over a complex process. The strategic appraisal focuses on serving that realm of strategy undertaken—both the kind and level. For example, the term Grand Strategy encompasses both level and kind, implying an overarching strategy that integrates the use of all the state's power in service of all the state's interests. National strategies are at the national level, but they may apply to all elements of power and the associated departments and agencies as the National Security Strategy does, or they may focus on one element as is the case with the National Military Strategy. Strategies may also have a regional focus, a force developmental focus, an organizational focus, and other foci as illustrated in Figure 2.

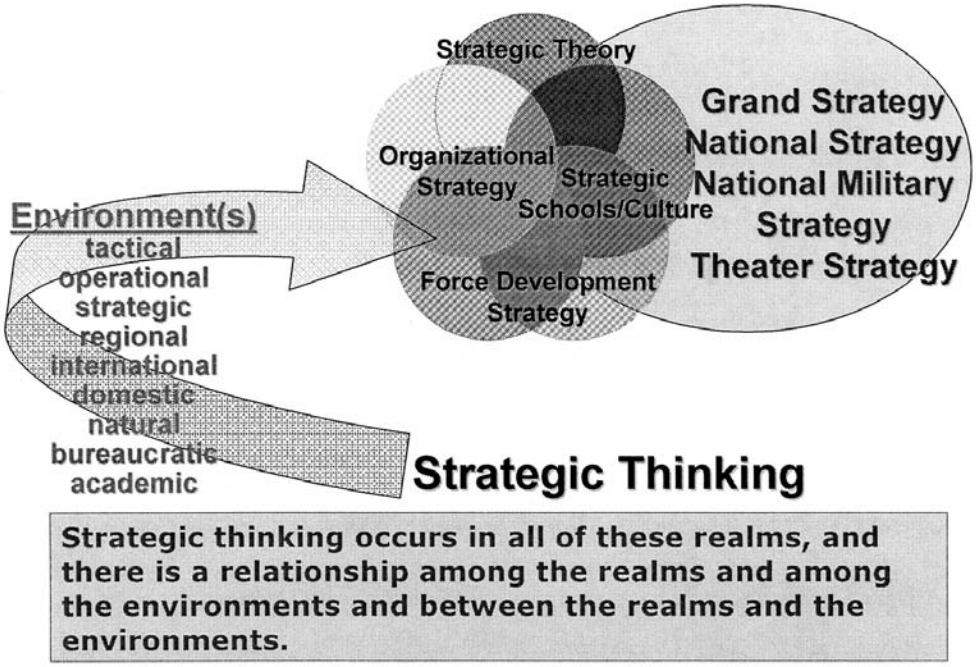

Figure 2. Realms of Strategy

Thinking about the kind and level of strategy helps develop specificity in the articulation of interests and better focuses the strategy in regard to the desired end states. It also clarifies and assigns responsibility, authority, and accountability. Nonetheless, the strategist at every level and in every domain must still maintain a holistic perspective.

Determining and articulating interests is the second step in the strategic appraisal process. The *DOD Dictionary of Military Terms* defines national security interests as: "The foundation for the development of valid national objectives that define U.S. goals or purposes. National security interests include preserving U.S. political identity, framework, and institutions; fostering economic well-being; and bolstering international order supporting the vital interests of the United States and its allies."[4] The nature of the strategic environment suggests a more generalized definition, such as the perceived needs and desires of a sovereign state in relation to other sovereign states, non-state actors, and chance and circumstances in an emerging strategic environment expressed as desired end states.[5] This broader definition encapsulates the dynamism of a strategic environment in which multiple actors, chance, and interaction play, and both external and internal components are recognized. Interests are expressed as general or particular desired end states or conditions. For example, "U.S. economic well-being" would be a generalized interest; while "international access to Middle Eastern oil" illustrates a more particular economic interest. While some interests may change over time, general interests such as free trade and defense of the homeland are persistent.

