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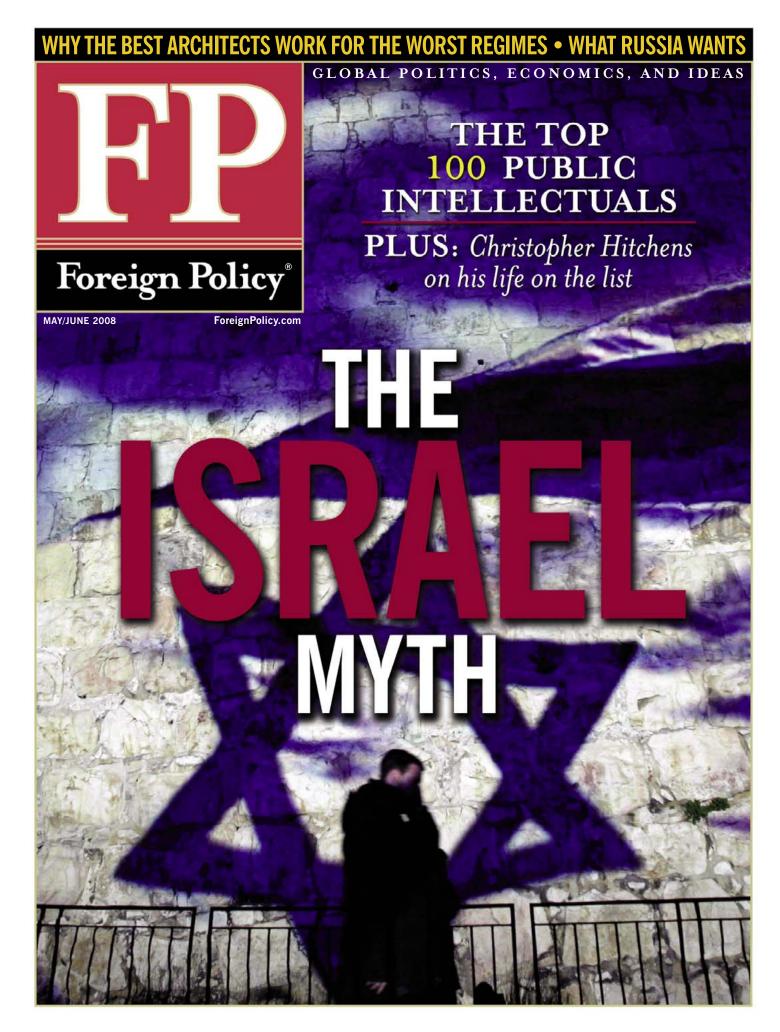
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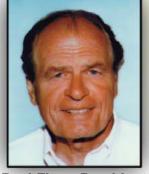


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President Eisenhower



Paul Flum. President Goals for Americans® Foundation

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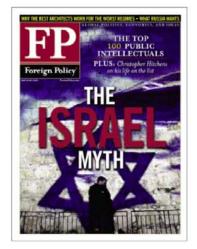
## **IDEAS AT WORK**

ere at *FP*, we like to say we are the magazine of "global politics, economics, and ideas." Although you will find all three in every edition, this issue offers an extra heavy dose of ideas. One of the most profound—sometimes controversial—ideas of the last century that still resonates today is the idea of a Jewish state. As Israel celebrates its 60th anniversary, our cover story by **Gershom Gorenberg** examines (and debunks) the myths that follow in its wake. Because, as he explains, Israel is "best understood as a real place, not a country of myth."

We often imagine ideas in highly abstract terms, but ideas can also be concrete—as in bricks and mortar. In a feature essay, architecture critic Richard Lacayo looks at

why many of the world's best architects are taking their most ambitious and creative ideas to the least free nations. "What architects prefer are fearless clients," writes Lacayo, "the kind who commit serious money and laugh in the face of local opposition." Unfortunately, modern-day autocrats are increasingly the clients who best fit that description, which explains why some of the most innovative and daring skylines will soon be found in places such as China, Russia, and the Persian Gulf.

In this issue, we have built our own landmark to powerful ideas: the list of the world's **Top 100 Public Intellectuals**. For the second time, in partnership with Britain's *Prospect* magazine, we have compiled our list of the men and women who shape the tenor of our time with the power of their thoughts, words, and discoveries. It's a diverse group drawn from across the globe whose ranks include activists, political scientists,



journalists, economists, playwrights, scientists, and many more. The criteria? They must be active in public life and have shown both distinction in their particular field and an ability to influence wider debate, often far from the places they call home.

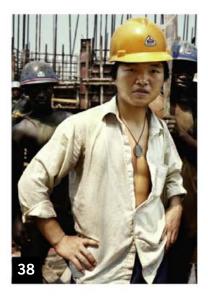
Even better, we want to hear from you to get your ideas about who is the best of the best. Go to ForeignPolicy.com/intellectuals and cast your vote for the top five global public intellectuals. Once there, you will also find a write-in ballot for the intellectual whom you think should have made the list. Based on your votes, we will present the list of the Top 20 Public Intellectuals in our next issue.

And while you are casting your ballot, we invite you to explore ForeignPolicy.com for more features and analysis. For example, check out Seven Questions, our weekly interview with leading thinkers and decision-makers. Joseph Stiglitz, Richard Clarke, and Morgan Spurlock are just a few of the people who have recently sat down with us to share their views. Or, you could visit FP's blog, Passport (blog.foreignpolicy.com), for our editors' opinions and analysis of the events shaping our world. As you'll see, we are committed to giving you the newest in "global politics, economics, and ideas"—every day.

The Editors

P.S. As we went to press, we learned that FP was nominated for the National Magazine Award for General Excellence, the magazine industry's highest honor, for the fourth year in a row. Win or lose, we are proud to be singled out once again among more than 1,700 leading publications.

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**Israel** Six decades after its founding, the Jewish state is neither as vulnerable as its supporters claim nor as callous and calculating as its critics imagine. But if it is to continue defying all expectations, Israel must first confront its own mythology. *By Gershom Gorenberg* 

#### PRIME NUMBERS

**Help Wanted** From office cleaners to high-tech analysts, temporary workers have become a permanent fixture of the way the world works. Today, the global temp market is dominated by a few staffing firms operating in dozens of countries and generating billions of dollars. By Neil M. Coe, Jennifer Johns, and Kevin Ward

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- The Top 100 Public Intellectuals They are some of the world's most introspective philosophers and rabble-rousing clerics. Others are at the forefront of modern finance, politics, and human rights. In the second Foreign Policy/Prospect list of top public intellectuals, we reveal the thinkers who shape the tenor of our time.
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### **Tracking Terrorists**

According to Marc Sageman ("The Next Generation of Terror," March/April 2008), there would be little wind in the sails of the global radical Islamist movement if not for the United States' occupation of Iraq, which he argues is inflaming "homegrown wannabe" jihadists. If the United States simply withdraws from Iraq and treats terrorism as "common criminality," this new breed of jihadi dilettantes will eventually just "fade away."

Sageman's singular focus on Iraq is unfortunate because it leads him, one of the world's most seasoned terrorism analysts, to understate the problem dramatically and call for a dangerous return to pre-9/11 solutions. In fact, when viewed through a broader lens, Sageman's own case studies lead to a conclusion contrary to those he posits: that we confront a widespread ideological existential challenge that extends well beyond any specific foreign policy of the day, including the Iraq war.

For instance, Sageman declares that the radicalization of Mohammed Bouveri, the Dutch Muslim who brutally murdered filmmaker Theo van Gogh in the streets of Amsterdam in 2004, can be traced to his "outrage over the Iraq war." Yet nowhere in Bouyeri's public writings is there any mention of the Iraq war. Nor did Bouyeri mention Iraq at his sentencing in July 2005. He was quite outspoken, however, about his outrage over the film regarding Islam's treatment of women that van Gogh and former Dutch parliamentarian Ayaan Hirsi Ali produced.

Sageman also attributes the Madrid railway bombings in March 2004 to its ringleader's becoming "increasingly obsessed with the war in Iraq." But seven months after the attack—after all Spanish troops had withdrawn from Iraq—authorities uncovered another major plot, this time to blow up at least six high-profile buildings in Madrid, Real Madrid's soccer stadium, and the Atocha train station (again). Spain remains in the cross hairs not because it initially supported the Iraq war, but because it is considered historically occupied Muslim territory.

Finally, Sageman never explains why these new jihadists, who have been radicalized over the Internet, are less dangerous than those radicalized in

the training camps of the 1990s. Moreover, with all his focus on Iraq, he fails to explain why the U.S. occupation of Afghanistan is not inspiring similar Muslim "outrage," or how a retreat from Iraq would diminish the power of the global jihadi movement rather than serve as a tremendous recruiting moment akin to the defeat of the Soviets in Afghanistan in the 1980s.

The face of the jihadi movement may very well have changed during the past 15 years, but its goals remain the same: mass casualty attacks against the West and its allies in the Muslim world. Until that goal changes, we must stay focused on preventing the next attack and remain wary of politically comforting, silver-bullet recommendations.

#### —STUART GOTTLIEB

Director of Policy Studies MacMillan Center for International and Area Studies Yale University New Haven, Conn.

Since late 2001, analysts have repeatedly declared al Qaeda defeated, its leadership marginalized, and the terrorist group supplanted by a new kind of threat. These declarations have consistently proved premature. Although Sageman offers interesting insights, there are strong reasons to question his claim that "[t]he individuals we should fear most haven't been trained in terrorist camps, and they don't answer to Osama bin Laden or Ayman al-Zawahiri."

Sageman's contention that al Qaeda's "golden age" passed with the toppling of its safe haven in Afghanistan is hardly novel, yet he overstates the impact. Many al Qaeda leaders relocated to Pakistan. Even though Pakistan's military tried to flush al Qaeda out of the tribal areas, U.S. officials acknowledge that the group has gained a safe haven there. The result has been a heavier al Qaeda hand in recent plots. But even before this new safe haven, the conventional story line of a marginalized al Qaeda leadership was questionable.

#### For More Online



Read Marc Sageman's responses to readers' questions about the next generation of terror at

ForeignPolicy.com/extras/sageman.

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Although Sageman describes the Madrid bombings as the result of a "self-recruited leaderless jihad," there were numerous links to established terrorist networks—including through Syrian al Qaeda agent Abu Dahdah, and preachers Abu Qatada and Mullah Krekar. Spanish authorities' failure to prove that bin Laden or Zawahiri ordered the attack does not render these linkages irrelevant.

Connections between "al Qaeda Central" and the more credible terrorist threats continue to become clearer. At least two of the terrorists behind London's 7/7 bombings, Mohammad Sidique Khan and Shehzad Tanweer, trained in Pakistan. Al Qaeda's senior leaders had enough prior knowledge of 7/7 to send footage of Khan and Tanweer to Al Jazeera after the attack. Multiple intelligence agencies have linked operational command for the potentially catastrophic August 2006 trans-Atlantic air plot to top al Qaeda leaders in Pakistan. British terrorist operatives have trained in Pakistan for at least half a dozen plots since 2003, while other European countries have likewise seen their extremists travel there for training—a trend dramatically illustrated by the plots disrupted in Germany and Denmark in September 2007.

Operatives who are "self-financed and self-trained" have a spottier record. The Fort Dix plotters had terrible operational security, taking a video of themselves firing weapons and yelling in a foreign tongue to Circuit City to be transferred to DVD. The hydrogen peroxide in the explosives used by Britain's July 21, 2005, subway and bus bombers failed to react. The Miami cell that allegedly wanted to destroy Chicago's Sears Tower reached out to al Qaeda because they doubted they could succeed on their own. According to the indictment in the June 2007 Kennedy Airport plot, the would-be bombers wanted to "present the plan to contacts overseas who may be interested in purchasing or funding it."

Homegrown cells without links to outside networks have not matched the success of al Qaeda and its affiliates. It is still far too early to declare that al Qaeda Central's day has passed.

#### —Daveed Gartenstein-Ross

Vice President of Research Foundation for Defense of Democracies Washington, D.C. The Madrid bombings are often held up as a prototypical example of an autonomous local cell at work. Its perpetrators, writes Sageman, are an example of a "self-recruited leaderless jihad." Yet a number of facts unveiled by Spanish police investigations, with the cooperation of several foreign security services, appear to contradict this widely held view.

Certainly, most of those who actually perpetrated the attacks on March 11, 2004, or committed suicide weeks later in Leganés, Spain, were young, male immigrants of Maghrebi origin who became radicalized and recruited for the purposes of carrying out that operation. The other participants in the bombings, however, do not fall into this category. Some, for instance, who played crucial roles in its planning and execution had ties to the al Qaeda cell founded in Spain by Abu Musab al-Suri in the early 1990s.

Moreover, among the other individuals involved were leading members of the Moroccan Islamic Combatant Group (MICG), who worked alongside the actual bombers and their material collaborators in the months preceding the attacks, as the court verdict in the case makes clear. Indeed, a prominent member of the MICG, Youssef Belhadi, fixed the date for the Madrid bombings while in Brussels exactly one day after Osama bin Laden appeared on Al Jazeera on October 18, 2003, threatening Spain because of its support of the United States in Iraq. He also traveled periodically to and from Madrid but left Spain three days before the attacks, which—significantly—were separated from Sept. 11, 2001, by 911 days.

Also aware in advance of the bombings was a former member of Egyptian Islamic Jihad, Rabei Osman Sayed Ahmed, who resided in Italy and had devoted the past decade to promoting jihad throughout Europe. Further, senior members of at least three North African groups associated with al Qaeda, including the MICG and the Libyan Islamic Fighting Group, gathered in Istanbul in February 2002 to discuss future acts of jihad outside conflict zones. Casablanca was targeted first, then Madrid.

Al Qaeda's international network in Europe and the Middle East also aided suspects' escape from Spain after the bombings. Two particularly notorious participants in the attacks, who acted as operational leaders, were in e-mail contact during 2003 with Amer Azizi, who was presumably in Afghanistan or the tribal areas of Pakistan. Azizi had past dealings with 9/11 plotter Khalid Sheikh Mohammed before his arrest and thus was considered near to al Qaeda's core.

Does this really sound like an attack simply attributable to an autonomous local cell and a convincing example of a self-recruited leaderless jihad? The evidence suggests it does not.

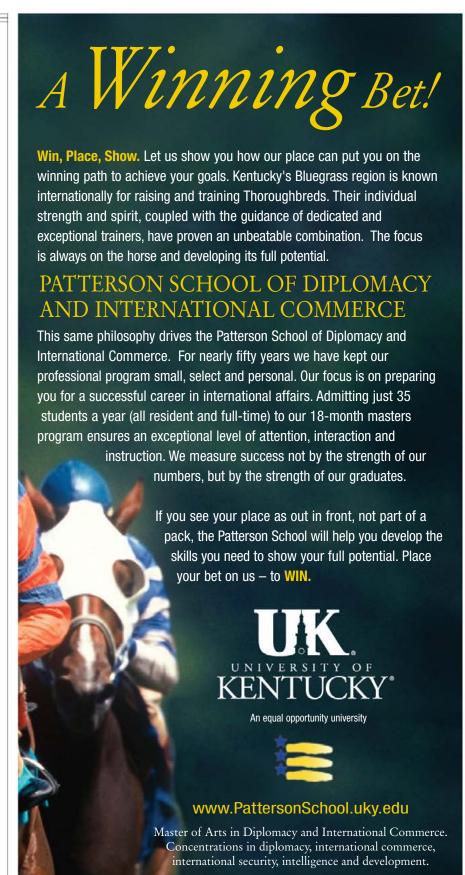
#### -Fernando Reinares

Professor and Director Program on Global Terrorism Elcano Royal Institute Madrid, Spain

#### Marc Sageman replies:

Writing in a policy magazine opens oneself to polemical attacks. Terrorism research is fraught with ambiguous data that, when taken out of context, can be spun into fantastic conspiracy theories. During the past two centuries, scientific methods have been called upon to settle such controversies. I would refer my critics to the first chapter of my book, Leaderless Jihad, which outlines the application of the scientific method to terrorism research. Stuart Gottlieb's simplification and distortion of my argument do not merit a reply. Daveed Gartenstein-Ross is right to point to the British exception. Because three quarters of British Muslims of Pakistani descent are from Kashmir, they can find relatives who can broker links to al Qaeda-inspired Kashmiri terrorists, and I deal with this issue extensively in my book. Nonetheless, even in Britain, the emerging trend is still consistent with my argument.

The Madrid bombing has been subject to grand conspiracy theories that erroneously connect dots to ETA or al Qaeda. Each of Fernando Reinares's claims has been definitively rejected by the Spanish court's decision, which ruled that the bombing was perpetrated by a local Islamist militant group inspired by al Qaeda but with no direct link to the organization. Because of these allegations, my team and I reviewed more than 100,000 pages of discovery material; attended the trial to listen to the testimony of important witnesses; investigated the Spanish and Moroccan neighborhoods where the perpetrators lived; and reviewed all the relevant information on al Oaeda dealing with the Madrid connections.



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■ Letters

We found that none of these allegations could be substantiated. Police informants who had penetrated this group and telephone intercepts of its internal communications failed to reveal any direct connection to al Qaeda. Just like the discredited Saddam Husseinal Qaeda link, these allegations will gradually fade toward irrelevance.

# Reasons to Be Bullish?

Nouriel Roubini ("The Coming Financial Pandemic," March/April 2008) offers a useful exploration of the limits of the U.S. financial crisis. Just as during the Asian financial crisis in the late 1990s, the China-specific version of the question "will they, or won't they?" is central today. Then, the question referred to whether China would join the opportunistic currency-devaluation crowd and throw gasoline on the fire. It did not. Now, the question is asked in terms of how vulnerable China is to a slowdown. But if China maintains even 9 percent growth in 2008—down from 11.4 percent in 2007—its marginal contribution to the world economy will still be \$300 billion or more, handily contributing more than the United States.

Roubini is rightly concerned about whether this new engine of global growth will sputter out. But his China scenarios are too pessimistic. He asserts that China relies on exports to sustain its high growth. Four fifths of China's gains, however, stem from consumption and investment growth at home. Additionally, if Beijing loses a full percentage point of growth from an export slowdown, China will arguably be in better shape than if it keeps it up; last year's \$550 billion in net foreign exchange inflows, foremost from its trade surplus, is more of a headache than comfort today. Only a few specific industries in China, such as apparel and consumer electronics, are severely sensitive to the U.S. market. Further, China's export growth rates to the rest of Asia and Europe now top its export growth rates to the United States.

Finally, though Roubini notes that the declining demand for natural resources may hurt some developing countries, he fails to score this phenomenon as a mitigating bonus for China. If copper prices—or those of bauxite, iron, chrome ores, oil, and grains—fall, so too will inflation in China. Beijing would probably be happy to trade some export surplus for a commodities price cut right about now.

—Daniel Rosen

Visiting Fellow

Peterson Institute for International Economics Washington, D.C.

Roubini outlines a dark scenario for the global economy, and it is difficult to argue with his conclusion that "no one can claim to be immune" from the aftershocks of the U.S. financial crisis.

But, though the United States faces a challenging road ahead, an even partial decoupling of global economic activity, supported by effective monetary and fiscal policies, would dampen the global impact of a U.S. slowdown and help avert the worst outcomes. Moreover, a moderate slowdown in global growth could even offer a long-term benefit: a similar curbing of global commodity prices, whose recent growth has fed higher inflation in many countries.

Roubini claims that a monetary-policy response to the financial crisis is limited by the fear of inflation. But if inflation is truly a global concern, then it merely reflects excessive demand growth that could be tempered by a U.S. import slowdown. The global economy may well have more room than many analysts expect to cushion the blow of a U.S. downturn.

Roubini's discussion of the available policy options places too much focus on sustaining economic growth in the United States and other major economies. This view is excessively U.S.-centric. Emerging markets can support the transition from U.S.-led growth by reducing their reliance on exports as an economic growth engine. Rather than continuing to support the massive global imbalance represented by the United States' current-account deficit, policy-makers can view the current crisis as an opportunity to achieve a more balanced pattern of global growth in the future.

-Tim Duy

Adjunct Assistant Professor Department of Economics University of Oregon Eugene, Ore.

