

Managing the Future: A Review Essay on *Blindside: How to Anticipate Forcing Events and Wild Cards in Global Politics*

Joshua J. Yates

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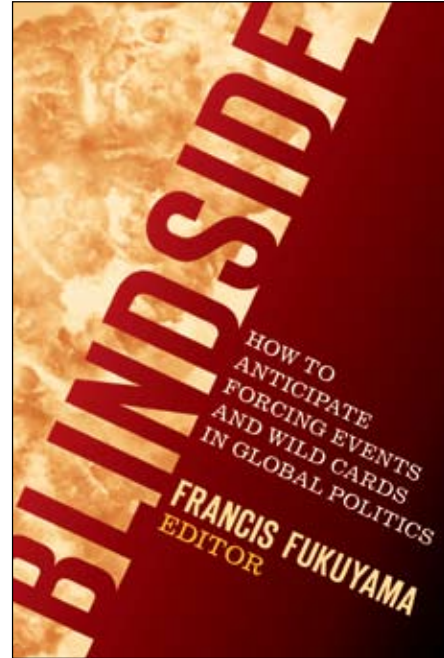
Why didn't intelligence experts anticipate the sudden collapse of the Soviet Union and sudden end of the Cold War? Why did 9/11 catch the sole superpower seemingly so completely off-guard? Despite repeated warnings by experts, why didn't officials plan adequately either for Hurricane Katrina and its aftermath or for the political instability and insurgency that followed the U.S. invasion of Iraq? What are we to make of these striking failures to anticipate and to act? Are they indicative of a lack of political will, technological capacity, or moral imagination? From the perspective of some future moment, how will our actions in the face of present challenges be evaluated?

In Francis Fukuyama's edited volume *Blindside: How to Anticipate Forcing Events and Wild Cards in Global Politics*, a group of leading policy analysts, journalists, and scholars contend with these immensely vexing questions. Sponsored by *The American Interest* magazine, this collection of essays grapples with how to assess our repeated failure both to predict and to prepare for "low-probability, high-impact scenarios."

The volume is divided into five parts: Part I opens with introductory chapters by Fukuyama and the legal scholar Richard Posner. Parts II and III look both to the past and the present as they address the psychological and institutional challenges lead-

Joshua J. Yates is Research Assistant Professor of Sociology at the Institute for Advanced Studies in Culture at the University of Virginia. Professor Yates has written on the cosmopolitanism of American global elites, the challenges of a globalizing modernity to orthodox religion, the worldwide spread of democracy, and the anti-globalization/global justice movement. He is presently working on a book about the world-cultural significance of modern humanitarian organizations.

ers commonly confront in their efforts to cope with surprise; Part IV examines the opportunities and liabilities (but mostly opportunities) of strategic forecasting. Part V wrestles with whether we should be pessimistic or optimistic about “what could be,” featuring a debate between Swarthmore political science professor James Kurth and *The Atlantic* writer Gregg Easterbrook, as well as roundtable discussions on global trends in general and America’s future in particular. In sum, this lively, wide-ranging collection centers on which surprises to worry about; why it has been, and continues to be, difficult to predict future surprises (whether positive or negative); and whether today we should be optimistic or pessimistic about the future of America and of the world as we know it.



On its own terms, that is to say on the terms of the policy expert, this collection of essays is a timely, if predictable and not terribly constructive, intervention into contemporary quandaries of collective risk management. It trades in what we have come to expect from the managerial mindset that dominates business schools, think tanks, and consulting firms—an excessive, unconvincing, and by now stock emphasis on “innovative” thinking. Derived from a set of conference proceedings (in this case, a further handicap of the volume), the collection can only gesture toward potentially promising lines of future research.

That said, the volume possesses a real value for the student of culture. To see its salience, we must step back from the book’s specific analyses and policy prescriptions to consider the entire project as an artifact of a distinctive social order. Put another way, we must not take the instrumental, problem-solving stance of the authors for granted, but as a phenomenon to be explained.