Interests are founded in national purpose. National purpose is essentially a summary of our enduring values, beliefs, and ethics as expressed by political leadership in regard to the present and the future they foresee. At the highest level, political leadership uses policy to identify state interests and provide guidance for subordinate policy and strategy. Such policy may appear as general as a vision statement that proclaims a desired future strategic environment, or as a more specific statement of guidance with elements of ends, ways, and means. It is found in various documents, speeches, policy statements, and other pronouncements made on behalf of the government by

various officials, or it may be provided by leadership as direct guidance for the development of specific strategy. Policy may be inferred as well as stated. It may be the result of a detailed strategic appraisal or arrived at intuitively. Regardless, state policy flows from the formal and informal political processes and the interpretation of the national purpose in the current and desired future strategic environments. Thus, national interests are the general or specific statements of the nation's desired end states within the strategic environment based on the policy makers' understanding of what best serves national well-being.

Interests may be expressed as physical or non-physical conditions. They may represent continuities or changes—things to be protected, things to be promoted, or things to be created. Ideally interests flow logically from the policy formulation process, but the nature of the political and bureaucratic environments, particularly in a democracy, can make identifying and clearly articulating interests and their relative importance or intensity a difficult task. As stated above, in the real world policy appears in many formats, often is not clearly stated, and may not be comprehensive in its statement of interests and guidance for serving interests. It may also come from multiple and contradictory sources, such as the executive or legislative branches, and it may be emerging from the interagency process at the time a strategy is demanded. While strategy is subordinate to policy, the strategist must search out and clarify policy intentions and appropriately identify and articulate interests. In cases where policy intentions or interests statements conflict with the reality of the strategic environment and clarification is appropriate, the strategist provides appropriate recommendations to the approval authority.

Theorists have proposed various methodologies for determining interests and levels of intensity. Sometimes, presidential administrations impose their own methodologies to express categories of interests and their associate levels of intensity. In recent years, course material at the Senior Service Colleges, such as the U.S. Army War College, has focused on three that are termed core U.S. interests: physical security, promotion of values, and economic prosperity. In the Army War College process model these three interests lead directly to three grand strategic objectives: preserve American security, bolster American economic prosperity, and promote American values.[6] In a much earlier argument, Donald E. Nuechterlein referred to these "core" interests as categories and listed four: Defense of the Homeland, Economic Prosperity, Favorable World Order, and Promotion of Values. Nuechterlein suggested these four end states were so general in nature that their primary utility lay in considering them as categories to help organize thinking about interests, and that actual interests must be stated with more specificity to be of any use in strategy formulation. He also noted that such categorization is somewhat artificial, and interests tend to bleed over into other categories.[7] Nuechterlein was right in both regards. Specificity is critical to good strategy formulation. Specificity in interests lends clarity to policy's true intent and aids in the identification of the strategic factors important in regard to the interests. In addition, since in the strategic environment everything is interrelated, greater specificity helps define the nature and context of the interest and clarifies the level and kind of strategy appropriate for addressing an interest.

Interests as statements of desired end states do not imply intended actions or set objectives—policy guidance and strategy does that. Consequently, interests are stated without verbs or other action modifiers. As argued above, interests are expressed with an appropriate degree of specificity. For example, "access to oil" is an expression of a desired end state, but is very general. It could apply anywhere in the world. "Access to oil in the Middle East" is a regionally stated interest, focusing strategic efforts on a specific region; however, it still allows the use of various elements of power and a wide range of objectives and concepts. "Freedom of navigation in the Persian Gulf" as an expression of a specifically stated interest in the CENTCOM theater military strategy gives an even more narrow focus to the desired end state and emphasizes the military instrument. Hence,

statements of interests in strategies achieve specificity by word choice, directing the focus and narrowing the context. Expression of interests, like most things in strategy, remains a matter of choice, but the strategist should be aware of the fact he is making a choice and the potential implications of his word selection—a matter worthy of deliberation and discussion! Therefore, strategists often achieve the right degree of specificity through an iterative process in which they articulate an interest and then restate it as they learn more about the implications of pursuing that interest.

Specificity in interests serves the multiple purposes of clarifying the intent of policy in different realms, focusing attention on the appropriate strategic factors, enabling better strategy formulation, and helping to identify responsibility, authority, and accountability. For example, a military strategy would logically, but not exclusively, focus on end states that could be accomplished through the application of the military element of power. Not exclusively so, because as Nuechterlein observed interests tend to bleed over into other categories, and the military instrument may also facilitate accomplishment of diplomatic, economic, or informational focused interests. In a similar manner, other instruments of power may play crucial roles in support of military strategies.