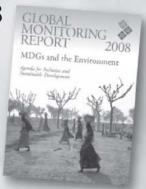
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between national economies and financial markets. Today, the linkages are particularly visible in capital markets, where events in the United States spill over into other economies. Roubini's article concludes with a virtually indisputable sentence: "Not every country will follow the United States into an outright recession, but no one can claim to be immune." But it is the *relative* immunity that is the key issue.

The macroeconomic linkages to which Roubini alludes are complex and difficult to quantify. Indeed, a severe and prolonged recession in the United States could conceivably reduce demand for imported goods and thus dampen the health of those economies that rely on exports to the United States. Nonetheless, countries now reliant on those exports may still be able to diversify their clientele and retain decent growth.

The jury is still out on how severely a U.S. recession will hurt China, which in recent years has focused on building its domestic economy and diversifying its exports away from the United States. China is likely to feel some pain in the short term, but in the long term, these trends will only strengthen its economy.

Other large emerging economies are more insulated from a U.S. slowdown. India's exports to the United States and other developed countries account for only roughly 5 percent of its GDP. In addition, Russia has embarked on an investment spree that will contribute significantly to GDP growth in coming years—and it benefits from high commodity prices. Roubini also overlooks the global wealth shift that is most dramatically represented by the growth of sovereign wealth funds in emerging economies. These funds hardly registered a decade ago, but their \$3 trillion value today is larger than the Russian and Indian economies combined.

Roubini claims that a U.S. slowdown will drive down commodity prices from the demand side. I disagree. A commodities "correction" was one of the first predictions when the U.S. housing sector began grinding to a halt. But high prices for copper, oil, steel, coal, and other resources have endured. The primary reason is global demographics: The world's population is pushing 7 billion, and urbanization is occurring at a frantic pace. New city dwellers demand more and better infrastructure that governments have committed to building.

Given the profound demographic changes driving emerging-market growth, it is doubtful that commodity prices will decline in any meaningful way in the near future.

– Jack Dzierwa

Global Investment Strategist U.S. Global Investors, Inc. San Antonio, Texas

#### Nouriel Roubini replies:

Daniel Rosen, Tim Duy, and Jack Dzierwa present some interesting observations. Rosen wonders whether the Chinese growth slowdown will be severe. In my view, the sharper the American consumer-led recession is, the greater the risk of a more pronounced Chinese growth slowdown. It is also important to note that the contribution of trade to Chinese growth is not limited to the 40 percent of aggregate demand due to exports. Of the 40 percent of GDP that goes into investment, a good fraction represents the increase in the production capacity of exportable goods. So a severe recession would affect both exports and firms' capital spending. A

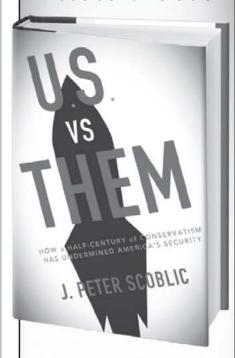
ficial to China, but that fall in prices would be the product of a painful U.S. recession that leads to a sharp slowdown in Chinese growth. Thus, it would be a mixed blessing at best.

Duy is correct that a side effect of a severe landing in the United States would be a reduction in global inflationary pressures via a reduction in commodity prices. That reduction in global inflationary pressures, however, would be the result of a fall in U.S. and global demand relative to the supply of goods and services; that is, global recoupling rather than decoupling. Moreover, even though domestic demand in emerging markets could, in principle, dampen the negative effects that a reduction in net exports would have on growth, it is not clear how fast domestic demand can grow in such countries. Net exports have been a crucial engine of growth, whereas domestic demand growth has been less dynamic.

Dzierwa also argues that emergingmarket economies can decouple from a U.S. economic downturn. Granted, India is less dependent on trade than China. But given its current-account deficit,



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capital inflows. Russia's success is due primarily to high commodity prices that could dip in a cyclical global downturn. Although one can be bullish about commodity prices during a medium-term horizon as growth of demand may outstrip the growth of supply, in the short run a severe U.S. recession and a significant global economic slowdown could mean a sharp fall in commodity prices that would hurt exporters. America has sneezed, and make no mistake: The world is catching a cold.

#### Conventional War

Steven R. Ratner argues that the Geneva Conventions provide bedrock principles applicable in any armed conflict and that the United States should "reaffirm... its commitment to the conventions" ("Think Again: Geneva Conventions," March/April 2008). I fully agree with Ratner's basic point and wish to leave no doubt that the United States remains absolutely committed to its obligations under the Geneva Conventions. Yet even though Ratner correctly recognizes that

the conventions were drafted chiefly for wars between states, he underestimates the difficulties in applying them to conflicts with nonstate actors.

First, Ratner argues that "the rules apply," but he acknowledges that only a single article of the Geneva Conventions—Common Article 3—applies to conflicts with groups such as al Qaeda. Common Article 3 provides important baseline safeguards, but it offers no guidance on critical questions relating to conflicts of this nature, including who may be treated as enemy combatants and what process must be provided to determine whether an individual is a combatant. That is not to say that the Geneva Conventions as a whole are "obsolete" or "quaint"just that almost none of their provisions applies to conflicts with nonstate actors.

Second, Ratner approves of some European countries' treatment of terrorism as a law-enforcement matter. But in the cases he cites, domestic criminal law clearly applied to the acts committed; they were perpetrated on European territory, and defendants, witnesses, and evidence were readily available. The United States agrees that in such cases (like the U.S.

prosecution of Zacarias Moussaoui), law enforcement can be an appropriate tool. In cases where the terrorism suspects are captured or detained by military forces outside the United States, however, the criminal law framework is often neither applicable nor feasible.

Third, Ratner's statement that Guantánamo detainees exist in a "legal vacuum" fails to take into account the steps the United States has taken to implement the protections of Common Article 3 and to establish legal and administrative procedures where the law of war framework is silent. Every detainee in Guantánamo is entitled to a status determination and can appeal that determination to a federal judge, as most have. The Bush administration has worked hard to create the elements of a domestic legal framework that addresses questions the Geneva Conventions do not.

Finally, there is a growing recognition on both sides of the Atlantic that current criminal law and law of war rules are imperfectly suited to the challenges that our countries face in dealing with nonstate actors. Several European countries are reconsidering their laws with a view to

# **EUfocus**in Foreign Policy

#### MESSAGE FROM AMBASSADOR JOHN BRUTON



# HEAD OF DELEGATION European Commission Delegation to the United States

Whether you live in the United States or in the European Union, healthcare is never an easy issue. Although I feel strongly that a national healthcare safety net is a key piece of a compassionate modern society—complementing an individual's responsibility to maintain a healthy lifestyle—it presents a basic problem on both sides of the Atlantic.

Medical advances have raised our expectations in terms of the quality and availability of healthcare, but these innovations come with a price tag. Now both the U.S. and the EU are confronting concerns about the financial viability of their health systems, especially when you consider demographic changes brought about by aging populations and immigration. We can all agree that costs should be controlled, but how do you put a financial value on living a healthy life?

You can learn more about the EU's approach to healthcare in this month's issue of EU Focus.



#### **■ EU Focus**

In-depth treatment of important European issues and the transatlantic relationship.

#### **■ This Issue**

Healthcare in the 21st Century: Seeking Sustainable, Equitable and Effective Solutions.

#### **■ Comments**

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May 2008

# Healthcare in the 21<sup>st</sup> Century Seeking Sustainable, Equitable and Effective Solutions

"Work on health at Community [EU] level adds value to Member *States' actions, particularly* in the area of prevention of illness, including work on food safety and nutrition, the safety of medical products, tackling smoking, legislation on blood, tissues, and cells, and organs, water and air quality, and the launch of a number of health related agencies."

European Commission, Together for Health: A Strategic Approach for the EU 2008-2013



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- Promoting and Protecting Citizens' Health in the FU
- The EU and Global Health
- EU-U.S.: Common Health Challenges
- Research and Technology: The EU and U.S. Working Toward Common Goals

Healthcare in the 21st century is a twin-edged sword. Research and technology have produced dramatic leaps in diagnostics, treatment and disease management; however, the cost of such advances is straining healthcare systems throughout the world. While U.S. citizens prepare for what is shaping up to be an historic Presidential election, candidates of all political persuasions are presenting plans to overhaul America's healthcare system, which is currently characterized by the dichotomy between remarkable medical advances and the prohibitive cost of delivering their results broadly and equitably to the population.

Progress in our understanding of disease prevention and the use of information technology may indicate paths toward more sustainable healthcare and better lives for all. However, concern over financial viability plagues both the U.S. and European health systems even more so when demographic changes brought about by aging populations and immigration are added to the equation.

In Europe, the traditional social contract is expected to provide for universal and affordable healthcare coverage and equitable access to sound treatment. These common expectations are—by and large—

shared EU-wide, although the EU's 27 Member States represent 27 distinct healthcare systems, and it remains the purview of the individual Member States to deliver healthcare to their citizens. However, the European Union is actively engaged in defining an EU-wide public health strategy that integrates a high level of human health protection into policies and activities that fall under its remit. The EU strategy is based on three three strategic objectives—solidarity, security and prosperity.

Solidarity supports healthy aging throughout a person's lifespan, focusing on early prevention, and tackling inequities in health linked to social, economic and environmental factors. Security refers to the EU's leadership role in coordinating a rapid response to health threats within the EU and globally, including pandemics, accidents, disasters and acts of terrorism. Prosperity encompasses the development and deployment of technologies for the prevention and treatment of illness-for example, the use of Information and Communications Technology (ICT), biotechnology and nanotechnology—to support a competitive and sustainable future for Europe.

# **EU Member State Healthcare Systems: Highlights and Comparisons**



The European Health Card, a machine-readable "smart card" that is readily identifiable in all EU countries, facilitates access to healthcare throughout the EU.

One of the principal differences between the U.S. healthcare system and those of other industrialized nations is the absence in the U.S. of universal health insurance coverage, and consequently, inequitable access to treatment. The U.S. Census Bureau reports that 15.8 percent of Americans (47 million people) lacked health insurance in 2006.

In the EU, actual healthcare delivery falls to the individual Member States and is an example of the EU's subsidiarity principle, which mandates that decisions are to be made as closely as possible to citizens. European healthcare systems are generally designed to provide universal coverage, regardless of the ability to pay or a person's health. Although Member States' healthcare programs share this fundamental objective, they vary widely in their structure, funding mechanisms, and the level and nature of government involvement.

Most European countries have developed publicly sponsored and regulated healthcare systems, which are financed through a mixture of public and private contributions. Three main types of healthcare systems prevail: socialized medicine, in which healthcare is managed almost entirely by the government; single-payer systems that provide private healthcare which is paid for through tax revenue; and multi-payer systems, in which healthcare is funded by a mix of private and public contributions.

#### Socialized Medicine/National Health Services

The United Kingdom, Spain and Portugal are among the European countries with national health services, in which salaried physicians are the norm and most or all hospitals are publicly owned and operated. The government hires doctors and runs hospitals.

The UK National Health Service (NHS), founded 60 years ago, offers a wide range of free health services to virtually the entire population and is entirely funded through general taxes. Independent practitioners provide free primary care, receiving compensation from the government according to a nationally-agreed contract and based on the number of patients served and the range of additional services offered. Hospital services are also free to the consumer, with staff paid by the government and salaried according to nationally agreed contracts. Approximately 86 percent of prescription medicine is supplied free of

charge, usually to low-income or disabled patients. Those who pay for prescriptions are assessed only a flat fee per prescription (about \$14 in 2007).

Since NHS access is based on medical priority rather than a price mechanism, long waits are possible for certain consultations and surgical procedures. Private healthcare is also available, operating parallel to the NHS and paid for largely through private insurance. Only a small percentage of the population subscribes, primarily as a supplement to the NHS.

#### **Single Payer Healthcare Systems**

In a single payer system, such as those in Denmark and Sweden, healthcare is provided privately, but paid for publicly. The government collects and allocates money for healthcare but has little to no involvement in the actual delivery of services.

Healthcare providers are paid by a single source, whether it is a governmental organization or a private entity, such as an insurance company. This type of system offers many advantages, including administrative simplicity for patients and providers that results in significant cost savings in overhead. Hospitals may be owned by nonprofits or by government.

Sweden has a compulsory, predominantly tax-based healthcare system that provides coverage for the entire resident population. Voluntary insurance is limited and typically provides only supplemental coverage. The Swedish system is administered publicly at the regional level. Regulations, waiting times and patient fees can vary in the 21 different Landsting (County Councils) that govern healthcare in Sweden.

Denmark's single-payer national health system, operating since 1961, is funded by progressive income taxes and is administered publicly; most healthcare is free at the point of use. General practitioners are remunerated according to numbers of patients treated and fees for services, while specialists are generally compensated on a fee-for-service basis. Physicians who work with the hospitals—which are are run by the 14 Danish counties and the City of Copenhagen—are paid salaries negotiated between the government and doctors' unions. Patients pay between 25 and 50 percent of the cost of medicines, and just over a quarter of the population has private insurance to cover this gap plus dental expenses.

Finland has a compulsory tax-based healthcare system, which provides comprehensive coverage for all residents; more than 75 percent of healthcare is funded publicly. The Finnish system is very decentralized, with 448 municipalities responsible for arranging healthcare. According to a 2000 EU survey, Finland has a more than 80 percent satisfaction rate with its healthcare services, representing the the highest number of people satisfied with their health system in the EU.

#### **Multi-Payer Healthcare Systems**

Highly regulated, universal, multi-payer health insurance systems are found in countries including Germany, France, Belgium and Austria. France and Germany have universal health insurance through nonprofit, regulated "sickness funds" that collect payments and pay healthcare bills according to a negotiated fee structure. Medical practices and hospitals are private, whether nonprofit or for-profit.

Germany's universal multi-payer system offers two primary types of health insurance: compulsory and private. Compulsory insurance applies to those below a set income level, is provided at common rates for all members, and is paid for with joint employeremployee contributions. A wide range of coverage is mandated and coverage cannot be denied for actuarial or other reasons. (Those with incomes above the compulsory insurance level may choose to remain in the compulsory system, or opt out and purchase private insurance.) Provider compensation rates are negotiated through complex corporatist social bargaining among specified interest groups, such as physicians' associations, at the state level.

France is notable for its easy access to healthcare, choice for patients and freedom for physicians. Universal health coverage applies, with the public sector generally refunding 70 percent of most patients' ordinary healthcare costs (e.g., doctor visits), and directly paying 100 percent for costly or long-term treatment, including hospital stays. Private insurers—mostly nonprofit, mutual insurers-sell supplemental coverage. The French system has both private and public hospitals, but most doctors are in private practice.

Belgium funds its healthcare sector through health insurance societies-membership is mandatory and generally financed through employer-employee income contributions. Private commercial health insurance plays only a marginal role and only as a supplement to coverage by the health insurance societies. All hospitals are funded through public funding and user payments.

Austria's statutory health insurance ensures that the vast majority of the population has access to a comprehensive set of statutory benefits in preventive, curative, palliative and long-term care, based on the principles of solidarity and risk-pooling. The financing of statutory health insurance is based on equal contributions from employers and employees.

#### **Healthcare Performance in Europe**

The Euro Health Consumer Index (ECHI) provides an annual ranking of European healthcare systems based on five consumer-oriented criteria: patients' rights and information; waiting times for common treatments; care outcomes; generosity of the system; and access to medication. Austria's healthcare system, combining generous healthcare benefits with good patient access and outcomes, ranked as the top performer in 2007, followed closely by the Netherlands, France, Germany and Sweden. Finland distinguished itself with the highest level of patient satisfaction.

However, the performance of healthcare systems does not necessarily correlate with their comparative costs. For example, Luxembourg spends the most per capita of any European nation on healthcare, but ranks ninth among EU Member States according to the EHCI.



#### Comparative Costs and Outcomes: U.S. versus EU

According to World Health Organization (WHO) statistics, the total U.S. expenditure on health as a percent of GDP 2004 was almost twice the average expenditure for the fifteen EU countries that were members prior to the EU's 2004 enlargement. Nevertheless, two basic measures of health outcomes—life expectancy and infant mortality—suggest that in a transatlantic comparison, higher cost does not necessarily indicate higher performance.

Country	Total expenditure on health as % GDP 2004	Per capita total expenditure on health-average exchange rate (\$US) 2004	Life expectancy at birth male/ female 2005	Infant mortality rate (per 1000 live births) 2005
United States	15.4	6,096	75/80	7
EU 15 Average	8.9	3,180	77/82	4
EU 27 Average	8.1	2,065	74/80	5

Source: World Health Organization: World Health Statistics, 2007.

# **Promoting and Protecting Citizens'** Rights, Responsibilities and Values

#### **Rights**

"Everyone has the right of access to preventive healthcare and the right to benefit from medical treatment under the conditions established by national laws and practices. A high level of human *health protection shall be* ensured in the definition and implementation of all Union policies and activities."

> EU Charter of Fundamental Rights

#### Responsibilities

"Community action, which shall complement national policies, shall be directed toward improving public health, preventing human illness and diseases, and obviating sources of danger to human health. Such action shall cover the fight against the major health scourges, by promoting research into their causes. their transmission and their prevention, as well as health information and education."

> Treaty Establishing the European Community

Many challenges confront healthcare in Europe, including the reconciliation of individual needs with available finances, an aging population, rising expectations for treatment, and costly research for sometimes marginal medical advances. Although the European Union's role in public health is limited by the Treaty, the European Commission is in a position to advocate for EU citizens' health and to promote cross-border cooperation that serves the broader interest of its population.

All EU policies and activities strive to incorporate a high level of health protection, whether protecting citizens from air pollution, regulating food safety or ensuring worker health and safety. In this context, prevention of disease and disability enjoys a high priority, as prevention is usually more cost-effective than treatment and frequently results in a better quality of life.

The EU encourages prevention by raising awareness of lifestyle changes that can lead to better health. The Union also contributes to citizens' health security through

#### The EU: Promoting Health and Preventing Disease

Obesity/Nutrition/Physical Activity. Improving the diets and physical activity levels of Europeans is a top public health priority for the EU. Recent estimates indicate that close to half of the EU's adult population is overweight or obese, and childhood obesity is rising at an alarming rate.

To help reverse this trend and halt its serious heath repercussions, the EU established the Platform for Action on Diet, Physical Activity and Health, a partnership of consumer organizations, health-oriented NGOs, sports associations, educational institutions and EU-level industry representatives. In the Platform's first year, more than 100 new voluntary actions were triggered by European industry and civil society, including the European soft drinks association's pledge not to market its products directly to children under 12 years of age.

The Platform and other similar EU-wide initiatives encourage Europeans to follow a healthier diet and exercise more. Physical activity is encouraged throughout the EU by various Platform stakeholders. Additional support comes from EU legislation modernizing the rules that govern food labeling and promotional claims related to health and nutritional information in order to provide consumers with the accurate and detailed information required to make informed choices. The European Commission is also working with the food industry to reduce the fat, sugar and salt in recipes to ensure that consumers have a range of healthy products to choose from.

Smoking. Tobacco is the single largest cause

of avoidable death in the EU, accounting for more than half a million deaths annually. The EU has tackled smoking aggressively, and the number of smokers has dropped dramatically in most EU countries (by 10 percent in five years), an accomplishment linked to the strong public health policies implemented to fight smoking.

In 2005, the EU ratified the World Health Organization's (WHO) Framework Convention Tobacco Control, which commits signatories to act to reduce the number of deaths and incidence

of disease caused by smoking and second-hand smoke. EU rules set maximum thresholds for tar, nicotine and carbon monoxide, while legislation bans tobacco advertising in print media, on the radio and online, and requires clear health warnings on tobacco products. The EU is also urging Member States to introduce national rules to protect citizens from tobacco smoke. Several countries have already become completely smoke-free in their public and work places, including restaurants and bars.



EU rules require clear health warnings on tobacco products.

### **Health in the EU:**

its continental-scale capacity to identify, analyze and respond to health threats through coordinated emergency planning, continuous surveillance and cross-border preparedness exercises.

Between now and 2013, the European Commission (the EU's executive arm) alone has allotted more than €321 million for activities and projects under its Together for Health action program. The program aims to improve citizens' health security by educating them about healthy lifestyles, and by reducing health inequalities throughout the EU via knowledge transfer, information exchange and the sharing of best practices.

#### **Cross-Border Mobility**

As borders dissolve between the EU Member States, citizens frequently travel, work, study and live in Member States other than their own. To facilitate access to healthcare for EU citizens temporarily in another Member State, the EU issues a standardized European Health Insurance Card readily identifiable in all EU countries that grants easy access to care.