In his introduction to the volume, Fukuyama highlights “the challenges of uncertainty” that commonly thwart public officials, intelligence agents, and other professionals tasked with crisis detection and civilian protection. Among the most recurrent challenge he sites is the perverse “perceptual incentive structure,” which commonly comes in the form of a troubling “bias against optimism.” Measured against the logic of this bias, analysts “are seldom rewarded for predicting continuity or the sudden emergence of good news, but failure to predict bad news can be a career-ending mistake” (2). That it is better to play a sober realist than a sanguine idealist is made painfully clear when Fukuyama reminds us that “no one wants to be in the position of Admiral Husband Kimmel, the commander of the U.S. Pacific Fleet” (2) who dismissed the discovery of his own code breakers the very day the Japanese attacked Pearl Harbor.

In retrospect, psychology does indeed seem to have played a key role in our striking failures to anticipate both the fall of the Soviet Union and the East Asian financial crisis of the 1990s. As it happens, the evidence for both scenarios not only existed, but was available to the relevant decision makers. According to Bruce Berkowitz, the U.S. intelligence community did not fail to estimate the collapse of the Soviets. Rather, what he calls the “collective cognitive architecture of surprise” (29) worked against the perceived plausibility of existing intelligence estimates. In his chapter on the East Asian financial crisis, David Hale contends that a similar failure of perception against available evidence, caused by what he calls a “confidence paradox,” stymied a realistic assessment of the region’s economic health. As long as investor confidence remained strong, as was the case leading up to the crisis, big money flocked to East Asian markets. Flush with capital, however, it was not long before excessive speculation triggered a massive banking crisis. A spiraling loss of confidence quickly ensued, causing foreign investment to evaporate almost overnight.

Psychology aside, some surprises come neither as crises nor all at once. For instance, David Landes points to the slow and thoroughly unanticipated synergy between the invention of the automobile and the twin discoveries of oil and electricity. To most minds, this synergy was the technological engine behind many of the unprecedented material achievements enjoyed by advanced industrial societies—achievements, moreover, which have underwritten the uneven, but unprecedented wave of economic growth, scientific advance, and political freedom produced in the twentieth century. “This big and slow surprise,” he writes, “arose from an unexpected (from the vantage point of one century ago) combination of scientific and technological change” (24).

It appears, from the vantage point of the twenty-first century, that we have yet to reach the full bequeathal of that prodigious synergy. Although much slower to be appreciated, the more menacing consequences of Landes’s “interrelated triple surprise” have become increasingly clearer. For a number of chapters, the central concern is in fact the triple threat of energy dependence, terrorism, and economic instability. As William B. Bonvillian argues, “economic power is the heart of American ‘soft’ power and the backbone of its military power; energy has become an Achilles’ heel to both” (58). Gal Luft and Anne Korin agree and connect our energy dependence with our vulnerability to terrorism and foreign policy entanglements. “Terrorist groups have identified oil terrorism as a way to break the economic backbone of the West,” they write; “the energy weapon is back” (72, 73).

But these authors aren’t all doom and gloom. They prescribe as well as diagnose. In the case of Luft and Korin, the answer is “fuel choice” (in particular “flex-fuel” cars that can run on sugar cane ethanol). For Bonvillian, the cure to energy dependence is the creation of a DARPA-like agency dedicated to solving the energy problem. DARPA stands for the Defense Advanced Research Projects Agency, an Eisenhower-era agency famous for its revolutionary “connected-science” model that linked state-of-the-art research and development with widespread public-sector applications. From the personal computing and Internet revolution to stealth technology, high-energy lasers, and robotics, many of the most significant technological advances over the last fifty years can be traced to the work of this agency. What both of these prescriptions have in common is their com-

mitment to the imperative of innovation. In this way, they anticipate the major “take away” of the fourth part of the volume dealing with strategic forecasting. “Innovative organization,” “novel thinking,” and “cutting-edge” research and design are a constant, and persistently optimistic, refrain in these otherwise foreboding chapters. “Poorly structured, ill-defined, difficult-to-grasp problems can be solved,” Peter Schwartz and Doug Randall write (97). How? Such problems just require creative thinking and fresh approaches, which these co-authors believe will be generated through, among other things, the promise of interactive computer technology.