Having determined and articulated the interests, the third step in the strategic appraisal is to determine the level of intensity of each interest. Different methodologies and models have also guided the determination and expression of levels of intensity. Both Nuechterlein and Army War College methodologies advocate applying levels of intensity to interests to indicate criticality and priority. Levels of intensity at the Army War College include: Vital, Important, and Peripheral.[8] Nuechterlein labeled the important level as "major" and argued for the existence of a fourth intensity—survival—aimed at those threats or changes that challenged the very existence of the nation as we know it.[9] Dropped from most methodologies with the ending of the Cold War, Nuechterlein's survival level deserves reconsideration in light of the increase of weapons of mass destruction (WMD) proliferation among nation-states and the potential access and use of WMD by terrorists. Various actors can pose an imminent, credible threat of massive destruction to the U.S. homeland if their demands are not met. In a period of globalization such as the world is currently experiencing, an imminent, credible threat of massive disruption to the transportation and informational systems that under gird national existence and a stable world order may also reach survival intensity. Thus, interests must have both specificity relative to the realm of the strategy being formulated and a means to identify criticality and priority in order to provide focus in determining strategic factors and formulating strategy.

Levels of intensity indicate criticality and priority of interests in regard to the well-being of the state. They help the strategist understand the relative importance and urgency among interests, but do not imply that any should not be considered or addressed in some manner—all interests are worthy of some level of concern. Levels of intensity suggest relative importance and have temporal, resource, and risk acceptance implications, but the decision to act or how to act in regard to them flows from the whole of the strategy formulation process—not the assignment of the intensity. Intensity levels are transitory in that they are subject to change based on the perception of urgency associated with them at any time. Intensity is dependent on the context of the strategic situation and the policy maker or strategist's interpretation of the context and the importance of the interest to national well-being. The definitions of the four intensity levels of survival, vital, important, and peripheral are provided in Figure 3.[10]

Levels of Intensity

Survival - If unfulfilled, will result in immediate massive destruction of one or more major aspects of the core national interests.

Vital - If unfulfilled, will have immediate consequence for core national interests.

Important - If unfulfilled, will result in damage that will eventually affect core national interests.

Peripheral - If unfulfilled, will result in damage that is unlikely to affect core national interests.

Figure 3. Levels of Intensity[11]

The fourth step in the strategic appraisal is to assess the information relative to the interests. In doing this the strategist casts a wide net. Information includes facts and data relating to any aspect of the strategic environment in regard to the interest(s), including: both tangible and intangible attributes and knowledge; assumptions; relationships; and interaction. He considers all information from friendly, neutral, and adversarial perspectives, and from objective and subjective perspectives in each case. While his emphasis is logically on his realm of strategy, he applies holistic thinking that looks both vertically and horizontally at other realms and across the environment. From this assessment the strategist identifies and evaluates the strategic factors that affect or potentially affect the interests—whether promoting, hindering, protecting, or threatening them. From his evaluation of the factors he selects the key strategic factors—the factors on which his strategy's ends, ways, and means are based.

The determination of the key strategic factors and the strategist's choices in regard to them is one of the most poorly understood aspects of strategy formulation. It represents a major shortcoming in theoretical consideration of a strategic mind-set. Clausewitz' use of *coup d'oeil* describes this aspect. He argues "the concept merely refers to the quick recognition of a truth that the mind would ordinarily miss or would perceive only after long study and reflection."[12] It is the "inward eye" that leads to sound decisions in a timely manner. What Clausewitz is referring to is the ability to see what is really important in the strategic situation and being able to devise a way to act in regard to it.[13] In strategy formulation "what is really important" are called strategic factors—the things that determine or influence the realization of the interest. Not all information or facts are strategic factors. Strategic factors have meaning relative to the expressed interests. From these the strategist will determine the key strategic factors on which the success of the strategy potentially rises or falls. The figure below outlines the distinctions between information, strategic factors, and key strategic factors.