In certain cases, a patient may choose to travel abroad specifically to receive better, faster, or less expensive treatments than in their home country. As long as a national healthcare system has granted its authorization, the citizen is free to seek care abroad.

The European Court of Justice has ruled that, under certain conditions, patients have the right to crossborder care under EU law even without authorization. The EU is working with Member States to establish a framework reconciling individual choice and mobility with the financial sustainability of health systems overall. Additionally, the EU supports the development of Europe-wide networks of specialized centers where expert staff and costly high-tech medical equipment can serve several healthcare systems.

#### E-Health

A key element facilitating greater patient choice and cost-effective services is E-Health, including electronic interactions between patients and health-service providers, institution-to-institution transmission of data, and peer-to-peer communication between patients and/or health professionals.

Efficient data processing is considered to be an important factor in decreasing healthcare costs, as well as cutting the red tape involved in cross-border care and

patient mobility, and E-Health in Europe is set for explosive growth. However, the exchange of private and sensitive patient data depends on a suitable legal and regulatory framework. Driven by the need to face health-related challenges and to take advantage of burgeoning new medical information and communication technologies, the EU has forged ahead on E-Health based on a 2004 plan that promotes the interoperability of E-Health systems, supports Europe-wide health services, and shares best practices.

The EU considers E-Health one of its "lead market" initiatives—a market ripe for innovative products and services or technological solutions with high growth potential; a market where EU industry can develop a competitive advantage to lead in international markets; a market that requires action by the public authorities to deal with regulatory obstacles.

#### The European Commission **Welcomes New EU Commissioner** for Health

On February 28, 2008, Androula Vassiliou was nominated by the Republic of Cyprus, in agreement with European Commission President José Manuel Barroso, to replace outgoing Health Commissioner Markos Kyprianou.

#### The EU's Public Health Architecture

European Commission Directorate General for Health and Consumer Protection (SANCO) develops and manages a significant body of public health law on the safety of food and other products, human health, and consumer rights and safety. DG SANCO oversees the application of EU health and consumer protection laws in all EU Member States.

European Center for Disease Prevention and Control (ECDC) pools European expertise to boost the capacity of the EU and Member States to prevent and control communicable disease outbreaks by identifying, assessing and sharing information about current and emerging threats to human health. The creation of the ECDC was spurred by the need to strengthen European defenses against infectious diseases such as influenza, SARS and HIV/AIDS.

European Medicines Agency (EMEA) evaluates and supervises medicines for human and veterinary use, and provides a single EU market authorization process for drugs.

Early Warning and Response System (EWRS) provides a platform for Member State health authorities to share epidemiological surveillance data, facilitating the detection and control of communicable diseases in humans to prevent further disease transmission. EWRS is a web-based system that promotes cooperation and coordination among Member States, and facilitates a rapid and effective response by the EU to events and emergencies related to communicable diseases.

Scientific Committees comprise independent scientific experts charged with evaluating potential health risks and issuing opinions based on sound scientific evidence. The Scientific Committees provide the European Commission with the advice it needs when preparing policy and proposals relating to consumer safety, public health and the environment.

### The EU and Global Health



European Commission President José Manuel Barroso met with WHO Director-General Margaret Chan in June 2007 to discuss global health security, the health consequences of climate change, and improving health outcomes in Africa.



Health is an important element in the European Union's external relations, particularly in the fight against poverty, and EU policy incorporates health-related provisions and support in its external development cooperation with a focus on low-income countries. The EU and its Member States strive to enhance health worldwide through sustained collective leadership in global health, and by sharing their values, experience and expertise.

The EU and the Member States work closely together to "foster cooperation with third countries and the competent international organizations in the sphere of public health." The EU collaborates with such international organizations as the World Health Organization (WHO), and participates in the Global Health Security Initiative. The European Commission also develops initiatives to promote health in the European neighborhood, and works with EU candidate countries to assure compliance with EU law, a condition of membership.

#### **Health and Development Cooperation**

The EU policy on health and development emphasizes the link between poor health and poverty, and recognizes the importance of improved health outcomes for economic growth and development.

The EU pursues a comprehensive approach to health problems in developing countries, seeking to provide consistent and predictable financial support to governments so that they can establish and maintain the systems and infrastructure necessary to cope with health problems affecting their populations. Whatever health challenges a country faces, the EU's approach allows governments to make their own decisions about expenditure priorities and stimulates national ownership.

The EU's approach also emphasizes the fight against the major communicable diseases: AIDS, malaria and tuberculosis. As a result, the EU is a major donor to the Global Fund, set up in 2002 to attract, manage and disburse financing to support locally-driven strategies to combat these three pandemics that, although both preventable and treatable, kill more than six million people every year. To date, Europe (EC + Member States) accounts for 54 percent of contributions to the Global Fund, a number slated to rise significantly by 2010.

#### **Preparedness**

The EU is a key player in the Global Health Security Initiative, an informal partnership of like-minded countries launched in the wake of 9/11 to strengthen worldwide health preparedness and response to pandemic influenza or health-related terrorist threats. The WHO serves as the GHSI's expert advisor.

Cooperation among partners has resulted in significant progress in protecting public health and security globally in a number of areas:

- Collaboration on vaccines and antibiotics;
- Preparedness for a pandemic influenza outbreak;
- Reduction of the smallpox threat and support for WHO's efforts to create an international stockpile of smallpox vaccine;
- Establishment of active networks of contacts within health ministries, and communications technology to bring together senior officials on short notice;
- Enhancement and quality assurance of analytical work in high-risk laboratories;
- An international health security forum to identify emerging issues and coordinate policy processes to address threats, particularly through R&D.

# The EU and the World Health Organization

The European Commission (EC) has long-standing relations with the WHO, with a special focus on health information, surveillance and prevention of communicable diseases, tobacco control, environment and health, sustainable health development, and health research. The EC was the third largest extra-budgetary contributor to the WHO in 2006 at \$102 million.

Currently, the EC is participating in two important WHO intergovernmental processes on access to medicines: one on public health, innovation and intellectual property, and the other on influenza virus sharing and access to vaccines. Working with its Member States, the EU was also involved in negotiations on the Framework Convention on Tobacco Control (FCTC) and the revised International Health Regulations (IHR), international health laws developed under the WHO's auspices. The FCTC commits signatories to act to reduce the number of deaths and disease caused by smoking and second-hand smoke. The IHRs are legally binding regulations adopted by most countries to contain threats from cross-border public health emergencies, and represent an unprecedented international agreement to contain health emergencies at the source, not just at national borders.

# **EU-U.S.: Common Health Challenges**

No healthcare system is immune to challenges like steeply rising costs, aging populations and immigration, but the EU and the U.S. can help mitigate these issues by learning from and adopting the best-performing aspects of the other.

The EU, with its 27 health systems, presents a laboratory of approaches to the delivery of universal healthcare, loosely divided between systems based on multi-payer social insurance and single-payer systems such as the UK's National Health Service. Notably, the top five ranked countries in the 2007 European Consumer Health Index follow the multi-payer model: Austria, the Netherlands, France, Switzerland and Germany.

The United States invests more in health as a percentage of its gross domestic product (GDP) than any other country in the world; however, it remains the only industrialized country without universal health insurance coverage. According to a Commonwealth Fund study of industrialized nations, the U.S. consistently struggles in areas such as quality, access, efficiency and equity; a physicians' survey in the same report noted that the U.S. also lags in adopting information technology. However, the U.S. excels in preventive care and ranks second only to Germany on waiting times for specialized care and non-emergency treatment.

## Aging Populations and the Rising Costs of Healthcare

Aging populations will add additional pressure in the coming decades to the cost of healthcare on both sides of the Atlantic. Current projections anticipate that the population over 65 in the EU will rise from 17 percent in 2005 to 30 percent in 2050. The public cost of healthcare systems is projected to rise by one to two percent of GDP in most Member States between now and 2050 as a direct result of demographic changes.

Similarly, U.S. population projections foresee the proportion of the U.S. population over 65 increasing from 12.7 percent in 2005 to 20.7 percent in 2050. U.S. spending on healthcare, based on an assumption barring any changes in federal law, is projected to rise dramatically as the century unfolds – not just because of demography, but also due to more advanced and available medicines and medical technology.

According to recent U.S. Congressional Budget Office projections:

- Total U.S. spending on healthcare will rise from 16% of GDP in 2007 to 25% in 2025, 37% in 2050, and 49% in 2082.
- Federal spending on Medicare (net of beneficiaries' premiums) and Medicaid will rise from 4% of GDP in 2007 to 7% in 2025, 12% in 2050, and 19% in 2082.

U.S. CBO, November 2007

#### **Immigration and Healthcare**

Tackling health inequalities represents a major challenge in the context of immigration. In the U.S., the federal government sets immigration policy, but it falls to individual states to provide services—including healthcare—to immigrant populations. Various states are reaching out to immigrant and minority populations to address health disparities, such as access (or lack of access) to affordable care and some minority populations' predisposition to certain health conditions. It is up to individual states as to how or whether to provide health services to undocumented immigrants.

In the EU, the individual Member States determine how best to provide healthcare to immigrants, regardless of their legal status. Typically, legal immigrants who are employed gain access to healthcare benefits for themselves and their families. Depending upon the Member State, illegal immigrants may not be in a position to access healthcare other than through emergency services, which is often the reality in the United States as well. Debate surrounding this complex issue balances humanitarian values against the strain on healthcare



Aging populations will impact the cost of healthcare in both the U.S. and the EU.

The EU's appoach to healthcare for legal immigrants is founded on the EU's value system and the principles of solidarity, democracy, non-discrimination and respect for human rights. The EU recognizes that the health of its population is critical to its economic performance, and its public policies aim to protect the health of the entire population without harming or compromising an individual's health.

# Research and Technology: The EU and U.S. Working Toward Common Goals



EU Science and Research Commissioner Janez Potočnik meets with Dr. Elias Zerhouni, Director of the National Institutes of Health (U.S.).

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www.eurunion.org email:delegation-usa-info@ec.europa.eu Both the EU and the U.S. are at the cutting edge of medical research, and whether working cooperatively or in parallel, research and development on both sides of the Atlantic will serve to advance health outcomes and dramatically improve the quality of lives in the 21st century.

Under its Seventh Framework Program for Research and Technological Development (FP7), the EU has pledged to spend €6 billion on health research between 2007 and 2013 to improve Europeans' health and enhance the competitiveness and innovative capacity of European health-related industries and businesses. FP7 aims to translate basic discoveries into clinical applications, develop and validate new therapies, promote health and prevention (including healthy aging), improve diagnostic tools and medical technologies, and improve the efficiency and sustainability of healthcare systems. The program also encourages collaborative research across Europe and international participation by other partners, including the United States.

Gene Research—Mouse Genome. The European Commission (EC), the U.S. National Institutes of Health (NIH), and Genome Canada are co-funding large-scale research on the mouse genome (mice and humans share 99 percent of their respective genetic codes) to improve understanding of the ways a single gene can influence human health and well-being. By providing researchers the opportunity to mimic human diseases in mice, experiments will ultimately speed up development of drugs and other treatments.

The EC, NIH and Genome Canada established the International Knockout Mouse Consortium (IKMC) in early 2007 to ensure that the vast array of material and information generated by this research will be readily available to the biomedical research community. The state-funded Texas Institute for Genomic Medicine is conducting similar research and has also joined the consortium.

Microbiome—Learning What the Gut Reveals about Disease. The EC has contributed to MetaHIT, a project under FP7 that will characterize the collection of genomes of the micro-organisms in the human intestine (microbiome) and evaluate the microbiome's diversity within and between individuals throughout Europe.

The project will also investigate associations between the human microbiome and disease and obesity.

NIH is funding a comparable program in the U.S.—the Human Microbiome Project. The EC and NIH are leading efforts to form an international consortium on the topic to coordinate research efforts and ensure that the data generated is freely available to the entire scientific community for analysis.

Innovative Medicines Initiative (IMI). The process for developing drugs is lengthy, complex and costly. Only one in 5,000 drug candidates will be marketable, and more than a decade of preparation, along with up to  $\epsilon$ 700 million, can be required to bring a new drug to fruition.

The EC and the European pharmaceutical industry are engaged in a novel alliance designed to accelerate the discovery and development of innovative medicines and remove research bottlenecks in the drug development process. With a  $\[ \in \] 2$  billion budget over seven years, IMI is the first pan-European public-private partnership to fund research in the health sector.

IMI aims to identify potentially successful drugs in the pre-competitive development process, prior to major investments, radically improving the biopharmaceutical sector's productivity. This research pursues better methods for predicting the efficacy of new medicines for such conditions as brain disorders, cancer, and inflammatory, metabolic, and infectious diseases.

The U.S. Food and Drug Administration (FDA) is pursuing a similar strategy through its Critical Path Initiative, aiming to modernize the method by which FDA-regulated products are developed, evaluated and manufactured.

Nanomedicine. By allowing a better understanding of human functions at molecular and nanometric levels, the application of nanotechnology to health has the potential to enable early detection, prevention and treatment of disease. The EC and private industry have established a European Technology Platform on nanomedicine geared toward future-oriented, nanotechnology-based healthcare. Three key priorities have been identified: nanotechnology-based diagnostics including imaging; targeted drug delivery and release; and regenerative medicine.

For further information: http://www.eurunion.org/eufocus

providing more robust preventive detention of would-be terrorists—recognizing, in the words of German Interior Minister Wolfgang Schäuble, that "the fight against international terrorism cannot be mastered by the classic methods of the police."

Additionally, in 2007, the Foreign Affairs Committee of the British House of Commons wrote that the Geneva Conventions "lack clarity and are out of date" and called for them to be revisited. The 9/11 Commission also noted the haziness of the legal rules applicable to the detention of captured terrorists and recommended that the United States work with allies to develop a common international approach. Doing just that remains one of the administration's top international legal priorities.

—JOHN B. BELLINGER III Legal Adviser to the Secretary of State U.S. Department of State

Washington, D.C.

#### Steven R. Ratner replies:

I welcome John Bellinger's statement of the United States' commitment to the Geneva Conventions, as well as his own personal role in the Bush administration. His emphasis on the "difficulties in applying them to conflicts with nonstate actors," however, somewhat misstates the nature of the problem. For anyone captured in the conflict in Afghanistan, the conventions have generally clear rules. Even if there are gaps when it comes to suspected terrorists, the conventions set only a baseline standard and do not require the treatment the United States has afforded detainees. The administration can thus overcome any ambiguities by making it a matter of policy to treat all detainees according to the Geneva Conventions. Had President Bush listened to then Secretary of State Colin Powell and career military officers in 2002 and made such a policy call—one that has a clear precedent in the POW treatment the United States afforded captured Vietconghe could have preserved U.S. security without harming its reputation. Applying the Geneva Conventions is not a seal of approval for conduct, because detainees can still be prosecuted for war crimes.

Although Bellinger is correct that Common Article 3 is silent on the classification and release of detainees, the administration could have convened the rudimentary "competent tribunals" provided by the conventions. Instead, after two years of waiting and prodding by the U.S. Supreme

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Court, it settled on the Combatant Status Review Tribunals, which are barred from granting POW status. As for appeals of the tribunals' decisions, the administration intensely lobbied the U.S. Congress to deny most appeals in the 2006 Military Commissions Act and has urged the Supreme Court to maintain the status quo.

I agree that a law-enforcement approach may not always be possible when governments are unwilling or unable to prevent or punish terrorism. But the mere fact that suspects and evidence are abroad has never precluded American prosecution of terrorism cases, as the convictions of Fawaz Younis (captured by the FBI near Cyprus and tried for a hijacking in Lebanon), Mir Aimal Kasi (captured in Pakistan and tried for the murder of two CIA employees in Virginia), and Ramzi Yousef (captured in Pakistan and tried for the 1993 World Trade Center bombing) attest.

Finally, Bellinger is right that some new thinking is needed, whether regarding preventive detention or consensually reaching new understandings of the Geneva Conventions. But the same British House of Commons report that he cites for this need also said the United States "risks undermining" the conventions through unilateral interpretations. A key way to restore the tattered reputation of the United States is by reversing post-9/11 detention practices and taking seriously the views of not only America's friends who care equally about combating terrorism, but its own military which requires the protection that comes when the conventions are observed.

#### Editor's Note:

A chart in "The U.S. Military Index" (March/April 2008) incorrectly stated that 73 percent of the officers surveyed favored increasing the size of special operations forces and 38 percent said America must improve its intelligence capabilities. It should have shown that 73 percent favored improving intelligence and 38 percent favored more special operations forces. *FP* regrets the error.

FOREIGN POLICY welcomes letters to the editor. Readers should address their comments to fpletters@ceip.org. Letters should not exceed 300 words and may be edited for length and clarity. Letters sent by e-mail should include a postal address.





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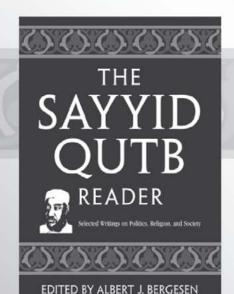
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#### Mass Conversions

Then the *Economist* ran God's obituary in its 1999 millennium issue, many readers surely considered it a tad premature. After all, from the ballot box to the battlefield, the almighty shows little sign of disappearing today. By 2050, 80 percent of the world is expected to belong to one of the four main religions—Buddhism, Christianity, Hinduism, and Islam—up from 73 percent in 2005. How these faiths spread, stagnate, or turn more conservative will greatly influence the world's economies, conflicts, and public life.

One of the factors most critical to determining the religious complexion of a society is its frequency of conversions. Using global surveys of religious adherence taken over three decades, Robert Barro, a professor of economics at



Hand of God: Conversions can change the religious complexion of societies.

Harvard University, found that in countries with a diversity of religions and a more educated population, a greater percentage of people converted from one faith to another. Some of the leaders include Canada (17 percent), the United States (16 percent), and Chile (13 percent). Conversely, countries with a history of communism or government restrictions on beliefs tend to have far lower conversion rates. He found that other factors, like income, the existence of a state religion, or how religious a country already is, mattered little.

Using Barro's findings, it's possible to predict where religious conversions may be more or less likely in the future. Countries such as Afghanistan, Iran, Nepal,

Pakistan, and Turkey top his list of places to expect very few conversions in the years to come. It's no coincidence that these countries struggle with stability. "Restrictions on religious freedom tend to correlate with repression generally, and also with violence and instability," says Paul

Marshall, senior fellow at the Hudson Institute's Center for Religious Freedom.

Australia, South Korea, and the United States will likely experience some of the largest migrations between faiths. Because converts in any country are often more likely to promote the political and economic interests of their new faith, these countries can expect religion to take an ever greater role in shaping national debates. If a "person adopts a religion rather than just inherits it, they have made a choice," says Marshall. "They tend to be much more fervent." It doesn't require a leap of faith to see how converts could inspire political tensions down the road.



JAY DIRECTO/AFP/GETTY IMAGES; BOTTOM, FROM LEFT TO RIGHT; DESIGN PICS/BILDERBUCH/DRR.NET; EZEQUIEL SCAGNETTI/REDU.

## Global Warming? No Sweat.

hortly after winning an Oscar for An Inconvenient Truth in 2007, Al Gore told reporters backstage at Los Angeles's Kodak Theatre that he hoped the honor would convince more people to "see the movie and learn about the climate crisis." He may want to rethink his wish. According to a recent study by researchers from Texas A&M University on American attitudes toward global warming, the more people know about climate change, the less concerned they are about it.

After interviewing more than 1,000 Americans on their environmental attitudes, researchers found that people who are more informed about the risks and causes of global warming are not only less alarmed than those with less knowledge of the topic, but they also feel less responsibility to do anything about it. The lack of concern may stem from people's confidence in the scientific community's ability to devise solutions. "People [with greater knowledge of global warming] trust scientists more," says Paul Kellstedt, a coauthor of the study. They "trust scientists will develop emission-less vehicles and things that are going to reduce the carbon footprint of humanity." The lack of responsibility, Kellstedt says, might simply be "evidence of the tragedy of the commons."