But not every contributor is so confident. Fukuyama, for one, maintains that it is simply “not possible to anticipate all the possible low-probability events that may litter world history in coming months and years” (3). Even with the most “skillful cost-benefit analysis and scenario techniques,” he writes, “technological forecasters continue to get most things wrong, failing to anticipate major trends and overestimating the importance of the ‘latest great thing’” (5). No matter how innovative we become or how much our forecasting techniques improve, Fukuyama suggests that the problem of selective hedging will remain a central preoccupation for policy makers. For him, the inevitability of hedging is a ghost that even the most powerful innovations of the future will not fully be able to exorcise.

In the most insightful chapter of the volume, Richard Posner explains why. Hedging is a chronic feature of modern life because of what he calls “the paradox of scientific progress.” “The problem of dealing with catastrophes has gotten bigger,” he writes, “simply because the range of catastrophes that cannot be averted or mitigated has gotten smaller” (7). In other words, because our knowledge and technique have enabled us to survey and in some sense delimit the field of possible future crisis scenarios, and though these capacities have made possible the genuine mitigation and potential prevention of any number of such scenarios, it has neither reduced our anxieties about them (we know more and more about what might go wrong), nor has it eliminated uncertainty about *which* possible crises are most critical.

The paradox of science has also shaped the character of our hedging. Posner maintains that, rather than eliminating the number of dangers confronting humanity, the march of science “is creating more catastrophic risks” (8). Risk refers simply to possibilities that can be assigned a numerical probability, such as rates of heart disease or automobile fatalities. But, as Posner suggests, risk estimates can also be assigned to catastrophic scenarios. Once the stuff of apocalyptic science fiction, for instance, we can today calculate the probabilities of an asteroid strike or a global pandemic thanks to advances in astrophysics and epidemiology. We know, moreover, that their reoccurrence will have catastrophic consequences that can also be quantified probabilistically. Still, we cannot extend an equal amount of attention, investment, and political commitment to the whole field of such realistic threats. We have to hedge selectively against some and not others based on the best available intelligence. As the chapters in this volume repeatedly remind us, this is no simple process. It is a process that is beset by psychological, institutional, and political obstacles at every turn. Like Fukuyama, Posner believes that our ability to overcome such obstacles lags far behind our ability to forecast all that could go wrong.

The concluding section of the volume serves only to intensify the reader's appreciation of Posner's paradox. It features a grab bag of speculation from a diverse assortment of commentators, each prognosticating about what is in store for our world and America's place in it. It is no exaggeration to say that these speculations swing from the "things are getting better all the time" faith in the continued spread of liberal democracy and capitalist prosperity to the "things are only going to get worse" vision of social (and demographic) decline that verges on the apocalyptic.

As suggested at the outset, the value of *Blindside* goes beyond its intended contribution to contemporary discussions of crisis prevention and analysis. Of particular interest is what the character of the entire project of prevention and analysis reveals about our deepest cultural commitments. To best see this cultural dimension of the volume, consider again the questions that inspired the collection in the first place: Why didn't we anticipate 9/11? Why weren't we adequately prepared for Hurricane Katrina? The subtext to these questions is the burning issue of agency. The underlying question to all such calamities is thus, *who* failed us? Recall the public reactions to the devastation of Hurricane Katrina: shock and outrage were the overwhelming responses. Watching the disaster unfold on television, people wanted to know how a society as liberal, wealthy, and technologically sophisticated as the U.S. could have let such a catastrophe happen within its own borders. Where, they demanded, did the buck stop? Who was to blame—local or state officials? Mayors present or past? The Army Corps of Engineers? FEMA (Federal Emergency Management Agency) or other federal agencies? What about the Bush administration? (Or, as one German official contended, was the entire nation somehow at fault due to its disproportionate contribution to global climate change?)