Information	Facts and data relating to any aspect of the strategic environment in regard to the interest(s), including both tangible and intangible attributes and knowledge; assumptions; relationships; and interaction.
Strategic Factors	The things that can potentially contribute or detract causally to the realization of the specified interests or other interests.
Key Strategic Factors	Factors the strategist determines are at the crux of interaction within the environment that can or must be used, influenced or countered to advance or protect the specified interests.

Figure 4. Strategic Factors

Seeing what is really important flows from a thorough assessment of the realities and possibilities of the strategic environment—tempered by an understanding of its nature and strategic theory. Strategy in its essence is about creating a more "favorable future" for the state than might exist if left to chance or the actions of adversaries and others. It is proactive, but not predictive. Thus in dealing with unknowns and uncertainties of the future, the strategist forecasts from a knowledge and understanding of the systems of the strategic environment—what they are (facts and assumptions) and how they interact (observation, reason and assumptions) within the various dimensions of interaction. He considers these in terms of continuities and change—thinking in time streams to see how the present can be affected by change and how continuities of the past and changes today may play out in the future. From this assessment the strategist derives the strategic factors—the things that can potentially contribute to or detract causally from the realization of the interest. Factors may be tangible or intangible, representing any aspect of the environment. The existence of other states and actors, geography, culture, history, relationships, perspectives, perceptions, facts, and assumptions all represent potential factors that must be considered in the strategic appraisal. What the strategist understands they are, and what others believe them to be are both important.

Having identified strategic factors, the strategist continues his assessment to determine which are the key strategic factors—those critical factors at the crux of interaction within the strategic environment, representing the potential critical points of tension between continuities and change in the system of systems where the strategist may choose to act or must act to realize the interest. In strategy formulation these critical strategic factors are the "keys" to developing an effective strategy, because using, influencing, and countering them is how the strategist creates strategic effects and advances or protects interests. The strategist seeks to change, leverage, or overcome these, in effect modifying or retaining the equilibrium in the strategic environment by setting objectives and developing concepts and marshaling resources to achieve the objectives. When successfully selected and achieved, the objectives create strategic effects that tip the balance in favor of the stated interests. The strategist's assessment of how to best do this is reflected in his calculation of the relationship of ends, ways, and means—the rationally stated output of strategic thought. The calculation and each of its components are based on the strategist's assessment of the relationship between the desired end state and various key factors. It is his appraisal of the strategic environment and selection of the key strategic factors that sets up the calculation.

Hence, the biggest conundrum confronting the strategist in strategy formulation is identifying the key strategic factors. By definition, the strategic environment is big, and there is a lot of information and VUCA in it—the conundrum is to determine what is really important in an overwhelming amount of information and possibilities. How do we determine strategic factors? How

does the strategist achieve the focus that enables him to disregard the unimportant and not overlook something critical? Of the strategic factors, how does the strategist choose those that are key and should be addressed by strategy? How do key strategic factors lead to the rational expression of strategic thinking as ends, ways, and means? The thought processes to answer these questions are the heart of the strategic appraisal. Models and insights offered by theorists and practitioners provide guides to assist and discipline the appraisal process, but it starts with an open mind that seeks inclusive answers to broad questions. From there the strategist applies his strategic thinking competencies to narrow the focus through a successive series of questions and answers that lead to the distillation of the key factors.

Postulating broad questions creates the mind-set necessary to see what is important. What are the U.S. interests and levels of intensity are broad questions and are steps 2 and 3 in the appraisal process. Factors flow from analysis and synthesis of information relevant to the interests and their intensities. What do I know in regard to facts—actors, geography, culture, history, economics, relationships, perspectives, and perceptions, etc.? For example, who else has relevant interests, what are they and what is the level of intensity? What do I not know, what can I find out, and what must I assume? What presumptions are at work in my thinking or that of others? Where can change be introduced to favorable effect? What or what changes create unfavorable effect? These are all big questions, and to answer them the strategist draws on his *weltanschauung*, focused individual research and study, and the expertise of others.