Some climate-change activists see a generational divide in the study's results (the average age of interviewees was 47). "As someone who works on the front lines of the youth climate-change movement in the United States and Canada, [this study] goes directly against what I see," says Brianna Cayo Cotter, communications

director of the youth-oriented environmental group Energy Action Coalition. "The more [young people] know, the more they do about climate change." But Cayo Cotter acknowledges that the green movement may have a communications problem, admitting that "somehow it doesn't quite ring true that changing your light bulb is going to solve [the problem]." Apparently, some people prefer to leave the bright ideas to someone else.

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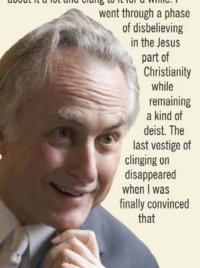
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# **Epiphanies:** Richard Dawkins

[MY FAITH] didn't just drop away. I thought about it a lot and clung to it for a while. I



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Darwinian evolution was an adequate explanation for the beauty and complexity of life.

**RELIGION HAS BECOME** accustomed to getting a free ride. If somebody has the temerity to offer even a mild criticism, it automatically sounds strident even if it isn't.

SCIENTISTS GAIN PRESTIGE from changing their minds, unlike, say, politicians, who get lambasted for flip-flopping. Scientists are thought to be good guys if they change their minds occasionally.

THE MOST MISUNDERSTOOD THING [about Darwinian evolution] is that [critics] think it's a theory of chance. People say, 'Nothing will convince me that all this beauty and elegance and appearance of design is just an accident." Indeed, natural selection is not an accident. That's the whole point.

IF BACH HAD BEEN brought up in an atheistic culture, he might have produced oratorios just as sublime, but inspired by the universe, by the galaxy, by plate tectonics.

I BELIEVE THAT IF LIFE is ever found on other planets, however strange, weird, and alien it is-and I think it will be very strange, weird, and alien-it will be Darwinian life. It will have evolved by natural selection.

THE MAJORITY of children born into the world tend to inherit the beliefs of their parents, and that to me is one of the most regrettable facts of them all.

Richard Dawkins is Charles Simonyi professor of the public understanding of science at Oxford University and author, most recently, of The God Delusion (Boston: Houghton Mifflin, 2006).

For More Online Read more of Dawkins's Epiphanies, including what he thinks of his critics, at ForeignPolicy.com/extras/dawkins.



# Judge Not

Crony judges appointed by friends in high places. Whistle-blowers punished for reporting corruption. Political influence bought through donations. Sound like classic corruption plaguing states on the brink? Think, instead, of countries like Canada, Spain, or Italy. Wealthy countries often suffer the same institutional weaknesses that breed corruption as developing nations

do, according to a recent report by the Washington-based governance watchdog Global Integrity.

In assessing 55 countries on dozens of corruption safeguards, Global Integrity placed several G-8 nations in the same league as developing countries when it came to such critical protections as political finance laws, judicial transparency, and whistle-blower defenses. Although Italy received an overall rating of "strong" for government accountability, its laws shielding



Not your usual suspects: Corruption loopholes affect rich and poor nations alike.

those who report corruption were rated as deficient as those in Ecuador and Tajikistan. France's safeguards against corruption in the civil service scored as low as those in Uganda, where nepotism and patronage are requirements for government jobs. And Canada received a rating of "very weak" for its lack of transparency in judicial appointments, the same rating as Kenya and Mexico. It's a "bit of a wake-up call that, even in the West, we haven't really solved a lot of these issues," says

Nathaniel Heller, Global Integrity's managing director.

But some experts argue that because Global Integrity doesn't measure actual corruption—just the potential for it—more nuance is needed when interpreting the report's results. According to Troy Riddell, a political science professor at the University of Guelph in Ontario, "The study's methodology and conclusions

overstate the lack of transparency [and] accountability in Canada," adding that "putting Canada in the same category as Kenya and Mexico exaggerates the problem." Heller disagrees. "It's actually interesting... to hear a lot of the reaction to the Canada assessment... from Canadians who said, 'You know what? This is accurate,'" he says. It suggests that, for all the Western sermonizing on corruption in the developing world, there's plenty of work to be done closer to home.

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B 55

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163 billion

© 363 billion

What is the world's fastest-growing car market?

(A) Brazil

(B) China

India



How many European countries grow genetically modified crops?



What percentage of the world's migrants are female?

A 35

**B** 50

**@** 65

Which country drinks the most wine each year?

(A) France

Italy

Output
United States



Which region exports the most merchandise?

**A** Europe

**®** North America

Asia

Which country has the highest public debt, as a percentage of its GDP?

A Japan

(B) Italy

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For the answers, turn to page 94.





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#### THINK AGAIN

#### By Gershom Gorenberg

# ISRAEL

Six decades after its founding, the Jewish state is neither as vulnerable as its supporters claim nor as callous and calculating as its critics imagine. But if it is to continue defying all expectations, Israel must first confront its own mythology.

#### "Israel Is a Successful Democracy"

**Sort of.** From what began as an impoverished and war-ravaged country flooded with Jewish refugees from Europe and the Arab world, Israel has grown into a regional military power with a per capita GDP that exceeds all its neighbors. Unusual among post-World War II states, it has also managed to maintain an uninterrupted parliamentary regime for 60 years. Israel's status as the Middle East's only credible democracy plays a major role in its close alliance with the United States and its generally warm relations with Europe.

But how well is that democracy working? Israel elects its leaders, and its vigorous free press sometimes publishes criticism that might be considered anti-Israel elsewhere. Much of that criticism is aimed at the undemocratic regime in the West Bank: Jewish settlers enjoy the full rights of Israeli citizens, while Palestinian self-rule is limited to enclaves.

Gershom Gorenberg is author of The Accidental Empire: Israel and the Birth of the Settlements, 1967–1977 (New York: Times Books, 2006) and a senior correspondent for The American Prospect. He blogs at southjerusalem.com.

Within Israel proper, democracy is functioning but fragile. The lack of a written constitution has left the creation of civil rights to an activist Supreme Court—from a landmark 1953 decision that kept the government from closing newspapers, to last year's ruling that enshrines the right of same-sex couples to adopt children. But the court's position is tenuous. Some in Israel want the Knesset, Israel's parliament, to restrict its powers to overturn laws, rule on security matters, or accept human rights cases.

Another critical weakness is the status of the Arab minority, one fifth of the population. Officially, Arabs have equal rights. But they're scarce in the civil service. Arab towns and cities get less funding from the central government than Jewish municipalities. Roughly an eighth of the country's land is owned by the Jewish National Fund, whose policy of leasing land only to Jews is at the center of a long legal battle.

Arab parties, which hold only 10 out of the Knesset's 120 seats, have been consistently left out of government coalitions. Not only does that exclude Arabs from power but it also makes forming a majority coalition much more difficult—a central,



and rarely noticed, reason for the chronic instability of Israeli governments.

The crumbling of the major parties that once dominated Israeli politics has made coalition government a shaky proposition. Labor, Likud, and Kadima—a centrist breakaway from the Likud—now hold only 60 Knesset seats between them. Labor leader Ehud Barak

and Likud chief Benjamin Netanyahu are both ex-prime ministers who lost their jobs in landslides, reflecting their parties' failure to attract new leadership and the public's disgust with politics. Solving the diplomatic impasse with the Palestinians—the country's key challenge—is made much more difficult as a result. Israeli democracy is alive, but it needs an infusion of new blood.

### "Israel Is a Jewish State"

**Not in the way you think.** In Western countries, "Jewish" is usually considered a religious category, parallel to "Catholic" or "Muslim." So "Jewish state" sounds akin to "Islamic republic."

But Zionism—the political movement that created Israel—was born of 19th-century nationalism, and it defined Jews as an ethnic group, a nationality like "Russian" or "French." Inspired by other contemporary nationalist movements, early Zionists transformed the traditional Jewish aspiration to return to the Land of Israel (a.k.a. Palestine) into a modern nationalistic program. Jews needed to revive their historical language, but religion was a relic of the past, an obsolete vehicle for maintaining ethnic identity in exile.

Israel's secular Jewish majority is heir to that conception. For Israel's secular elite, being a Jew means speaking Hebrew, living in the Jewish homeland, and belonging to Israeli society. Jewish holidays are national holidays—to be spent hiking, at the beach, or overseas, not in a synagogue.

The theocratic side of the Israeli polity is largely a relic leftover from Ottoman law. Marriage and divorce are controlled by religious authorities, so Jews can only wed through the state-run rabbinate. Catholics must marry through the church, and they can't divorce at all.

Otherwise, the clergy has little power. Completely secularizing the state would not end the real divide in

society, which is an ethnic split between Jews and Arabs. As a key example, universal military service is central to civic identity—but Arabs are exempt. Arabs tend to regard themselves as Palestinian citizens of

Israel, but not as "Israelis." Unless an overarching Israeli identity can be created and Arabs can be integrated into the mainstream, Arab demands for rights as a national minority will only grow.

#### "Israel Was Born of the Holocaust"

**No.** Israel was born despite the Holocaust. Every visiting foreign dignitary is taken to Yad Vashem, the official Holocaust memorial. The route proceeds from exhibits on the horrors of the death camps to the establishment of the Iewish state. The stress on the Holocaust reflects the emotional trauma that the horror still inflicts on Jews. It also underpins the political message that Jews can only be safe in their own state.

But an additional message is that Israel was created as a response to the genocide perpetrated against Jews in Europe. That's a historical mistake, and promoting it is politically costly for Israel. As an organized political movement, Zionism began in 1897, decades before the Nazis took power in Germany. Modern Jewish migration to Palestine began even earlier, not just from Europe but also from Yemen, Central Asia, and other parts of the Muslim world. Early Zionists did see anti-Semitism as proof that in an age of nation-states, Jews needed one of their own. But they built their plans on Europe's Jews moving to Palestine. Those numbers would ensure that Jews would grow from a small minority to an overwhelming majority in the country.

In 1939, there were 8.3 million Jews in the territory that would come under Axis rule. Six million were murdered. The Holocaust orphaned the Jewish independence movement, whose largest source of support and immigrants was wiped out. The state that was established was much weaker than it would have been.

When Israel bases its public relations on the Holocaust, it unintentionally lends support to the Arab argument that Palestinians are paying for Europe's sins, a talking point intended to undercut Israel's legitimacy as a Jewish home and shift Western support to the Palestinians.

There's one sense, though, in which the Holocaust formed Israel: Psychologically, it created the feeling that Jews stand in constant threat of annihilation.

#### "Israel's Existence Is in Danger"

Not anymore. When Israel declared independence on May 14, 1948, its Arab neighbors responded by invading. "It does not matter how many [Jews] there are," said Arab League Secretary-General Abdul Rahman Azzam. "We will sweep them into the sea."

Instead, disorganized and inexperienced Arab armies quickly crumbled before them. By the war's end, Israel held more land than the United Nations had allocated it. Before the June 1967 Six Day War, as Arab states massed their forces on Israel's borders, Israelis feared a second Holocaust. Israel's astonishing

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victory showed that it had become the regional superpower, a status confirmed when it repulsed Egypt and Syria's surprise attack in October 1973. Five-and-a-half years later, the peace agreement with Egyptian President Anwar Sadat neutralized Israel's most formidable foe.

Today, there is no conventional military threat that remotely compares with the alliance led by Egypt. Left isolated by the Israeli-Egyptian peace, Syria has carefully observed a cease-fire since 1974. Afraid to risk full confrontation, Damascus has supported substate forces such as Hezbollah in Lebanon and Hamas in the Palestinian territories. Along with other guerrilla groups, they employ terrorist tactics and rocket fire. Those methods have claimed many Israeli civilians' lives. But on a national level, they're equivalent to a chronic illness, not a fatal disease.



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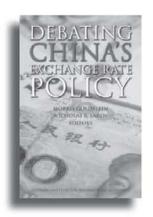
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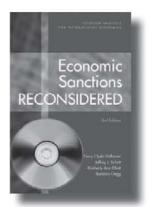
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#### "A Nuclear Iran Would Destroy Israel"

**No.** If conventional armies don't endanger Israel's very existence, then what of an Iranian bomb? Benjamin Netanyahu, now leader of Israel's rightwing opposition, said in a typical speech, "It's 1938, and Iran is Germany." Prime Minister Ehud Olmert has made similar comments. The 2007 U.S. National Intelligence Estimate's assertion that Iran has stopped its nuclear weapons program has done little to reassure Israeli leaders or citizens.

Although all nuclear proliferation is dangerous, the rhetoric ignores the regional power balance. Israel does not normally say it has nuclear arms. But Olmert slipped in 2006, classifying Israel as a nuclear power. Foreign reports sometimes refer to Israel's presumed second-strike capability, the ability to destroy an enemy even if the enemy were to strike first. Such deterrence kept the Soviet Union and the United States from using nuclear weapons during the Cold War.

A common argument is that deterrence won't work as it did with the Soviets. Iran's fundamentalist leaders would supposedly be willing to commit national suicide to fulfill their irrational ideology.

Experience shows, however, that Iranian leaders share the Soviets' caution. Iran agreed to a cease-fire in the war with Iraq once Iraqi missiles began falling on Tehran. The ayatollahs were willing to sacrifice soldiers—but not to pay a higher price. The threat of mushroom clouds will concentrate their thinking about Israel wonderfully.

It's true that Iranian President Mahmoud Ahmadinejad's extreme anti-Israel rhetoric and Holocaust denials are perfectly pitched to frighten Jews. But when Mohammad Khatami was president of Iran, we were told that his moderation made little difference because real power lay with the ayatollahs. For the same reason, one should avoid overestimating Ahmadinejad's clout.

Iran's underlying reason for wanting nukes is nationalist and fairly pragmatic: It seeks to assert its role as a regional power and to deter other nuclear powers. The real risk is that it will set off a regional race for the bomb. The more fingers there are on more buttons, the greater the chance of a mistake. Complacency would be a mistake—but so is panic.

#### "Hamas Seeks Israel's Destruction"

**In its dreams.** Hamas's founding charter, issued in 1988, defines Palestine as "an Islamic waqf"—sacred trust—"consecrated for future Muslim generations." That includes pre-1967 Israel. All of Palestine, says the charter, must be liberated by jihad. Diplomacy is a "vain endeavor." The document turns the goals of radical Palestinian nationalism into timeless religious truths.

Yet with time, Hamas has indeed changed. It hasn't renounced its charter, but has stopped referring to it. The movement has gradually morphed into a hard-line but more pragmatic Islamist organization. A milestone was its decision to participate in Palestinian Authority elections, even though the Authority was born of the Oslo agreements with Israel. In its 2006 election platform, Hamas stressed liberating the land that Israel occupied in 1967, even while insisting that it would not renounce the claim to pre-1948 Israel or Palestinians' right of return.

This balancing act looks much like the change that the Palestine Liberation Organization (PLO) underwent a generation ago, when it adopted its 1974 "phased strategy"—willingness to establish a state in part of Palestine while maintaining a claim to the rest. For the PLO, that was a way to justify participating in diplomacy on the future of the occupied territories, and it was a step toward recognizing Israel. Today, there are disagreements within Hamas over whether to negotiate directly with Israel. However, the organization appears willing to accept a de facto two-state solution and long-term cease-fire, as long as it doesn't have to recognize Israel outright.

Not that Hamas has turned moderate. It hasn't renounced "armed struggle," including attacks on civilians. It may be willing to put up with Israel's existence, but it still hasn't negotiated with itself the way to say so publicly. Nonetheless, an eventual agreement with Israel is within the realm of the possible.

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#### "The Israel Lobby Controls U.S. Policy"

**Never.** In their book *The Israel Lobby and U.S. Foreign Policy*, John J. Mearsheimer and Stephen M. Walt hold the lobby largely responsible for U.S. policy not only toward Israel but toward the rest of the Middle East. The book's greatest flaw may be that it serves as an unintended advertisement for the central lobbying group, the American Israel Public Affairs Committee (AIPAC), which is eager to play up its own influence.

Although AIPAC does lobby the U.S. Congress effectively, its influence on policy has limits. Under former President Ronald Reagan, it lost its fight to prevent the sale of AWACS surveillance planes to Saudi Arabia. It could not prevent Bush Sr. from using loan guarantees as a means of pressuring Israel on West Bank settlement. Under Bill Clinton, AIPAC helped push through legislation aimed at moving the U.S. Embassy from Tel Aviv to Jerusalem, despite the potential for upsetting peace talks. But the victory was hollow: As passed, the law contained a presidential waiver that Clinton and George W. Bush have repeatedly invoked to avoid the move. In 2006, despite AIPAC's efforts to pass a version of the Palestinian Anti-Terrorism Act that would have virtually cut off U.S.-Palestinian relations, the U.S. Congress opted for a more moderate bill.

Attributing U.S. policy solely to AIPAC has the advantage of great simplicity. That is also precisely what's wrong with it. The constraints on U.S. policy in the Middle East were laid out after the Six Day War, in a memo to then President Lyndon Johnson written by McGeorge Bundy, his former national security advisor. The United States is committed to Israel's survival, Bundy wrote, but also to good relations with pro-Western Arab states that want Washington to tilt against Israel. Keeping Israel strong saves the United States the headache of defending it directly. But in the long run, Bundy implied, getting Arabs and Israelis to make peace was the only way to resolve the contradictions in U.S. policy. American administrations have oscillated between these conflicting concerns ever since.

At 60, Israel is neither a perfect democracy, nor a Jewish ghetto imperiled by Iranian Nazis, nor a puppet master indirectly controlling Washington. It is more democratic than its neighbors, more reliably pro-Western, and more successful economically and militarily. Nonetheless, it faces the classic dilemmas of a nation-state dealing with minorities, borders, and neighbors. In other words, it is best understood as a real place, not a country of myth. **P** 

#### Want to Know More?

Gershom Gorenberg tells the story of how Israel's settlement movement began in *The Accidental Empire: Israel and the Birth of the Settlements*, 1967–1977 (New York: Times Books, 2006).

The histories of Israel's wars are powerfully told in 1948: The First Arab-Israeli War (New Haven: Yale University Press, 2008) by Benny Morris, Six Days of War (New York: Oxford University Press, 2002) by Michael B. Oren, and The Yom Kippur War (New York: Schocken Books, 2004) by Abraham Rabinovich.

John J. Mearsheimer and Stephen M. Walt lay out their controversial argument in *The Israel Lobby and U.S. Foreign Policy* (New York: Farrar, Straus and Giroux, 2007). *FP*'s July/August 2006 issue features a debate on the topic with Mearsheimer, Walt, Aaron Friedberg, Dennis Ross, Shlomo Ben-Ami, and Zbigniew Brzezinski. In *FP*'s January/February 2005 issue, Josef Joffe imagines "A World Without Israel." In "Think Again: Israel vs. Hezbollah" (November/December 2006), Nahum Barnea explains why Hezbollah cannot be defeated militarily.

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Islamic Mosque, Nairobi, Kenya

lands; and how they are grappling with these challenges.

#### **About Your Professor**

Dr. John L. Esposito is Editor-in-Chief of *The Oxford Encyclopedia of the Modern Islamic World, The Oxford History of Islam,* and *The Oxford Dictionary of Islam.* He has more than 25 books to his credit.

An international consultant, he is Professor of Religion and International Affairs and of Islamic Studies at Georgetown University, Washington, DC. He specializes in Islam, political Islam, and the impact of Islamic movements from North Africa to Southeast Asia.

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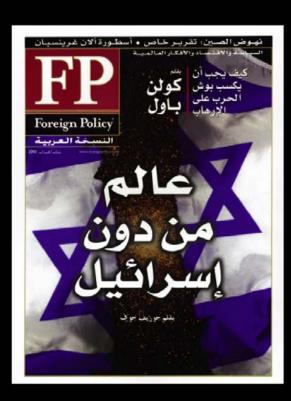












































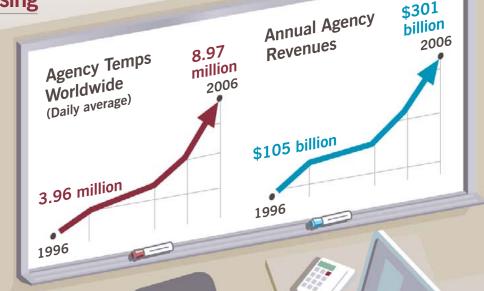


# Help Wanted

From office cleaners to high-tech analysts, temporary workers have become a permanent fixture of the way the world works. Today, the global temp market is dominated by a few staffing firms operating in dozens of countries and generating billions of dollars. | By Neil M. Coe, Jennifer Johns, and Kevin Ward

#### **Global Temps Rising**

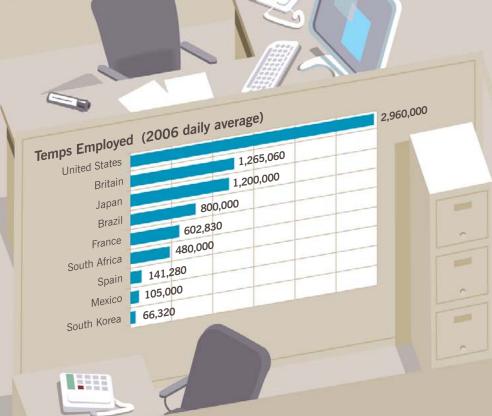
At least 9 million temps are employed each day around the world, bringing in more than \$300 billion in revenues for ever expanding staffing agencies. Temps' ranks have swelled thanks to dramatic growth in the service industry and the remarkable flexibility these workers offer firms. And because many temps aren't placed through formal agencies, these numbers almost certainly underestimate the pace of global growth.