To be sure, the catastrophe was many-sided—consisting of extreme poverty, systematic racism, rampant political corruption, and extreme institutional incompetence—so there were a number of guilty parties. But the particularly galling (and not a little embarrassing) thing about this whole disastrous episode was that most, if not all, the human suffering and material destruction was deemed unnecessary. What undoubtedly would have once been perceived as something over which we had no control, as ill fortune or an "act of God," can today only be interpreted as a collective affront. It was a tragedy that could have, and therefore should have, been avoided.

Measured against the standard of history, this is an extraordinary sentiment. To be sure, humans have always been keenly aware of life's precariousness and have collectively gone to great lengths to hedge against it. What makes our society distinct is the peculiar manner of our hedging. We have reformulated the perennial hazards of human existence as a set of mundane social problems. Whereas hazards can be avoided (and the gods appeased), problems can be solved. We have not only come to judge the performance and legitimacy of our leaders and institutions by their ability to identify and solve a universe of concrete social problems, we have actually come increasingly to define that universe—reality itself—exclusively in terms of such manageable problems.

This reformulation has proven extremely powerful. In the face of humanity's most ancient and intractable adversaries—hunger, poverty, disease, and mortality itself—

there is real, measurable progress. Thus, we are tempted to believe that we have, or are well on our way to having, solutions to them all. Modern life is founded on this distinctive audacity: an institutionalized confidence in our ability to manage the problems of existence with progressive precision and effectiveness. Every day, the headlines tracking undulations in the rates of literacy, childhood diabetes, adult heart disease, automobile fatalities, gross domestic products, carbon dioxide emissions, homicides, and so much else, remind us of this deep cultural premise. Every day, we measure our failures in the distinctive axiology of risk.

In the aftermath of catastrophes like Katrina, we witness a moment where the otherwise tacit expectations about human agency in the face of the contingencies of existence become agonizingly explicit. The travesty of Katrina was, in this way, not merely an instance of political corruption and social inequality. It was a severe violation of the fundamental underpinning of the social order. Put in Max Weber's terms, we are a society that is affronted by the ultimate meaninglessness of disaster because we are a society that has transformed the justificatory work of traditional theodicies into an empowering, but mercilessly unrelenting anthropodicy. The responsibility for our inevitable failures is ours, and ours alone. Yet, as Weber also saw, this is the source of the modern self's incomparable dignity.

For the policy expert, then, this volume's chief, though predictable, strength is in its discussion of the psychological, institutional, and political obstacles to preventative action. Such reflection is surely important for retracing the various missteps that have often led to disaster. By taking stock of the "lessons learned," we can perhaps limit how often we are blindsided in the future by low-probability, high-impact events.

For the student of culture, however, this volume offers a different lesson. It typifies the distinctive way our society has come to confront the contingencies of human existence. We frequently do so in the world-taming idiom of insurance adjusters—in the probabilistic terms of actuary tables and cost-benefit analysis. It calls our attention to the powerful cultural presumption built into the fabric of our governing institutions, the distinctive audacity to believe we can finally overcome uncertainty and address the problems of existence on our own terms. As such, we can begin to see the state of affairs to which these extraordinary assumptions commit us. We must endure the vacillations, at times extreme, between the increasing expectations we place on our agency in the face of uncertainty and our concomitant obsession with the failure—whether our own or others'—to live up to our expectations.

This persistent tension is surely a source of our society's remarkable dynamism, but it is also a source of our unique vulnerability. Because the legitimacy of our social order demands endurance of this tension, we must ask ourselves what happens if our ability to address the most pressing and looming threats (whatever their probability) cannot keep pace with our capacity to hedge adequately against them? What, in short, might repeated failure to live up to our exceptional expectations bring? This is doubtless a very different kind of "low-probability, high-impact scenario," yet one worth our keenest attention.