Factors are defined as pertinent facts, trends, threats, conditions, or inferences that imply an effect on the realization of the interest. Thus, factors are not accumulations of information or statements of simple facts. And their scope exceeds that of "facts bearing on the problem" in the problem solving staff study because they are concerned with what has occurred in the past, what might occur in the future, and multi-ordered effects of any changes. Factors are distinguished from information by the strategist's assessment of their potential causal relationship with the interest. While some may have a visible direct cause-and-effect relationship, many will be less obvious, and their importance lies in their second, third, or further multi-ordered implications in regard to the interest.

Consequently, factors are stated to show their bearing on the interest. For example, if the stated national interest is "a stable, peaceful China," the fact the Great Wall is 4,000 miles long is interesting, but it is only information and not a factor in regard to the interest, because the wall no longer plays a part in China's internal stability or defense. It is also a fact that the population of China is in excess of 1.3 billion. One could argue that it is a strategic factor because the sheer magnitude of the numbers involved has implications for the stated interest. However, in and of itself, the fact is of little help to the strategist other than no strategy in regard to China could ignore the inferences of such a large population. As stated, it has no real context in regard to the interest. A population-related fact better expressed as a factor potentially affecting the stability interest is: "The Chinese government is struggling to sustain adequate job growth for tens of millions of workers laid off from state-owned enterprises, migrants, and new entrants to the work force."[14] This trend could potentially threaten domestic stability in China and has a causal relationship with the interest. If the strategist considered this a key strategic factor, his strategy in regard to China would establish objectives or pursue strategic concepts that mitigate this trend. *The National Security Strategy of the United States of America* (September 2002) sought to influence global peace and domestic stability in China and elsewhere by promoting prosperity and reducing poverty around the world with an objective to "Ignite a New Era of Global Economic Growth Through Free Markets and Free Trade." It argued market economies were better than "command-and-control" economies.[15] The strategy helped encourage China toward a more viable economy and subsequent job creation.[16] Numerous

other strategic factors influenced this national strategy, but the growth of the Chinese economy and its successful integration into the American-led global economy did promote a more "stable, peaceful China."

Determining strategic factors is difficult, and ultimately, like most aspects of strategy, the selection of key strategic factors is a matter of choice by the strategist. Sorting through the VUCA of the strategic environment in search of what is really important requires the strategist to approach the appraisal from multiple perspectives using his understanding of strategic theory and applying all his strategic thinking competencies. Such strategic thinking competencies act as lenses to assist the strategist in his evaluation of the strategic environment, reminding the strategist of the dimensions of the intellect that should be applied to seek and sort information and to recognize which factors are key.[17] The U.S. Army War College identifies five such competencies.

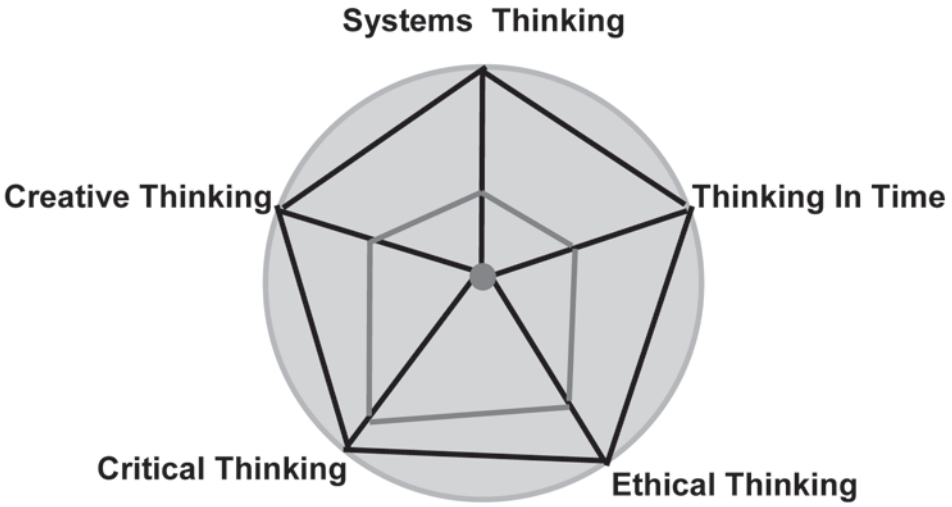

Figure 5. Strategic Thinking Competencies[18]