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Neil M. Coe is senior lecturer and Kevin Ward is professor of economic geography at the University of Manchester. Jennifer Johns is lecturer in economic geography at the University of Liverpool.



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# CHINA HEN LANGE TO THE PROPERTY OF THE PROPERT

It seemed a perfect match: A growing country looking for markets and influence meets a continent with plenty of resources but few investors. Now that China has moved in, though, its African partners are beginning to resent their aggressive new patron. What happens when the world's most ambitious developing power meets the poverty, corruption, and fragility of Africa? China is just beginning to find out. | By Serge Michel

i hao, ni hao." I had been walking along a street in Brazzaville only 10 minutes when a merry band of Congolese kids interrupted their ballplaying to greet me. In Africa, white visitors usually hear greetings like "hello, mista" or "hey, whitey," but these smiling kids lined along the street have expanded their repertoire. They yell "hello" in Chinese, and then they start up their game again. To them, all foreigners are Chinese. And there's good reason for that.

In Brazzaville, everything new appears to have come from China: the stadium, the airport, the televisions, the roads, the apartment buildings, the fake Nikes, the telephones, even the aphrodisiacs. Walking through this poor capital city in West Africa, a visitor could be forgiven for assuming he was in some colonial Chinese outpost.

No one knows more about China's reach in Congo than Claude Alphonse N'Silou, the Congolese minister for construction and housing. In fact, in Brazzaville, the Chinese are building more than a thousand units of housing designed by N'Silou, who is also an architect. They are also building the minister's house, a Greco-Roman palace that makes the U.S. Embassy next door look like a small bunker. I meet the minister at nightfall in the habitable part of his construction site, while, outside, Chinese workers from the international construction company WIETC have turned on spotlights so they can keep making concrete and hammering in scaffolding.

"Have you seen how they work?" N'Silou says jovially, gripping the arms of his leather chair while

Serge Michel is the West Africa correspondent for Le Monde and coauthor, with Michel Beuret and Paolo Woods, of La Chinafrique: Pékin à la conquête du continent noir (ChinAfrica: On the Trail of Beijing's Expansion on the Dark Continent) (Paris: Grasset, 2008).



The sun king: Even among the Chinese who are making a fortune in Africa, this Shanghai businessman stands out. His empire in Lagos includes 15 factories, 1,600 workers, and the use of local police as his private bodyguards.

a servant serving French sparkling water glides along the marble floor in slippers.

"They built the Alphonse Massamba Stadium for us, the foreign ministry, the television company's headquarters. Now they are building a dam in Imboulou. They have redone the entire water system of Brazzaville. They built us an airport. They are going to build

#### Ask the Author



Have questions for Serge Michel? Send them to letters@ForeignPolicy.com by May 25, and we'll post his answers on May 30 at:

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the Pointe-Noire to Brazzaville highway. They are constructing apartment buildings for us. They are going to build an amusement park on the river. All of it has been decided. Settled! It's win-win! Too bad for you, in the West, but the Chinese are fantastic."

The story of China's quick and spectacular conquest of Africa has captured the imagination of Europeans and Americans who long ago considered the continent more charity case than investment opportunity. From 2000 to 2007, trade between China and Africa jumped from \$10 billion to \$70 billion, and China has now surpassed Britain and France to become Africa's second-largest trading partner after the United States. By 2010, it will likely overtake the United States as well. The Export-Import Bank of China, the Chinese government's main source of foreigninvestment funds, is planning to spend \$20 billion in Africa in the next three years—roughly equal to the amount the entire World Bank expects to spend there in the same period. For the Chinese and the Africans, the partnership does seem to be "win-win": China gains access to the oil, copper, uranium, cobalt, and wood that will fuel its booming industrial revolution at home, and Africa finally sees the completion of the roads, schools, and other keys to development it desperately needs. Most analysts think it is only the beginning. With its basic but reliable technology, its ability to mobilize thousands of workers to building sites anywhere, and its phenomenally large foreign-cash reserves, China has the opportunity to assume a leadership position in Africa and to transform the continent profoundly. And why not? The Chinese have created a true economic miracle at home, so they more than anyone should be able to pull off the same magic in a place where the rest of the world has failed.

And yet, there are cracks in the facade. China's profits and influence may be on the upswing in Africa, but China is beginning to run into the same obstacles the West has faced for years: financial and political corruption, political instability, lack of

Even though its profits and influence are on the upswing in Africa, China is beginning to run into the same obstacles the West has faced for years.

interest—even resistance—from the local population, and sometimes a simply miserable climate. Several of the head-spinning contracts the Chinese signed throughout the continent have been canceled. Those cheap sneakers the Chinese are sending in by the shipload are infuriating the local manufacturers and storeowners they undercut. And the Chinese, with their laissez-faire attitude toward workers' rights, may be earning themselves more enemies than they realize. What's more, China, unlike its Western counterparts, is attempting to operate in a region that is, by and large, more democratic than it is. What happens when the world's most enterprising business people run up against the hard truths of a continent that has known more poverty than profits? Might China be just another mortal investor, subject to the same problems, inefficiencies, and frustrations every other global power has faced in Africa? If so, it may mean that, for Africa, the Chinese "miracle" is nothing more than another lost opportunity.

#### HOLLOW VICTORIES

It isn't hard to see why Chinese immigrants would be attracted to Africa. With wages rarely exceeding \$150 a month on the farms and in the factories of China's remote provinces—and with the eastern cities becoming overrun with migrant labor—Africa looks like a promised land. According to Huang Zequan, vice chairman of the Chinese-African People's Friendship Association, there are now 550,000 Chinese nationals in Africa, compared with 100,000 French citizens, and 70,000 Americans. Beijing sent some of them to build dams, roads, and railroads. Other Chinese simply hope to get rich in some of the poorest countries on the planet.

For many African governments, China's interest in the continent is most welcome. African leaders have not hesitated to hand over the responsibilities of public office to China. It's China that these leaders turn to when they want schools, housing, or hospitals—often just before elections in order to gain as much profit as

possible from these projects. They rely on the efficiency and ambition of the Chinese in hopes of having their own shortcomings forgotten.

"The Chinese are incredible," says Omar Oukil, an advisor to the Algerian Ministry of Public Works. "They work round the clock, seven days a week. It would be good for us if a little bit of their rigorous work

culture rubbed off on us." I was politely shown the door when his workday came to a close at 4 p.m. The hallways of the ministry were empty when I left. At the same time, on the Mitija plain in southern Algeria, Chinese workers from the Chinese construction firms CITIC and CRCC were putting night crews in place. They would have a little more than 3 years to build a large portion of a 750-mile highway full of tunnels and viaducts. To do so, they had to bring 12,878 workers from China to Algeria.

But these immense projects also highlight the competing interests of Chinese-African cooperation. Take, for example, the dam being built at Imboulou in Congo. Officially, it's a huge success: It's expected to help double national electricity production by 2009. Ten years ago, the World Bank had deemed



Toil and trouble: Despite working side by side on projects like housing developments and highways, Chinese and Africans are worlds apart. One Angolan complains about the way the Chinese treat African laborers: "They give us a smack as soon as something doesn't go right."

the country too indebted to warrant financing of the project. China, however, dedicated \$280 million to it in 2002. Congo plans to pay that sum back in oil.

"The Chinese drive me crazy," says an engineer from Fichtner, the German company that oversees the work. They are building the dam at a discount, and

he worries it might not hold up very long. He claims that the quality of the cement being used is sub-standard, that the Congolese workers are so poorly paid that none of them stays longer than a few months, and, above all, that the drilling has

been so poorly done that half of the dam sits on a huge pocket of water that continually floods the site and could cause it to collapse one day.

It's difficult for Wang Wei, the Chinese engineer in charge, to respond to these accusations, and not only because he's been knocked out by a bout of malaria. "It is my first trip to Africa," he says, his eyes shimmering with fever. It is also the first time that his company, CMEC, has built a dam. Its previous business had only involved importing and exporting construction vehicles. Wang blames the company's problems on the sub-Saharan climate. "The rainy season is too long here," he says. "We have gotten a little behind, but we will emerge victorious from our

battle with nature." The Chinese boss is particularly angry with the workers he pays three to four dollars a day. "They treat the site like a school. They have hardly learned something before they go somewhere else to use it." He would like to ask the Congolese government to make some prisoners available to him so he could be sure his workers wouldn't flee.

'It's great that you're taking a walk with the Chinese,' says a Western diplomat. 'But when you're ready to play in the big leagues, pay your debts and come and see us.'

> Angola, long held up as China's most spectacular success in Africa, is also beginning to question China's commitment to the country. In 2002, after 27 years of civil war that brought the country to its knees, Western countries refused to organize a conference of donors, citing a lack of transparency and the disappearance of billions of dollars in oil revenues. The government turned to China, which offered between \$8 billion and \$12 billion of credit to rebuild the country (and to make Angola its main supplier of oil, ahead of Saudi Arabia and Iran). At least, that was the plan. But you have to expect some surprises when you attempt to rebuild a railway connecting the coastal city of Lobito with



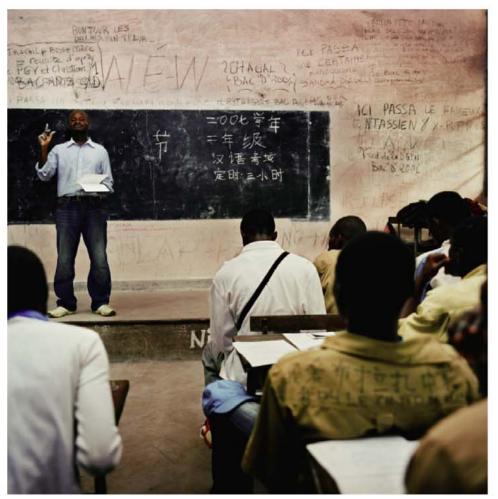
Charging ahead: At factories like Federated Steel, in Nigeria's Ogun state, Chinese expats organize African workers to keep up an intense pace. The steel they produce—like oil and timber elsewhere—will feed China's appetite for growth. It remains to be seen whether Africa will be so lucky.

the inland border of the country formerly known as Zaire. This vital artery of colonial Angola was entirely destroyed during the war. The Chinese promised to rebuild it by September 2007. By November, however, they had abruptly dismantled their base camps along the line.

"The Chinese spent months getting their camp together and bringing in brand-new bulldozers," says a security guard at Alto Catumbela, an old industrial center in the Angolan plateau that was devastated by the war. "Then, instead of beginning to repair the line, they dismantled it all, ate their dogs, and left." You can still see the spot in the middle of the big field where the sheds used to be. The vegetable plots where the Chinese cooks grew cabbage and other vegetables are still visible. But, except for a few antimalarial tablets on the ground, everything has vanished.

In Lobito, the assistant director of the Benguela Railway Company confirms that 16 Chinese camps were dismantled and reveals that the \$2 billion contract has been canceled. "I don't know anything else about it; the negotiations are taking place at a very high level," he says.

This very high level, on the Chinese side, is a mysterious holding company in Hong Kong called the China International Fund (CIF). Its job is to coordinate funds and projects in Angola, as well as deal with reimbursements in oil. Its Internet site boasts about 30 gigantic projects, none of which appears to have broken ground. On the Angolan



Master class: In Brazzaville's elite schools, Chinese has replaced English and French as the language to learn. Teaching Chinese supplements the money this professor makes translating at construction sites around the capital.

side, the very high level is the National Reconstruction Office, headed by Gen. Manuel Helder Vieira Dias. He is considered a possible successor to the president. Neither side agreed to respond to questions, but there are numerous signs of a major crisis brewing between the two countries: A \$3 billion contract for an oil refinery in Lobito was canceled by the Angolans, and \$2 billion allegedly disappeared into Chinese accounts.

It all brings a smile to the faces of the 20 or so Western diplomats in Luanda who send cryptic messages to their capitals detailing the Chinese-Angolan dispute, even as they try to make up ground in a country thought to have been lost to China.

"The Chinese promised an awful lot, [and] the Angolans demanded an awful lot," says a Western diplomat. They were both "out of kilter with reality." Says another: "The Chinese do not have enough experience in Africa. They did not realize that the kickbacks in Angola would be so high." A European diplomat sticks the knife in deeper: "We say to our

Angolan friends, 'It's great that you're taking a little walk with the Chinese. Enjoy yourself. But when you're ready to play in the big leagues, pay your debts and come and see us."

#### THE BACKLASH **BEGINS**

Despite the arrogance and condescension in such words, they do reflect some hard truths. China may be a willing partner to many of the regimes and countries the rest of the world won't touch, but that hardly means Africans are always satisfied with their arrangements. In a country like Angola, which has raked in \$100 billion in five years and has posted one of the

highest growth rates in the world since 2002, newfound economic success often means they can begin to dictate the terms of their own deals. And often, those new deals don't include the Chinese. Ironically, because of early help from the Chinese, Luanda may now have the means to avoid getting trapped in a relationship with a partner as voracious and demanding as China. The oil refinery in Lobito is expected to be awarded to the American firm KBR, and the regime of José Eduardo dos Santos has just reconciled with France after an eight-year tiff.

And Angola isn't the only country beginning to feel comfortable saying no to China. In Nigeria, an April 2006 agreement in which China would have paid \$2 billion for first access to four oil blocks was canceled. A similar agreement that involved CNOOC, the state-owned Chinese oil company, fizzled out. In Guinea, a billion-dollar financial package involving a bauxite mine, an aluminum refinery, and a hydroelectric dam was called off.

In some cases, such contracts have been canceled or failed to materialize as a result of a deliberate strategy on the part of African rulers. Spectacular announcements of Chinese contracts have been made with the intention of frightening Western partners into offering better terms. In meeting after meeting with African officials, I heard the following plea: "Write in your magazine that the Chinese do not have a monopoly here, and we would love to have the French or anybody else doing work here, if they make a competitive offer." Niger, for instance, dangled uranium rights in front of Chinese companies and even went so far as to expel an official from the French nuclear concern Areva in an apparent effort to persuade it to increase its bid for a mine in Imouraren, which has one of the world's largest untapped deposits of uranium in the world. Areva signed the contract in January 2008, and it was considered a triumph for the regime of President Mamadou Tandja.

When China feels betrayed by African governments, it can't easily fall back on public opinion.

Despite all its talk of brotherhood and lack of a colonial past, China remains unpopular. From Congo to Angola, taxi drivers, street sellers, even locals working on Chinese construction sites complain about the

influx of Chinese. "They are like the devil," "They do not respect us," "They are here to take everything from us" are the common refrains. Perhaps the relationship is too recent—and one that really only exists between officials—to have given personal ties the chance to form. It's rare to see Chinese and African workers at the same construction site go and drink a beer together at the end of the day.

Grass-roots resistance to the Chinese has sprung up. In 2004, in Dakar, Senegal, the powerful lobby of Senegalese and Lebanese shopkeepers' organized several protests against the Chinese boutiques, whose prices they said were undercutting them. Shops were set on fire. President Abdoulave Wade was given an ultimatum by the shopkeepers union to kick all Chinese nationals out of the country. Although he didn't go that far, he forced through a near total moratorium on visas issued to Chinese citizens from his country's embassy in Beijing. He then finagled a more open policy toward visas from the Chinese Embassy in Dakar. This enabled Senegalese storeowners to establish connections in China and maximize their profit margin on Chinese imports

to Senegal. In October 2007, China's state-owned news agency had to admit that "the Senegalese doing business in China far exceeds the number of Chinese doing business in Senegal."

Undoubtedly, though, the country with the most intense anti-Chinese sentiment is Zambia. When an April 2005 explosion in a Chambishi copper mine killed at least 50 people, the Chinese owners were accused of ignoring basic safety regulations. The miners demonstrated against their employer, and their protests struck a chord in the capital, Lusaka. Opposition leader Michael Sata made the Chinese the focal point of his presidential campaign in September 2006 by accusing them of destroying the country. He even charged the Chinese Embassy with supporting his opponent, incumbent President Levy Mwanawasa. Although he briefly led in the polls, his bid was unsuccessful (and likely the result of voter fraud). Five months later, while touring the continent, Chinese President Hu Jintao was forced to abandon plans to visit the

#### China seems to have difficulty maneuvering in countries more democratic than itself.

"Copper Belt" due to fears that the workers would revolt again. Never before had a Chinese leader experienced such an affront in Africa.

Generally, China seems to have difficulty maneuvering in countries more democratic than itself. Zambia is not a perfect democracy, but, unlike in China, its press is relatively free, unions exist, and public opinion matters. During a major China-Africa summit in Beijing in November 2006, organizers at the Chinese press center distributed the short book, China and Africa 1956-2006, by historian Yuan Wu. It presents democracy as a scourge because it "exacerbates" tensions inside African countries. "Fortunately," the author concludes, "the wave of democratization has started weakening."

#### OUT OF AFRICA?

For all the tensions between Africa's need for development and democracy and China's need for resources and riches, however, there is one sector where the interests of both Africa and China seem to be in sync: oil. It's the most important commodity

that China wants from Africa, and the oil-producing countries in Africa also happen to be the ones that receive the most Chinese investment. So, many experts consider oil to be the principal indicator of whether China will have succeeded or failed on the continent. And it's not the African oil that China buys at market price, which makes up around 20 percent of its imports, that's so important, but the oil that it manages to produce there. Oil-producing African countries have lured most of the Chinese investment, which was supposed to create "goodwill." So far, the harvest has been thin.

It has been a major handicap for Chinese companies that they lack almost any expertise in deep offshore oil production. It has prevented them from participating in bidding on the most attractive fields in the Gulf of Guinea. These companies have used Africa's east coast as a fallback location, though deposits there have turned out to be much less abundant than those in the west. Because four of CNOOC's six oil blocks proved too difficult to explore, the company returned them to the Kenyan government, which graciously took them back last July.

As a result, the only real success that the Chinese have had with oil in Africa has come in Sudan. International companies had to leave Sudan in the 1980s because of civil war and U.S. sanctions. China took advantage of the situation and invested massively, building oil wells, a refinery, and a huge pipeline to Port Sudan. Thanks to China, Sudan has been able to export oil, and Khartoum is experiencing an economic boom that makes it seem like an African Dubai.

Of course, this situation captures perfectly the problems inherent in China's approach in Africa. On one hand, China has an interest in convincing Khartoum to put a definitive end to the massacres occurring in Darfur, so as not to sully its reputation as a peaceful power. On the other hand, China wants to keep political risks high enough to ensure that Chevron, Total, and Shell-companies that once had operations in Sudan—do not jump back in. All this is not quite a failure, but it's hardly a "miracle," either. It's proof that what's good for China may not be good for Africa, and what's good for Africa may be something no foreign power, even one as ambitious as China, is able to deliver. **P** 

#### Want to Know More?

Serge Michel, Michel Beuret, and Paolo Woods spent a year and a half watching China's influence expand in Africa and documented everything from logging in Congo to uranium mining in Niger. The result is La Chinafrique: Pékin à la conquête du continent noir (ChinAfrica: On the Trail of Beijing's Expansion on the Dark Continent) (Paris: Grasset, 2008).

Political economist Chris Alden explores the impact of China's presence in Africa in China in Africa (London: Zed Books, 2007). In "The Fact and Fiction of Sino-African Energy Relations" (China Security, Summer 2007), Erica S. Downs details the problems China has discovered in its quest to secure African oil. Vivienne Walt watches what happens when Chinese cash floods a poor African capital in "A Khartoum Boom, Courtesy of China" (Fortune, Aug. 6, 2007).