Critical thinking processes are applicable to both problem solving and strategic thinking, suggesting a rational way to determine the interest and the related strategic factors. The major components of the process—clarify the concern, evaluate information, evaluate implications, and make decisions/use judgment—lead to an understanding of the facts and considerations relative to the interest and their implications. The assessment of points of view and the clarification of assumptions and inferences, as well as argument analysis and consideration of the impact of biases and traps, when applied to other actors and internally, clarify what is important in the strategic context internationally and domestically. By design, the critical thinking process seeks hard facts, forces consideration of the unknowns and the role of chance, and recognizes the strategic environment consists of both physical and humanistic systems.[19] It is one thinking lens that has great application in the strategic appraisal process.

Richard E. Neustadt and Ernest R. May in *Thinking in Time: The Uses of History for Decision Makers* also place emphasis on determining all the factors and selecting the key factors as a basis for decision making. While their focus is on issue policy, and the terminology does not use the word "factor," their first step in asking for the identification of key elements that are known, unclear, and presumed is obviously focused on determining factors. One insightful approach to this they use is to identify multiple past situations that appear analogous and list similarities and dif-

ferences. Again, this process logically leads to identifying not only what is known and important in the current situation, but leverages history to get insights into potentially unrecognized factors and relationships among factors. Neustadt's and May's concept of "thinking in time" connects discrete phenomena over time and is able to relate the connections to potential futures and choices for a desired future—hence this thinking process identifies factors that matter in a strategy seeking a more favorable future.[20] Thinking in time is a disciplined process that helps mitigate uncertainty, complexity, and ambiguity.

Other strategic thinking competencies also offer insights into how to think of and identify strategic factors. Systems thinking focuses on comprehending the whole, but the process identifies systems, interdependence among systems, individual aspects of particular systems in regard to their roles or functions within the whole, and the effects of any changes induced on the whole.[21] It is synthesis-centric, rather than using analysis—asking how things come together as opposed to breaking them apart and addressing them individually as a planner might. Creative thinking processes offer new and different ways of looking at information and relationships among data, actors, and events. They help strategists view information in new and creative ways.[22] Ethical thinking processes force the examination of moral factors.[23] From each perspective and process, the strategist acquires information and insights; the processes reveal what is important in regard to interests. The strategist seeks factors relative to his own state's interests, factors relative to his adversaries' interests, factors relative to others' interests, and factors relative to the physical world and chance—looking for what is important that must be addressed or affords an opportunity to serve the state's interests. By disciplining his thinking to consider the five different lenses the strategist precludes blind spots and creates opportunities for looking at things differently; thereby increasing the probability of seeing what is important.

Structural analysis models can also assist in sorting what is important in the vast information available, and thus, lead to the identification of the key strategic factors. One simple structure to use is to look at the information from the perspective of the elements of power. Facts or trends that indicate or affect balance and relationships in power are potential strategic factors. Hence, focusing on the natural and social determinants of power of the various actors serves as a filter for sorting through the overwhelming volume of information to see what is important. The elements of power are listed below.

Natural Determinants	**Social Determinants**
• Geography	• Economic
• Population	• Military
• Natural Resources	• Political
	• Socio-Psychological

Such a filter works because there are casual and interdependence relationships among interests, power, and strategy that become apparent under disciplined consideration. Power is relative, dynamic, and contextual, and the examination and weighing of information in regard to power reveals relevant factors and suggests which are key.[24] Again, the strategist considers this from the multiple perspectives of self, adversaries, others, the physical world, and chance.

Since the strategic environment is a system of systems, and people and other human entities depicted below are part of the interaction, an actor structural analysis is another way to filter information to see what is really important in regard to specific interests. Individual personalities and collective mentalities matter in the pursuit of interests. Here the strategist poses broad questions

such as: who is affected by this interest and how; who else shares or opposes this interest and why; how will other act or react in regard to this interest and how and why; and what influences others' actions in regard to this interest and why? Answers to these questions reveal factors that must be considered.