For African perspectives on the Chinese invasion, see China's New Role in Africa and the South: A Search for a New Perspective (Oxford: Fahamu and Focus on the Global South, 2008) by Dorothy-Grace Guerrero and Firoze Manji, eds. To understand what China's role means for Americans, read "China's Emerging Interests in Africa: Opportunities and Challenges for Africa and the United States" by Drew Thompson (African Renaissance Journal, July/August 2005).

In FOREIGN POLICY's special report "China Rising" (January/February 2005), several of the world's most prominent China experts debate the Middle Kingdom's ascent as a global power. In "Why China Won't Save Darfur" (ForeignPolicy.com, June 2007), Morton Abramowitz and Jonathan Kolieb explain how China's economic interests often interfere with prudent foreign policies.

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From Gorbachev to Yeltsin to Putin, every new Russian president has drastically altered his country's relationship with the world. How will President Dmitry Medvedev change it again? Here are the clues that reveal what the Kremlin is thinking, and, more importantly, what it really wants. | By Ivan Krastev

his much we know: In the two decades since the collapse of the Soviet Union, Russia has transformed itself from a one-party state into a one-pipeline state—a semiauthoritarian regime in democratic clothing. At the same time, Russia has grown increasingly independent and unpredictable on the international political scene. And now that Vladimir Putin has successfully installed his handpicked successor, Dmitry Medvedev, he is nowhere near relinquishing his grip on power. Putin's foreign policy is here to stay.

But there's so much we can't know about the direction Russia is heading. It is, at once, a regime

Ivan Krastev is editor of FOREIGN POLICY's Bulgarian edition.

that offers its citizens consumer rights but not political freedoms, state sovereignty but not individual autonomy, a market economy but not genuine democracy. It is both a rising global power and a weak state with corrupt and inefficient institutions. The Kremlin's regime seems both rock solid and extremely vulnerable, simultaneously authoritarian and wildly popular. Although Russia's economy has performed well in the past 10 years, it is more dependent on the production and export of natural resources today than it was during Soviet times. Its foreign policy is no less puzzling. Russia may be more democratic today, but it is less predictable and reliable as a world player than was the Soviet Union. The more capitalist and Westernized Russia becomes, the more anti-

Western its policies seem. The more successful Russia's foreign policy looks, the more unclear its goals appear.

Russia's contradictory development has succeeded once again in capturing the world's political imagination. Putin's tenure has left most people confused about what role Russia now wants to play in the world. In recent years, for example, Moscow has orchestrated a noisy and confrontational return to the international scene. It decided not to cooperate with the West in taming Iran's nuclear ambitions or in settling the final status of Kosovo. Last year, the Kremlin unilaterally suspended the Treaty on Conventional Armed Forces in Europe. It blocked the work of the Organization for Security and Cooperation in Europe. Gazprom, Russia's gas monopoly, aggressively tries to control the energy supply throughout the region. The country's military budget has increased sixfold since 2000. Russian planes are patrolling the Atlantic. Moscow's intelligence network is creeping into all corners of Europe. Not since the hottest days of the Cold War have so many wondered just what was going on behind the Kremlin's closed doors.

#### ONCE A SUPERPOWER...

Some look at Russia and see a wounded enemy readying itself for another round. They interpret Moscow's new assertiveness as a simple overreaction to the humiliation of the 1990s. These realists are quick to blame NATO expansion and Western triumphalism after the Soviet collapse for the direction of Russia's current foreign policy. What Moscow learned in its "decade of humiliation" is that the West respects strength, not shared values. On the other hand, the liberals who shaped the West's policies toward Russia in the 1990s are not in a selfcritical mood. They tend to believe that Putin's foreign policy is simply a new incarnation of Moscow's traditional imperial policies. Plus, though they may concede that the West has lost some of its ability to shape Russian politics, they insist that the West can still focus on the rule of law—if not full democracy. In their view, Russia's gains in the international arena are temporary and the Putin miracle is a mirage. In short, even the experts are far from unanimous in divining the motives of Russia's recent turn.

It would be easy to assume Russia is simply grasping power for power's sake, or to conclude that just as "there are no ex-KGB officers," there are



Big brothers: The same sense of paranoia that guided Putin's foreign policy will haunt his successor.

also no ex-imperial powers. But to understand why the Kremlin acts the way it does, one must first recognize how haunted it is by uncertainty and paranoia. How Russia thinks is closely linked to how Russia's political elites feel. Moscow's current strategy is not merely a reflection of its new economic power or a geopolitical change. It is the expression of the traumatic experience of the collapse of the Soviet Union and the omnipresent political vulnerability of the current regime.

In effect, Russian foreign policy is held hostage by the sense of fragility that marked the Russian experience of the 1990s. It explains Moscow's preference for the pre-World War II international order based on unrestricted sovereignty and sphere-of-influence politics. It explains Russia's open resistance to American hegemony and its opposition to the postmodern European order promoted by the European Union (EU). The EU, with its emphasis on human rights and openness, threatens the Kremlin's monopoly on power. The West's policy of democracy promotion awakens in Moscow the nightmare of ethnic and religious politics and the

threat of the territorial disintegration of the Russian Federation. Russia feels threatened by the invasion of Westernfunded nongovernmental organizations, and the Kremlin is tempted to recreate the police state to prevent foreign interference in its domestic politics. The recent "color" revolutions that shook the post-Soviet space embodied the ultimate threat for Russia: popular revolt orchestrated by remote control. Moscow is in an elusive quest for absolute stability.

Putin's foreign policy—and, by extension, Medvedev's—rests on two key assumptions and one strategic calculation. It assumes the United States is facing a collapse that is not much different from the collapse of Sovi-

et power. It also assumes that the EU—despite being, in Russia's view, a temporary phenomenon—is a threat to the Russian regime by its very existence as a post-modern empire. The calculation is that the next decade presents a strategic window of opportunity for Russia to position itself as a great power in the emerging multipolar world while also securing the legitimacy of the regime, even if that means following a more assertive and confrontational foreign policy.

Unlike China, where the consensus these days is that world order does not collapse over a weekend and that betting on America's decline is a risky gamble, Russia demonstrates complete confidence in the end of American hegemony. Russian elites are tempted to view the crisis of America's global power as a replay of the crisis of Soviet power in the 1980s. Moscow looks at the United States' debacle in Iraq and sees its own failure in Afghanistan. It views the United States' conflicts with the EU as proof of the dismantling of the informal American empire. In this sense, when Jacques Chirac openly questioned the wisdom of American leadership in the lead-up to the war in Iraq, Russians saw echoes

of Lech Walesa's defiance of the Soviet Union at Gdansk. Moscow's policies, in other words, are informed by the assumption that great powers are less stable than they look and their positions are more vulnerable than classical balance-of-power analysis suggests.

#### WHY RUSSIA FIGHTS

Of course, none of these calculations is necessarily comforting to a United States that views itself as the

# In 10 years' time, Russia will not be a failed state. But neither will it be a mature democracy.

world's preeminent political, economic, and military power, or an EU that sees strength in unity and integration. Russia's resurgence comes at a time when the global hegemony of the United States is in decline and the EU is suffering a profound crisis of self-confidence. Russia's revisionism threatens the very nature of this existing international order. The paradox is that, faced with new Russian revisionism, the West is becoming nostalgic for the old Soviet Union. Even as a longing for a familiar foe has dramatically declined among the Russian public, it is on the rise in Western capitals. In the words of one senior French

diplomat, "The Soviet Union was easier to deal with than Russia is today. Sometimes the Soviets were difficult, but you knew they were being obstructive in order to achieve an objective. Now, Russia seeks to block the West systematically on every subject, apparently without purpose." In other words, Russia is not simply a revisionist power—it is something potentially more dangerous: a spoiler at large. The Kremlin's recent actions easily fit this threatening image. In reality, though, Russia is not a spoiler so much as it likes to be viewed as one. Where the

West seeks to find aggressiveness and imperial tendencies, it will find uncertainty and vulnerability. Demonizing Russia won't help pitying it won't help either.

In 10 years' time, Russia will not be a failed state. But neither will it be a mature democracy.

Russian foreign policy will remain independent—one that promotes Russia's great-power status in a multipolar world. It will be selectively confrontational. Russia will remain more integrated in the world than it has ever been in its history, and it will remain as suspicious as ever. At base, the Kremlin's strategic dilemma is how to remain integrated in the world while also making the country impervious to political influence from abroad. Russia is a rising global power but also a declining state. The key to understanding the Kremlin's foreign-policy thinking is that simple—and that complicated.

#### Want to Know More?

Ivan Krastev offers advice to Western policymakers struggling to understand Russia's motives in *The Crisis of the Post-Cold War European Order* (Washington: German Marshall Fund, 2008). Dmitri Trenin's *Getting Russia Right* (Washington: Carnegie Endowment for International Peace, 2007) explores the West's reaction toward the Kremlin's recent belligerency.

In "Think Again: Vladimir Putin" (FOREIGN POLICY, January/February 2008), Lilia Shevtsova downplays the notion that Putin's autocratic ways will ruin Russia. In *Alternative Futures for Russia to 2017* (Washington: Center for Strategic and International Studies, 2007), Andrew Kuchins explores the paradoxes within Russia's political system—and predicts where it's headed.

In "Russia's Oily Future" (FOREIGN POLICY, January/February 2004), Moisés Naím argues how Russia's oil abundance will hamper its foreign-policy goals. ForeignPolicy.com recently featured the names to know in post-Putin Russia in "The List: Seven Kremlin Powerbrokers to Watch" (March 17, 2008).

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# Architecture <sup>o†</sup>Autocracy

The skylines of unfree societies used to bring to mind images of endless gray Soviet apartment blocks. But today, some of the world's most innovative and daring designs are breaking ground in the least free nations. Why are the world's best architects taking their most ambitious plans to modern-day autocrats? Two words: Blank slates. By Richard Lacayo

aniel Libeskind is one of the world's best-known architects, designer of Berlin's Jewish Museum, the Denver Art Museum's very forward-looking new addition, and the early master plan for the World Trade Center site. He works everywhere—or almost everywhere. A few years ago, he told me he would never work in China. Libeskind, who was born in Poland in 1946, lived for a time under the feckless regime of communist leader Wladyslaw Gomulka. It wasn't an experience that left him well disposed toward one-party states.

Libeskind's scruples on the client question weren't widely known until February, when he gave a talk in Belfast in which he criticized architects willing to offer their services to totalitarian regimes. "I think architects should take a more ethical stance," he said. "It bothers me when an architect has carte blanche with a site.... We don't know if there was a public process—who owns this place, this home, this land?"

Why did Libeskind speak up now? Because the topic is becoming unavoidable. For years, the biggest names in architecture have been flocking to countries where democratic procedures are a rare phenomenon. The world's largest and most daring construction sites these days are in places such as Russia, China, and the Persian Gulf states, where open decision-making, community input, and credible elections—or elections of any kind—tend to take a back seat to other matters, like a growing economy and the wealth of leaders.

China is the greatest magnet of all. An immense building boom and a ruling party hungry for prestige have combined to produce scores of prize commissions for famous foreign architects, including Rem Koolhaas's new headquarters for Central Chinese Television (CCTV), Switzerland-based Herzog & de Meuron's Olympic stadium, and Norman Foster's huge new terminal at Beijing Capital International Airport, which is the largest building in the world for now. It will eventually be overtaken by another Foster megastructure, this one in Moscow. Dubbed

In the Gulf region, where the working conditions of migrant laborers have been a chronic human rights issue, Saudi Arabia and the United Arab Emirates have been recycling oil revenues into vast construction projects, like the Skidmore, Owings & Merrilldesigned tower Burj Dubai, the world's tallest building, as well as various Koolhaas projects and a cultural district in Abu Dhabi with museums by architect superstars Tadao Ando, Frank Gehry, Zaha Hadid, and Jean Nouvel. Oil money has also lured the British-Iraqi Hadid to design a cultural center for Azerbaijan, a place that doesn't exactly earn high marks from Freedom House or Human Rights Watch. For good measure, the center will be named for Heydar Aliyev, the former KGB officer who ran the oil-rich Central Asian republic with an iron fist before he died in 2003, when his son Ilham succeeded him in a poor imitation of a free election. Last year, a dutiful Hadid placed flowers on Aliyev's grave.

#### NATION BUILDING

It's no mystery why architects find themselves in an equivocal relationship with power. They can't work without it. Every big building, whether it's in Manhattan, Dubai, or Singapore, is a triumph of the will, usually the client's—whether that client is a developer, a museum director, or an authoritarian government. What architects prefer are fearless clients, the kind who commit serious money and laugh in the face of local opposition. How tempting it is, then, to build in places where an emir or a Vladimir can call the shots with impunity—where cash is plentiful, ambitions boundless, and the local opposition more preoccupied with police surveillance or being thrown in jail.

Speaking of Vladimir Putin, the Scottish architecture firm RMJM won a competition last year to design the new Gazprom tower in St. Petersburg. For reminder's sake, Gazprom is the immense natural gas company once headed by Russia's new president, Dmitry Medvedey, Putin's handpicked successor. (Let

#### For More Online







Moscow summit: Norman Foster's \$4 billion Crystal Island will include 900 apartments, 3,000 hotel rooms, a school, museum, and sports center.



the record show that one of the entrants in that design competition was one Daniel Libeskind.) The Okhta Center, as the tower is now called, has set off protests in Russia and abroad over its 1,300-foot height, in a city where the tallest building is a bell tower a third that size. The tower's opponents are numerous and prominent, including the St. Petersburg Union of Architects, the director of the State Hermitage Museum, and UNESCO, which has threatened to revoke the city's World Heritage status. But most observers are skeptical that the critics will count for much in the end. At the heart of the matter is whether Russia is the kind of place these days where a credible debate can take place over a building backed by the all-powerful company that the new president of Russia used to run. There is, you could say, a whiff of carte blanche in the air.

Make no mistake, even the oldest democracies are a work in progress, too. There will always be big

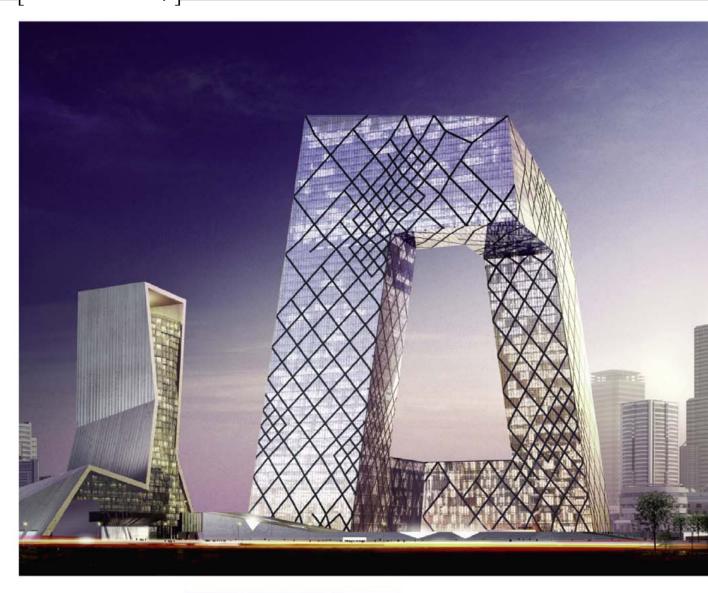


projects in New York or London where public input is a sham and the powers that be do what power does. All the same, architects and developers in democratic countries contend with public hearings and environmental reviews, zoning boards and community groups, politicians and the media. Such interference is precisely what exasperates many of the biggest architects who grumble that Western countries have lost the will to build great things. The new Terminal 5 of London's Heathrow Airport, designed by the firm of architect Richard Rogers, was subjected to a public inquiry in Britain that lasted nearly four years. That's about the same time it took for Foster's new airport terminal in Beijing to go from conception to completion. There was a feng shui consultant who needed to be satisfied, but no messy court challenges.

Still, it's surprising that the world's autocrats have developed a taste for modern architecture.

Their preferred style used to be what you might call pachyderm neoclassicism, which lent even the wobbliest dictatorship the weight of enduring empire. Adolf Hitler ordered Albert Speer to reimagine Berlin as a hyperinflated Rome. Joseph Stalin left behind office blocks as pompous and imperial as his moustache. The notable exception was Benito Mussolini, who understood what modern architecture could lend his regime—the authority of the future. And among the autocrats of our own time, it's Mussolini's outlook that has caught on.

Meanwhile, the architects rushing to their embrace have their own reasons. Precisely because their thinking is so new and avant-garde, some of them spent their early years wandering in the wilderness of "paper architecture," teaching, lecturing, and publishing influential books, but not getting much "real" work. The temptation to get what they can now, even if it's with dubious clients, is



Beyond the box: Rem Koolhaas has said the completed Chinese television headquarters in Beijing will have a "barbaric beauty."





understandable. But there is more to it. In a profession long given to grand ambitions for remaking the world, the most adventurous architects don't merely want to work. They want to change the world. Architects like Hadid and Koolhaas are not just practitioners but polemicists, with an evangelical devotion to their own sophisticated thinking about buildings and cities. It's an outlook that can make cooperation with unsavory regimes seem like the kind of thing that history will forgive, because governments come and go, but buildings endure as ideas forged in stone and steel. In the final analysis, you can work for the Sun King if you leave behind Versailles. Or better still, something less suburban.

CLOCKWISE FROM TOP: IMAGE COURTESY OF THE OFFICE FOR METROPOLITAN ARCHITECTURE PHILIPPE RUAULT; FOMICHEV MIKHAIL/CORBIS

#### RIGHT AND WRONG ANGLES

To that end, there is no architect more theoretically inclined than Koolhaas. He has become in recent years the enemy of conventional office towers, which is why his CCTV headquarters in Beijing performs a kind of structural backflip. Let's be clear: It has every promise of being one of the most fascinating buildings in the world. Whether it will also begin to strike people as a sort of Chinese version of Hitler's Reich Chancellery is another question. If there are protests in the Chinese countryside or more upheavals in Tibet, decisions about how to cover those events on Chinese television will be made in the Koolhaas building.

I once asked Koolhaas if he had any qualms about providing the headquarters for a government-controlled television news operation. He replied that China was evolving, and he hoped that its state-controlled media would eventually evolve "into something like the BBC." That may take some time. The BBC, whose newscasts are restricted in China, reported recently that when journalists at CCTV log on to their computers every day, one of the first things to appear on their screens "is a notice about what not to report."

The overarching defense for good architects working with bad leaders is that they bring enlightened ideas to places that need them. For instance, Norman Foster's firm, which is known for environmentally sustainable design, was able to use green methods

and materials at the Beijing airport, a useful model for a country better known for its headlong indifference to the environment. This defense is effectively the argument that Will Alsop, another prominent British architect, made recently to a Web site that was collecting responses to Libeskind's talk in Belfast. "The thing about China is that it's opening up," Alsop said. "It will change in the future and architects will be part of that opening up."

The people who offer that defense have a perfectly good point. But here's the catch. That position takes as a given the optimistic Western assumption that authoritarian regimes will "evolve" into something more like democracies. But if anything, Russia under Putin began evolving in the opposite direction. That may change under Medvedev, or it may not. The Chinese authorities probably think they have arrived already at a new model for society, one that mixes a quasi-free market economy with limited freedoms. And it's a model they are happy to propose to the rest of the developing world, impeccably dressed by all the best architects.

I should mention that in Alsop's remarks about working with dubious regimes, he felt obliged to add this: "I would probably draw the line at Burma." Should we take that as a sign that second thoughts about questionable clientele are catching on? If there's one thing an architect should know how to do, it's draw a line. With a little prodding, perhaps more of them will give it a try.

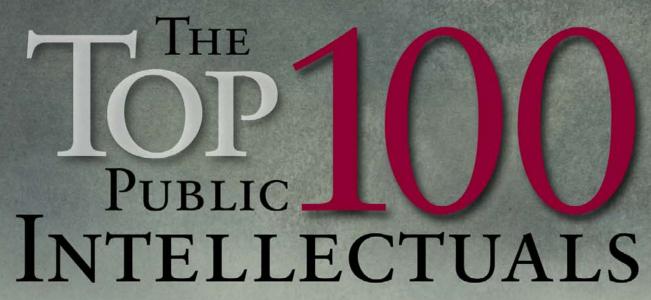
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Richard Lacayo reflects on the latest building designs and major art exhibitions in **Looking Around**, his art and architecture blog for *Time* magazine.