Actor Structures

- Individual
- Leadership
- Groups
- Organizations
- Institutions
- Interagency/Bureaucracy
- Movements
- States
- International Business Organizations
- Private Organizations
- International Governmental Organizations
- Society/Culture

Since factors relate strategy to the interests and a proper focus of strategy is interaction, the dimensions of interaction in the strategic environment are another important information filter. In this construct, the strategist uses the dimensions as lenses to focus attention on what is important amongst the profusion of information. These dimensions are in play to a greater or lesser extent at all times. Colin S. Gray identifies some 17 strategic dimensions as depicted below, but acknowledges there may be many more. The strategist must consider factors derived from analysis using these dimensions both individually and holistically—that is each distinctly but at the same time in context with each other. Since particular dimensions play a greater role or are more critical at particular times in history, the strategist must be attuned to this potential and the fact none of the dimensions can be ignored over time. A dimension of strategy approach is a valid methodology for identifying what is important in regard to an interest because it allows the question: "what is important relative to this interest in this dimension and how does it interact with the whole of the environment?"

Dimensions of Strategy[25]

- People
- Society
- Culture
- Politics
- Ethics
- Economics and Logistics
- Organization
- Administration
- Information and Intelligence
- Strategic Theory and Doctrine
- Technology
- Operations
- Command
- Geography
- Friction/chance/uncertainty
- Adversary
- Time

Different realms of strategy may suggest other constructs for discerning what is important in the vast array of information available to the strategist. Regardless, the appraisal process is similar. From his assessment and synthesis of the information, the strategist determines the relevant factors—facts, issues, assumptions, presumptions, threats and opportunities—that *act or interact to affect the interest*. These factors are written as simple factual statements in a manner that makes clear how they affect, and if they assist or hinder U.S. interests. From this broad understanding and list of factors, the strategist develops a refined list of key strategic factors by asking a new series of questions. What can most likely detract from or preclude the realization of the interest? What best supports or

can be leveraged to realize the interest? What does policy guidance allow or preclude? What assumptions are inherent to my understanding of the situation and realization of the interests? Can these assumptions be made factual? What changes in facts or assumptions would affect the realization of interests and how? What role does chance play—are there wild cards? These questions lead to the selection of the key strategic factors—the factors the strategy must account for or that the strategist thinks provides the key to successful pursuit of the interest.

The strategist is now poised to formulate a specific strategy. Using the strategic appraisal framework he has applied strategic thinking competencies and various models to clarify interests and levels of intensity, he has culled out strategic factors relevant to the realization of the interests from an overabundance of information, and he has further refined this broad list of factors into a more focused list of key strategic factors on which to base a strategy. However the strategic appraisal framework has done much more than this. It has immersed the strategist in the strategic environment from the perspective of specific national interests. It has identified what is important relative to those interests, forced the strategist to distinguish between fact and assumption, and alerted him to the consequences of change. Thus, the framework focuses the strategy formulation process on the key strategic factors, suggests where flexibility is needed and how strategy might be made adaptive. Further, it provides indicators for potential future issues and prepares the strategist for considering changes in strategy.

Once the strategic appraisal is complete, the strategist uses his understanding of the key strategic factors to influence the strategic environment favorably without inadvertently creating other unfavorable effects. These factors suggest suitable objectives, suggest or limit concepts, and identify appropriate resources. In addition, the key strategic factors both suggest and bound what is feasible, acceptable, and suitable in strategy formulation. The assessment of the factors also provides the basis for the consideration of risk in a strategy. Through his formulation of appropriate ends, ways, and means to leverage and account for these factors, the strategist creates favorable strategic effects leading to the realization of the interest. Which factors to act upon, what objectives to set to create favorable strategic effects, what concepts to use to achieve those objectives without adverse effects, and what resources to provide to implement the concepts are all choices made in strategy formulation from the knowledge gained in the strategic appraisal. To the extent this is done well, the strategist creates more favorable effects and brings the strategy closer to the realization of the interest.

The strategic appraisal framework serves to discipline the strategist's thought process and codify its output. Like all theory, it educates but does not dictate—the human mind must make the choices. Yet through education, it leads to potentially better appraisals and a more careful consideration of what the interests are and the factors to be considered in regard to them. Through codification, it allows critical review and a shared understanding of how a strategy is expected to work. As such, the framework is a useful tool, but a healthy *weltanschauung* is essential to retain the proper perspective on the validity of a strategy and to recognize when and whether modification or a new strategy is necessary. Theory can aid the practice of strategic *coup d'oeil* and strategy formulation by offering a framework for identifying and considering the relevant factors, but the strategist's choice of what to do, how to do it, and the resources to be made available remain a creation of the active intellect.

ENDNOTES - CHAPTER 4

1. Arthur F. Lykke, Jr., "Toward an Understanding of Military Strategy," chap. in *Military Strategy: Theory and Application*, Carlisle Barracks, PA: U.S. Army War College, 1989, pp. 3-8.

2. Carl von Clausewitz, *On War*, Michael Howard and Peter Paret, ed./trans., Princeton, NJ: Princeton University Press, 1976, p. 102.

3. Harry R. Yarger, *Strategic Theory for the 21st Century: The Little Book on Big Strategy*, Carlisle, PA: Strategic Studies Institute, February 2006, pp. 17-29.

4. Joint Chiefs of Staff, Joint Staff, J-7, *Joint Publication 1-02, Department of Defense Dictionary of Military and Associated Terms*, Washington, DC: United States Joint Staff, 12 April 2002, amended through 14 September 2007, p. 360.

5. Donald E. Nuechterlein, *America Overcommitted: United States National Interests in the 1980s*, Lexington, KY: The University Press of Kentucky, 1984, p. 4. This is a modification of Nuechterlein's definition.

6. Department of National Security and Strategy, *Course Directive: National Security Policy and Strategy Academic Year 2007*, Carlisle, PA: U.S. Army War College, 2006, p. 106.

7. Nuechterlein, pp. 8-14.

8. *Course Directive: National Security Policy and Strategy Academic Year 2007*, pp. 106-108.

9. Nuechterlein, p. 10.

10. *Ibid.*, pp. 9-14, 17-28. Nuechterlein identifies vital interests in regard to various value and cost/risk factors, discussing eight of each. These are still useful, but not inclusive.

11. *Course Directive: National Security Policy and Strategy Academic Year 2007*, pp. 106-108.

12. Clausewitz, p. 102.

13. *Ibid.*

14. The Central Intelligence Agency, *The World Factbook*, available from *www.cia.gov/library/publications/the-world-factbook/print/ch.html*.

15. George W. Bush, *The National Security Strategy of the United States of America*, Washington, DC: The White House, September 2002, pp. 17-18.

16. George W. Bush, *The National Security Strategy of the United States of America*, Washington, DC: The White House, March 2006, p. 26. Here, the Administration takes credit for success.

17. Richard M. Meinhart, "Leadership and Strategic Thinking," in *Strategic Thinking*, Carlisle, PA: U.S. Army War College, 2007, pp. 36-37.

18. *Ibid.*

19. Colonel Stephen J. Gerras, Ph.D., "Thinking Critically About Critical Thinking: A Fundamental Guide for Strategic Leaders" in *Strategic Thinking*, Carlisle, Pennsylvania: U.S. Army War College, 2007, pp. 47-75.

20. Richard E. Neustadt and Ernest R. May, *Thinking in Time: The Use of History for Decision Makers*, New York: The Free Press, 1986, pp. 232-240, 252-256.

21. George E. Reed, "Systems Thinking and Senior Level Leadership" in *Strategic Thinking,* Carlisle, PA: U.S. Army War College, 2007, pp. 158-162.

22. Colonel Charles D. Allen, "Creative Thinking for Individuals and Teams" in *Strategic Thinking*, Carlisle, PA: U.S. Army War College, 2007, pp. 47-75.

23. Meinhart, p. 44.

24. David Jablonsky, "National Power" in *U.S. Army War College Guide to National Security Policy and Strategy*, 2nd Ed., J. Boone Bartholomees, Jr., ed., Carlisle, PA: Strategic Studies Institute, U.S. Army War College, June 2006, pp. 127-142.

25. Colin S. Gray, *Modern Strategy*, Oxford, U.K.: Oxford University Press, 1999, pp. 23-44.