In "Delirious Beijing," Philip Nobel reports on the utter transformation of China's capital city, and the political and economic conditions that have made the biggest building boom in the world possible (*Metropolis*, March 2008). Christopher Hawthorne examines the blank-slate possibilities of today's fastest-growing cities in "Cities of Will" (*Condé Nast Traveler*, February 2008). For the longest and best-known apology from an architect working on behalf of a terrible client, look no further than Albert Speer's memoirs, *Inside the Third Reich* (New York: Macmillan, 1970).

Richard Burdett documents the future of global urbanization in "Beyond City Limits" (FOREIGN POLICY, January/February 2008), arguing that the world has a unique opportunity to make the modern metropolis environmentally sound. In *The Endless City* (London: Phaidon Press, 2008), Burdett and coeditor Deyan Sudjic package essays from top urban planners and architects alongside full-page photographs and unmatched case studies of life in six very different cities—Berlin, Johannesburg, London, Mexico City, New York, and Shanghai—for a definitive look at urban challenges in the 21st century.

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They are some of the world's most introspective philosophers and rabblerousing clerics. A few write searing works of fiction and uncover the mysteries
of the human mind. Others are at the forefront of modern finance, politics,
and human rights. In the second FOREIGN POLICY/Prospect list of
top public intellectuals, we reveal the thinkers



#### **AITZAZ AHSAN**

Pakistan LAWYER, POLITICIAN

#### **KWAME ANTHONY APPIAH**

Ghana • United States PHILOSOPHER

#### ANNE APPLEBAUM

United States JOURNALIST, HISTORIAN

#### **JACQUES ATTALI**

France ECONOMIST, WRITER

#### **GEORGE AYITTEY**

Ghana **ECONOMIST** 

#### DANIEL BARENBOIM

Israel

CONDUCTOR, PIANIST, PEACE ACTIVIST

#### **ANIES BASWEDAN**

UNIVERSITY PRESIDENT. POLITICAL ANALYST

#### POPE BENEDICT XVI

Germany · Vatican RELIGIOUS LEADER, THEOLOGIAN

#### IAN BURUMA

Britain . Notherlands **ESSAYIST** 

#### **FERNANDO HENRIQUE CARDOSO**

Brazil POLITICIAN, AUTHOR

#### **NOAM CHOMSKY**

United States LINGUIST, ACTIVIST

#### J.M. COETZEE

South Africa NOVELIST

#### PAUL COLLIER

Britain DEVELOPMENT AND CONFLICT ECONOMIST

#### **RICHARD DAWKINS**

Britain BIOLOGIST, AUTHOR

#### WILLIAM EASTERLY

United States ECONOMIST. AID SKEPTIC

#### **SHIRIN EBADI**

Iran LAWYER, HUMAN RIGHTS ACTIVIST

#### THOMAS FRIEDMAN

United States JOURNALIST. COLUMNIST

#### FRANCIS FUKUYAMA

United States POLITICAL SCIENTIST

#### **RAMACHANDRA GUHA**

India HISTORIAN

#### **ALMA GUILLERMOPRIETO**

JOURNALIST, AUTHOR

# MEET THE TOP 100

Although the men and women on this list are some of the world's most sophisticated thinkers, the criteria to make the list could not be more simple: candidates must be living and still active in public life. They must have shown distinction in their particular field as well as an ability to influence wider debate, often far beyond the borders of their own country.

We chose the first 100. Now, it's your chance to choose who should receive top honors by voting for the top five global public intellectuals. Simply go to ForeignPolicy.com/intellectuals to cast your ballot. And because you may have opinions about intellectuals who should have been included on the list, but were not, we are also offering each voter one write-in ballot. The list of the Top 20 Public Intellectuals—based on your votes—will be published in our July/August issue.

#### ALEXANDER DE WAAL

Britain WRITER,

AFRICA ACTIVIST

## THÉRÈSE DELPECH

France POLITICAL SCIENTIST

#### **DANIEL DENNETT**

United States PHILOSOPHER

## JARED DIAMOND

United States BIOLOGIST, HISTORIAN

#### **ESTHER DUFLO**

France DEVELOPMENT **ECONOMIST** 

#### **UMBERTO ECO**

Italy MEDIEVALIST, NOVELIST

#### **FAN GANG**

China **ECONOMIST** 

#### **DREW GILPIN FAUST**

United States UNIVERSITY PRESIDENT, HISTORIAN

#### NIALL FERGUSON

Britain HISTORIAN

#### ALAIN FINKIELKRAUT

France ESSAYIST, PHILOSOPHER

#### YEGOR GAIDAR

Russia ECONOMIST, **POLITICIAN** 

#### **HOWARD GARDNER**

United States PSYCHOLOGIST, AUTHOR

#### **NEIL GERSHENFELD**

United States PHYSICIST. COMPUTER SCIENTIST

#### MALCOLM GLADWELL

Canada • United States POP SOCIOLOGIST. **JOURNALIST** 

#### AL GORE

United States CLIMATE CHANGE ACTIVIST, POLITICIAN

#### **FETHULLAH GÜLEN**

Turkey RELIGIOUS LEADER

#### JÜRGEN HABERMAS

Germany PHILOSOPHER

#### VACLAV HAVEL

Czech Republic STATESMAN. **PLAYWRIGHT** 

#### **AYAAN HIRSI ALI**

Somalia • Netherlands ACTIVIST. POLITICIAN

#### **CHRISTOPHER HITCHENS**

Britain . United States JOURNALIST, AUTHOR

<b>HU SHULI</b> China JOURNALIST	LEE KUAN YEW Singapore POLITICIAN, NATIONAL PATRIARCH	AMOS OZ Israel NOVELIST, JOURNALIST	OLIVIER ROY France POLITICAL SCIENTIST	CHARLES TAYLOR  Canada  PHILOSOPHER
SAMUEL HUNTINGTON  United States  POLITICAL SCIENTIST	LAWRENCE LESSIG  United States  LEGAL SCHOLAR,  ACTIVIST	ORHAN PAMUK Turkey NOVELIST	SALMAN RUSHDIE  Britain  NOVELIST	MARIO VARGAS LLOSA Peru NOVELIST, POLITICIAN
MICHAEL IGNATIEFF  Canada  HUMAN RIGHTS  THEORIST, POLITICIAN	STEVEN LEVITT  United States  ECONOMIST, AUTHOR	DAVID PETRAEUS  United States  MILITARY STRATEGIST	JEFFREY SACHS  United States  DEVELOPMENT  ECONOMIST	HAROLD VARMUS  United States  MEDICAL SCIENTIST
TONY JUDT  Britain  HISTORIAN	BERNARD LEWIS  Britain • United States  HISTORIAN	STEVEN PINKER  Canada • United States  LINGUIST,  PSYCHOLOGIST	FERNANDO SAVATER  Spain  ESSAYIST,  PHILOSOPHER	J. CRAIG VENTER  United States BIOLOGIST, ENTREPRENEUR
ROBERT KAGAN  United States  AUTHOR, POLITICAL  COMMENTATOR	BJØRN LOMBORG  Denmark  ENVIRONMENTALIST,  STATISTICIAN	RICHARD POSNER  United States  JUDGE, AUTHOR	AMARTYA SEN  India  DEVELOPMENT  ECONOMIST	MICHAEL WALZER  United States  POLITICAL THEORIST
DANIEL KAHNEMAN  Israel • United States  PSYCHOLOGIST	JAMES LOVELOCK  Britain  ENVIRONMENTAL  SCIENTIST	SAMANTHA POWER  United States  JOURNALIST	LILIA SHEVTSOVA  Russia  POLITICAL SCIENTIST	WANG HUI  China  POLITICAL THEORIST
GARRY KASPAROV  Russia  DEMOCRACY ACTIVIST,  CHESS GRANDMASTER	MAHMOOD MAMDANI  Uganda  CULTURAL  ANTHROPOLOGIST	ROBERT PUTNAM  United States  POLITICAL SCIENTIST	PETER SINGER  Australia  PHILOSOPHER	E.O. WILSON  United States  BIOLOGIST
AMR KHALED  Egypt  MUSLIM TELEVANGELIST	MINXIN PEI China POLITICAL SCIENTIST	YUSUF AL-QARADAWI  Egypt · Qatar  CLERIC	LEE SMOLIN  United States PHYSICIST	MARTIN WOLF  Britain  JOURNALIST,  COLUMNIST
REM KOOLHAAS  Netherlands  ARCHITECT	ASHIS NANDY  India  POLITICAL  PSYCHOLOGIST	V.S. RAMACHANDRAN  India  NEUROSCIENTIST	ABDOLKARIM SOROUSH Iran RELIGIOUS THEORIST	YAN XUETONG  China  POLITICAL SCIENTIST
IVAN KRASTEV  Bulgaria  POLITICAL SCIENTIST	SUNITA NARAIN India ENVIRONMENTALIST	TARIQ RAMADAN Switzerland PHILOSOPHER, SCHOLAR OF ISLAM	WOLE SOYINKA  Nigeria  PLAYWRIGHT, ACTIVIST	MUHAMMAD YUNUS  Bangladesh  MICROFINANCIER,  ACTIVIST
ENRIQUE KRAUZE  Mexico  HISTORIAN	MARTHA NUSSBAUM  United States PHILOSOPHER	GIANNI RIOTTA  Italy  JOURNALIST, POLITICAL  COMMENTATOR	MICHAEL SPENCE  United States ECONOMIST	FAREED ZAKARIA  United States  JOURNALIST, AUTHOR
PAUL KRUGMAN  United States  ECONOMIST,  COLUMNIST	SARI NUSSEIBEH  Palestine  DIPLOMAT,  PHILOSOPHER	NOURIEL ROUBINI  Italy • United States  ECONOMIST	LAWRENCE SUMMERS United States ECONOMIST	SLAVOJ ZIZEK Slovenia SOCIOLOGIST, PHILOSOPHER

# The Plight of the Public Intellectual

Just what does it mean to be a leading intellectual? One of our honorees weighs in on the burdens and pleasures of making a living by ideas.

## By Christopher Hitchens

as anyone ever described themselves as an "intellectual," or given it as the answer to the frequently asked question, "And what do you do?" The very term "public intellectual" sometimes affects me rather like the expression "organic food." After all, there can't be any inorganic nourishment, and it's difficult to conceive of an intellectual, at least since Immanuel Kant, whose specialization was privacy. However, we probably do need a term that expresses a difference between true intellectuals and the rival callings of "opinion maker" or "pundit," especially as the last two are intimately bound up with the world of television. (I recently rewatched the historic 40-year-old ABC News confrontation between Gore Vidal and the late William F. Buckley at the Chicago Democratic Convention. The astonishing thing was that the network gave these two intellects a full 22 minutes to discuss matters after the news. How far we have fallen from that standard of commentary.)

I did once hear the political scientist Alan Wolfe introduce himself as "a New York intellectual," staking a claim to a tradition that extends all the way back to the founding of *Partisan Review*. Taking this characterization to be America's most lasting contribution to the resonance of the term "public intellectual," one could note that it largely described people who worked outside the academy and indeed outside of large-scale publishing, tending to be self-starting independents or editors of "minority of one"-type magazines. Sociologist Daniel Bell finally

Christopher Hitchens is contributing editor at Vanity Fair and author of God Is Not Great: How Religion Poisons Everything (New York: Twelve, 2007).

got a position in academe, but only after being awarded the necessary Ph.D. for the number of important books he had written without hope of tenure. The late Susan Sontag, whom I knew and admired, likewise made her way through life without a steady job, a reliable source of income, or, for quite a number of years, shelter. Gore Vidal never went to a university—even as an undergraduate (being, if only in this respect, like George Orwell, Partisan Review's London correspondent). The number of counterexamples that one might adduce from within the academy-from Noam Chomsky to Nathan Glazer, and including the Chicago School sometimes associated with Leo Strauss-doesn't very much alter the force of my point. To be a public intellectual is in some sense something that you are, and not so much something that you do. Many scholars are intelligent and highly regarded professors, but they are somehow not public intellectuals.

Of all the people I have mentioned, I cannot think of any-except Wolfe-who would have said on his or her own behalf, "I am an intellectual." In some sense, then, it is a title that has to be earned by the opinion of others. I remember watching an obscure and now-forgotten play when I was about 15 years old, in which it was said of one character, "[He] is an intellectual. He solves his problems with his mind." I recall thinking, quite self-consciously, that I would like this to be said about myself one day. The very high probability now exists that the blogosphere and the punditocracy are allowing people simply to say it of themselves. The need for instant analysis, or at any rate the demand for it, is every week increasing the profile and scope of individuals who feel no sense of embarrassment at having, as we used to say, "no unpublished thoughts."

What, then, are the uses of the term "public intellectual"? It assists us in defining someone who makes his or her living through the battle of ideas. It very often helps us to learn something about a foreign culture or a foreign state; the Russian intellectual dissidents of the 1970s and 80s provide a gold standard in this regard. Notably, the term has rather lost its original association with the culture of France, and especially of the cafes of the Parisian Left Bank.

When readers ranked the intellectuals Prospect/FP's 2005 list, only one French name made the top 40, and this year's list has only five French, all told. (The omission of Bernard-Henri Lévy and Pascal Bruckner astonishes me.) As far as I have been able to determine, the very word "intellectual" was popularized as a term of abuse during the Dreyfus affair, the late 19th-century political scandal that divided France over the

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supposed loyalties of its young Jewish artillery officer. The coinage then suggested that the pro-Dreyfus faction was insufficiently rooted in nation and loyalty, preferring as they did the urbane abstractions of "the intellect" to the verities of church and soil. I personally hope that the word never quite loses this association with the subversive.

A notable change in the past few years, though, has been the disjunction of the term from its old association with the left, and with the secular. Readers of FP and Prospect ranked Eric Hobsbawm 18th out of 100 in 2005—he was then 88 years old—but this year, with the exception of Slavoj Zizek, I don't think there is a single person on the list who still self-identifies as a Marxist. (By the way, of others who belong to Hobsbawm's club of those born in 1917, both the British historian Robert Conquest and the Irish scholar and diplomat Conor Cruise O'Brien would have been worth considering. Of those born later, so would writer Hans Magnus Enzensberger, especially on a list where the pope is the only other German apart from Habermas, and so would the Peruvian economist Hernando de

Soto.) A further blow to secularism must be felt in the inclusion not just of Tariq Ramadan, but of Yusuf al-Qaradawi, the Egyptian-born cleric who issues micro-fatwas and other guides to the Muslim perplexed glued to Al Jazeera. It's heartening to see the absence this time around of the grand ayatollah of Shiite Iraq, Ali al-Sistani, who made the 2005 list in baffling fashion.

Actually, the clerics I have just mentioned might qualify more than most

on this list as men of thought who are also men of action. Their secular equivalents were described by Anthony Powell in his memoirs as "the d'Annunzio type, the writer who is also a man of action (Malraux, Koestler, Mishima, Mailer)." In his study of American public intellectuals, Judge Richard Posner lamented the decline of this activist element as another result of the domination of universities and the rise of specialization, which was why the subtitle of his book was "A Study in Decline." Some might have thought that the same point was proved in a different way by Posner's own choice of top intellectual, none other than Henry Kissinger.

But I should not just criticize others. Because I am able to appear on television, give a speech at short notice, and write at high speed, I very often find myself invited, and also tempted, to offer instant responses and to weigh in on diverse matters. Doing so is sometimes enjoyable and sometimes, too, a sort of revenge for the number of times one has had to mouth curses at the screen or throw the newspaper up into the air with sheer exasperation. Nonetheless, I do my very best to say "no" to at least a few of these invitations, lest I become too much of an all-purpose hack. (I am well aware that this last

There ought to be a word for those men and women who do their own thinking, who care for language above all and guess its subtle relationship to truth.

sentence of mine exposes me to e-mail traffic that I can, thank you, already anticipate.)

To the problem of the self-appointed guide and sage, one must also append the thorny question of self-appointed public opinion. Unrepresentative groups of people—like those who take part in electronic referendums on their AOL screens to determine such questions as whether Eliot Spitzer should be prosecuted—have become used to thinking "that's me" when they read "this is what you decided." The fact that there is a distinction between "You" (as in You the People) and "You" (as in You who overvisits YouTube) is very often blurred in the interests of populism or, to phrase it another way, in the interests of flattering the consumer. The idea of an intellectual standard is unlikely to thrive in such an environment, which, furthermore, is already sufficiently poll-driven.

What one might call the "selectorate," even in these august pages, is a self-selectorate that can be activated by the Web site of a person with a fan base. (Posner's criteria for inclusion on his list were a combination of the number of media mentions, Web hits, and scholarly citations.) I was recently made aware of a poll on Charlie Rose's Web site ranking the popularity of his recent interviews. I was delighted, in a way, to find his interview with me at the top (1,059 votes), surpassing Iranian President Mahmoud Ahmadinejad (505 votes) and former Presidents Bill Clinton and

George H.W. Bush (344 and 494 votes, respectively). I was thunderstruck to find myself ahead of Angelina Jolie (252 votes, in tandem with Mariane Pearl), Jay-Z (331 votes), and Warren Buffett (392 votes). But, as you will readily see from a hasty scrutiny of the figures, a world in which a measurable electorate decides these rankings does not actually exist outside the Charlie Rose Web site. Such a world, if it did exist, would be incapable of putting me on almost the same footing as Vaclav Havel, at numbers five and four, respectively, an absurd event, but one that did actually

occur three years ago under the aegis of FP and Prospect's reader poll. The last time that I had such a vertiginous sensation was when the Washington Post Style section did its New Year's roundup of "In" and "Out," declaring that I was "out" in some journalistic category, whereas Tucker Carlson was the one "in." Fair enough, I

recall muttering to myself, except that I could never remember having been certified as "in" in the first place.

Indeed, one might do worse than to say that an intellectual is someone who does not, or at least does not knowingly and obviously, attempt to soar on the thermals of public opinion. There ought to be a word for those men and women who do their own thinking; who are willing to stand the accusation of "elitism" (or at least to prefer it to the idea of populism); who care for language above all and guess its subtle relationship to truth; and who will be willing and able to nail a lie. If such a person should also have a sense of irony and a feeling for history, then, as the French say, "tant mieux." An intellectual need not be one who, in a well-known but essentially meaningless phrase, "speaks truth to power." (Chomsky has dryly reminded us that power often knows the truth well enough.) However, the attitude toward authority should probably be skeptical, as should the attitude toward utopia, let alone to heaven or hell. Other aims should include the ability to survey the present through the optic of a historian, the past with the perspective of the living, and the culture and language of others with the equipment of an internationalist. In other words, the higher one comes in any "approval" rating of this calling, the more uneasily one must doubt one's claim to the title in the first place. FP

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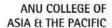
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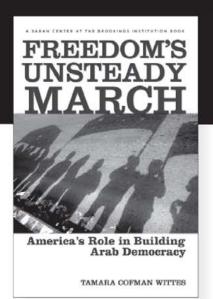
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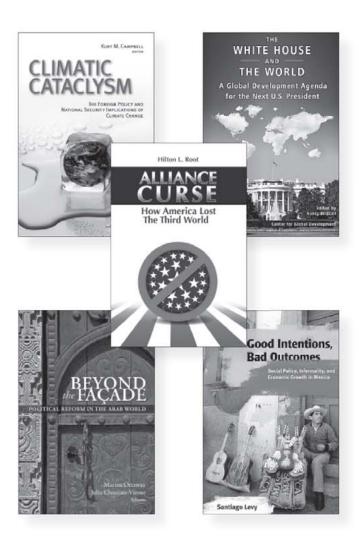


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# The Incredible Shrinking Missile **Threat**

The United States is in the midst of one of the largest military buildups in history. And it is against a threat that is disappearing—fast.

By Joseph Cirincione

f President George W. Bush's budget requests are met, the United States will spend more this year than it ever has on antiballistic missile defense—some \$12 billion, or nearly three times what the United States spent on antimissile systems during any year of the Cold War. The United States would spend more than \$60 billion on missile defense in the next six years, an

unprecedented sum, even for the Pentagon. But what makes this spending most remarkable is that the threat

it seeks to counter is actually declining. There are far fewer missiles, missile programs, and hostile states with missiles aimed at the United States and its armed forces than there were 20 years ago. The number of long-range missiles fielded by China and Russia has decreased 71 percent since 1987. The number of medium-range ballistic missiles pointed at U.S. allies in Europe and Asia has fallen 80 percent. Most of the 28 countries that have any ballistic missiles at all have only short-range Scud missiles-which travel less

Joseph Cirincione is president of the Ploughshares Fund and author of Bomb Scare: The History and Future of Nuclear Weapons (New York: Columbia University Press, 2007).

than 300 miles and are growing older and less reliable each day. Even the number of countries trying to develop ballistic missiles is falling.

This is not to say that our world is without risks. Russia has more than 660 missiles capable of striking the United States. China has about 20. But these weapons are not the focus of the United States' antimissile program. In fact, U.S. officials have gone out of their way to assure Russia that the antimissile bases they seek to build in the Czech Republic and Poland are not intended to offset the Kremlin. They can't. There are countermeasures both the Russians and the Chinese can put on their missiles that would render any interceptor

ineffective. Instead, the United States justifies the antiballistic missile program by the alleged threat from Iran. Of the \$60 billion the United States wants to spend, \$10 billion is earmarked specifically to counter a future Iranian missile.

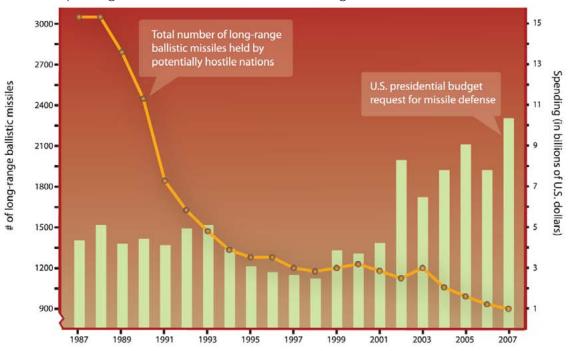
The cost is real, but the missiles are not. Both Iran and North Korea are trying to develop long-range missiles that can strike countries far beyond their borders. So far, they have had little success. North Korea's two tests of its much-hyped Taepodong missiles, in 1998 and 2006, both ended in failure. The first went about 800 miles and failed to put a satellite into orbit; the second blew up 40 seconds after launch. In the 1980s and 90s, Iran purchased from North Korea a handful of missiles with a 600-mile range, painted them patriotic colors, and gave them the Iranian name Shahab. Tehran has been boasting that it could use these weapons to develop a new generation of long-range missiles. But the Shahab test program has had as many failures as successes. Even if they were successful, the Iranians lack a nuclear warhead to put on a missile, and they are five to 10 years away from having such a capability.



Yes, Iran's efforts to build medium-range missiles must be countered. But they represent a threat that is orders of magnitude smaller than the 5,000 nuclear warheads that former President Ronald Reagan hoped to intercept when he launched the antiballistic missile program in 1983. Those were real warheads on real missiles. They could have destroyed most life on the planet. Yet, Reagan's

program had an average annual budget of just \$4 billion during the 1980s. Today, the United States is spending billions more, yet the technology is no more effective now than it was 20 years ago.

The truth is that diplomacy has destroyed far more missiles than interceptors ever will. The agreements Reagan negotiated over the eight years of his presidency slashed the Soviet long-range Spending on U.S. missile defense is increasing—even as the threat declines.



missile arsenal by half—and completely eliminated all of Russia's 800 intermediate- and medium-range missiles. Follow-on agreements could cut long-range arsenals further, and a global ban on intermediate- and medium-range missiles could intercept these weapons before they are even built. In the meantime, individual deals are destroying missiles, too. Libya negotiated an end to its ballistic missile program in 2003. North Korea has suspended its longrange missile tests and could end its program completely if current talks prove successful. An agreement with Iran to contain its nuclear program to exclusively civilian ends could terminate its missile program as well.

The Pentagon's top brass have never been fans of spending billions on programs that do their troops little good. The Joint Chiefs of Staff have tolerated massive spending on the antiballistic missile program in recent years because the overall Defense Department budget has swelled alongside it. This will not be the case forever, and as the Pentagon budget eventually shrinks, the Joint Chiefs will almost certainly rather spend that money on planes, tanks, and ships. Part of this calculus will be the war in Iraq, where half of the Army's and

Marine Corps' equipment has been chewed up. The last time the Joint Chiefs were asked to recommend a budget for antimissile systems, in 1993, they said to spend no more than \$3 billion a year. Asked again, they would likely give similar advice.

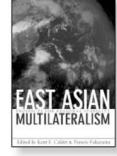
The threat of ballistic missiles is limited and changing slowly. The only proven defense against this threat is diplomacy, deterrence, and measured military preparedness. There is every reason to believe this strategy can be as effective today as it was in the 1980s. Officials during any year of the Cold War would have gladly traded today's limited threat for the dangers they confronted then. If missile defense technologies prove feasible, particularly those designed to counter more prevalent short-range missiles, they may eventually earn their place in the military's defense strategy. But they are far from a panacea. The sooner the United States returns to a balance of realistic threat assessment, smart budgeting, and vigorous diplomacy, the sooner it will truly be prepared for the genuine threats of the 21st century. Until then, America's foes will continue to chuckle as it squanders billions to combat a threat that is growing smaller every day. **P** 

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Lilia Shevtsova, Senior Associate and Chair of the Russian Domestic Politics and Political Institutions Project at the Carnegie Moscow Center, and Michael McFaul, Carnegie Senior Associate.

# How (Not) to Spot a **Terrorist**

Catching al Qaeda's killers is about to become a whole lot harder. Why? Because their rank and file will soon look just like you and me.

By Malcolm Nance

bu Laith al-Libi must have been feeling comfortable as he relaxed and had tea with his battle staff in a small hut inside Pakistan's North Waziristan region. A local commander of al Qaeda who had led terrorist operations for more than a decade, he dressed simply, with baggy salwar-kameez clothes, a cotton turban, and a Kalashnikov rifle not far from his side. When a Hellfire missile from a Predator drone tore through the building, his last thought surely must have been, "How did they spot me?"

Identifying terrorists on the battlefield is relatively simple. My scout-sniper school instructor always reminded us of a solid truism that applies perfectly both in Afghanistan and Iraq—shoot the one with the gun. The same cannot be said of the world's most dangerous terrorists—the ones operating covertly inside the United States and Europe. They are an entirely different matter. Hunting them

Malcolm Nance is a veteran Middle East counterterrorism intelligence officer. He is executive director of the International Anti-Terrorism Center for Excellence and author of Terrorist Recognition Handbook: A Practitioner's Manual for Predicting and Identifying Terrorist Activities (Boca Raton: Taylor & Francis, 2008).

down is more akin to finding Soviet spies during the Cold War. It requires an educated, deeply institutionalized counterintelligence apparatus that relies on experts to perform detailed groundwork intended to study, stalk, and expose enemy operations. Since the terrorist attacks of Sept. 11, 2001, however, the United States has taken the opposite approach. From securing airports and airliners with massive influxes of technology, to centralizing border and port security under the Department of Homeland Security, to the invasions of Afghanistan and Iraq, the current U.S. strategy prioritizes gizmos, bureaucracy, and bombing runs over the simple training of Arabic-speaking intelligence officers or targeting the forces that bind extremists together.

And, by focusing on hard power, it has destroyed many chances to do it right.

Terrorist cells are already well ahead of our ability to detect them. They are being schooled in

combat skills in Afghanistan, Iraq, Pakistan, Saudi Arabia, and Yemen. They are mastering the art of infiltration, of mixing into communities very different from their own. They are acquiring a wide range of internationalizing skills, including excellent command of the English language and proficiency in operating computers, mobile phones, and satellite Internet connections. This level of intelligence and sophistication makes them unprecedented in the history of terrorism. But, perhaps more importantly, they are "mission motivated" to the core—they will gladly get close to their enemy and joyously die beside them.

The U.S. intelligence community has a fundamentally flawed picture of what a terrorist looks like.

The U.S. intelligence community has, in recent years, built a template of what this modern terrorist is supposed to look like. Unfortunately, it is fundamentally flawed. Developed immediately after 9/11, it is based on a poorly formed, racially biased stereotype known as the "military-aged Arab male," or "MAAM." It could be a foreigner or a U.S. citizen. For the past few years, South Asians have been added to the list. The profile seems logical. Most of the September 11 hijackers were young Arab men. But, to paraphrase Mao Zedong, a terrorist operative is only as fluid in evading detection as the seas in which he swims. Across all U.S. intelligence agencies, there is a lack of cultural respect and a poorly tuned attitude

toward foreign peoples and cultures. This could be construed as what British Brigadier Nigel Aylwin-Foster called "institutional racism." It is not. It's simply an ignorance that reflects the fact that, though

> patriotic and well meaning, U.S. counterterrorism officers are presently not taught a dynamic, culturally focused approach that places a premium on understanding the core motivations of the enemy.

The United States' current counterterrorism strategy lacks any efforts to break the terrorists' ties to the communities that conceal them and the culture of martyrdom that inspires them. A singular focus on stopping the "ticking time bomb" scenario blinds U.S. efforts to the possibility of destroying the network's very

social support structure. "Soft power" tools giving small cash gifts; donating trucks, tractors, and animals to communities; and granting requests for immigration, education, and healthcare—can be vastly more effective than a show of force. This alternative approach, often derided after 9/11 as a "hearts and minds" campaign, can oblige a potential terrorist not just to his family, which benefits from the relationship, but to the American agent handling him. When an agent shows empathy for a target and establishes a relationship with him, it offers opportunities for infiltration of the network. This "old school" tactic of turning terrorist operatives into assets, instead of killing them, may sound quaint, but the

current "guns first" strategy misses the fluid diversity of the enemy.

Today, newly minted American intelligence personnel study the methods, means, and motivations of al Qaeda terrorists. But they fundamentally lack respect for them as strategically intelligent opponents, and as human beings. It is a grave mistake that the only profile U.S. agents still seem to know is MAAM, because it may eventually render all their efforts useless by allowing terrorist opponents simply to alter their profile to infiltrate the United States. We've seen this happen before.

on training in terrorist camps, this network of Internet sites allows anyone who wants to be a jihadist, from an uneducated Italian pizza cook to a British doctor or a disillusioned kid from California, to join the campaign. This school isn't limited to Islamist extremists.

So what will the next wave of terrorists look like? In short, a lot like you and me. Al Qaeda in Iraq has already pioneered the use of Caucasians and Africans. European passport holders, mostly immigrants and the children of immigrants, are a fast-growing part of the terrorist rank and file. From Baghdad to

What will the next wave of terrorists look like? 'Clean-skin' operatives—both men and women with no history of trouble or violence—will serve as the new foot soldiers. And, most frighteningly, many will probably be Americans.

The attacks of September 11 were made possible, in part, by the fact that U.S. law enforcement had a bias that "rich Saudis are safe Arabs." Al Qaeda understood that bias and relied on it to operate freely in the United States for years, even when the terrorists were engaged in activities that the authorities considered suspicious.

Al Qaeda is a racially diverse organization that is well aware of its dependence on a labor pool dominated by Arab Muslim men. It also has an adaptable and fluid counterintelligence mindset. In fact, U.S. reliance on the MAAM profile has already benefited al Qaeda in Iraq, which has successfully experimented with using women, children, husband-and-wife teams, families, and Caucasian Westerners as suicide bombers. The need to cross borders legally and clandestinely is exactly why they are recruiting heavily from within the West, particularly in Europe. More cleverly, the necessity to strike in ways not seen before has led to the creation of al Qaeda's "self-starting jihad," a continuing Internet-based inspiration and education campaign. Reversing course on 20 years of hands-

## For More Online



Meet some of al Qaeda's newest recruits at ForeignPolicy.com/extras/newterrorists.

Glasgow, Madrid, and Mumbai, trend lines indicate that "clean-skin" operatives—both men and women with no history of trouble or violence—will serve as the new terrorist foot soldiers. And, most frighteningly, many will probably be Americans. They presently live like sleeper agents, operating and planning independently like serial killers. Finding inspiration online, they stay virtual until they find like-minded supporters to meet in the real world. They are most likely to be angry young people who have mastered their Xbox 360s. They may seek the advice of a mentor, a counterintelligence-savvy combat veteran of the jihad, who will listen to their plans and provide a password to a Web site where they will find access to money, tools, and training in abundance. Rooting out these dangerous individuals will require a new focus on intent, skills, capability, and tradecraft.

Terrorism is derived from grievance, vengeance, and a calling to a higher honor. These are real and powerful motivations that must be targeted on every level. The U.S. intelligence community should start afresh, pursuing strategies to isolate and infiltrate these recruits and separate them from the terrorist community. Until the United States focuses on street-level counterterrorism operations, its citizens will remain vulnerable to those who send their children to die in a jihad born of animosity, ignorance, and fear. IT



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# IN OTHER WORDS

REVIEWS OF THE WORLD'S MOST NOTEWORTHY BOOKS

# Czech on the Environment

By Jiri Pehe

Modra, nikoli zelena planeta: Co je ohrozeno: klima, nebo svoboda? (A Blue, not Green Planet: What Is Endangered: Climate or Freedom?) By Vaclav Klaus

164 pages, Prague: Dokoran, 2007 (in Czech)

ust when you thought the terrible totalitarian ideologies that caused so much suffering in the 20th century had been relegated to the past, another incarnation of evil is on the horizon. Called environmentalism, it is the most prominent antiliberal, populist ideology of the contemporary world, comparable to communism and Nazism. At least, that is, according to Czech President Vaclav Klaus.

The rise of environmentalism is, in Klaus's view, closely intertwined with the worldwide debate over climate change. He agrees with the views of many scientists and politicians who maintain that we cannot, with any degree of certainty, link climate change to human activity. Although such views arguably represent a minority of the world's scientific and political community, in most cases they would not draw much attention.

Jiri Pehe was chief political advisor to former Czech President Vaclav Havel. He is now a political analyst and director of New York University in Prague.

Klaus, however, wants attention. And that is why he is fighting a political—not a scientific—battle. His recent book, Modra, nikoli zelena planeta: Co je ohrozeno: klima, nebo svoboda? (A Blue, not Green Planet: What Is Endangered: Climate or Freedom?), argues that climate change is a crisis invented and hyperbolized by naive politicians and environmentalists. Although he supports the arguments in his book with reasonable quotes from, for the most part, reputable scientists, he draws extreme conclusions about what the current debate over climate change means from a political point of view. "The biggest source of dangers for freedom, democracy, the market economy, and prosperity at the end of the 20th century and at the beginning of the 21st century ceased to be socialism, but it is now an ambitious, very arrogant, and almost unscrupulous ideology of a political movement . . . of environmentalism." Never mind the crumbling global economy or unstable nuclear powers: To Klaus, treehugging environmentalists are much, much worse.

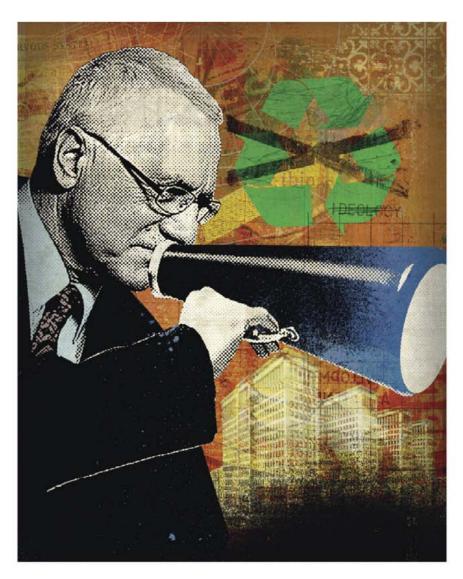
On the surface, Klaus's argument is simple. Proponents of combating climate change with regulations, led by their beloved figurehead Al Gore, simply use the false threat of an impending global apocalypse, supposedly caused by the human

destruction of nature, to limit freedom. The threat to personal freedoms comes, in his opinion, from a number of regulatory measures, ranging from decisions by the European Union (EU) to set quotas on its members' future energy production to broad international environmental treaties such as the Kyoto Protocol. Yet, Klaus argues, the answer to any real problems with the environment is allowing the invisible hand of the market to rule supreme.

According to Klaus, the ideology of environmentalism started modestly and with good intentions. However, over time, honest attempts to protect nature have been replaced by more ambitious goals to regulate human societies. As a result, environmentalism has become a menacing alternative to ideologies that value human freedom. This new ideology no longer has anything to do with natural sciences or, what's worse, with social sciences. It is, in essence, a metaphysical doctrine, one that refuses to see nature or humanity "the way they are."

Klaus himself does not deny that climate change exists. However, we shouldn't panic, he says. The changes may be part of regular planetary cycles in which ice ages alternate with periods of warming. The sun's activity may also be a factor.

We should also remain calm in the face of warnings about a



supposed depletion of natural resources. The very notion of a natural resource is, after all, dependent on market forces and scientific progress. Many potential resources are still untapped because we do not yet have the knowledge to take advantage of them. Give people enough freedom, and they will come up with the right answers to all possible problems at the right moment, or so the argument goes. Because there has always been progress, we can be sure that scientific progress will take care of potential problems by, for example, finding new sources of energy. Market forces also play an important role because people start looking for alternatives when current resources become too

expensive. In this respect, Klaus is so firmly rooted in rationalism and classical liberalism that in his world, those philosophies become religions in their own right.

A majority of Klaus's arguments on climate change would not deserve much attention, as they have been already made—or debunked—by others. But they merit attention for two reasons. First, Klaus couches his arguments not as a mere battle for a correct scientific interpretation of reality, but as an attempt to describe a new totalitarian ideology. Second, Klaus is the Czech president, and it is rare for a national leader to be so involved in an ideological battle of this sort, much less a battle that is not likely to win any political popularity. Yet, Klaus remains quite popular at home: He was reelected to a second five-year term in February, and he enjoys high approval ratings.

The most damning aspect of Klaus's warnings about environmentalism is that he does exactly what he accuses that movement of doing. He claims there is a major global threat, and he uses this supposed threat to drum up support for his ideas. For example, he draws absurd comparisons between the prescriptions of modern environmentalists and the Nazis' ecological programs. In general, Klaus's sources are inaccurate and unreliable. Several Czech scientists who reviewed his book pointed out more than 100 factual mistakes, inaccuracies, and misrepresentations.

Klaus says he represents a silent majority of people skeptical of climate-change hysteria. And though his book has sold 15,000 copies considered a success in his country many copies were likely "required reading" for political friends and foes alike. Sales in Germany, where the book was published late last year, have been weak. That is not to say that Klaus doesn't have his share of fans. Ideological think tanks in the United States and elsewhere, such as the libertarian Cato Institute in Washington and the ultraconservative, Exxon-supported Heartland Institute in Chicago, find common cause with Klaus and have featured him as a representative of the other side of the climate-change debate. Heartland, for example, ran advertisements featuring Klaus as Gore's main opponent in major American newspapers in the run-up to the U.N. conference on climate change last September, Klaus's speech at the conference contributed to a major foreign-policy setback for the Czech Republic, whose diplomats claim they had enough support before the

speech to win a seat on the U.N. Security Council. After Klaus's speech, however, several countries withdrew their support, and the Czech Republic lost out to Croatia.

Why does Klaus give voice to such controversial views? Czechs like intellectuals as presidents, and he is trying to follow in the footsteps of his predecessor, Vaclav Havel (for whom I once worked as a political advisor). However, because he does not carry Havel's intellectual authority, certainly not outside Czech borders, he attempts to draw attention to himself with intellectual provocations. In that sense, his controversial stand on global warming is just one of many: He is also the fiercest critic of European integration among senior policymakers in Europe, as

well as a critic of what he calls "NGOism" and "humanrightism." In trying to provoke the rest of the world, he carefully selects topics that do not resonate much at home. His forays into the climate-change dispute leave most Czechs indifferent. Most don't understand what he talks about, but they consider his activities to be "intellectual" and the source of some international reaction—something they also associated with Havel. They aren't aware that Klaus's international reputation as a public intellectual is really in no way comparable to Havel's.

Czech public opinion likely won't change unless and until Klaus causes some real political damage to his country. The U.N. defeat in September may have just been a blip.

But there is more potential for trouble when the Czech Republic presides over the EU presidency in the first half of 2009. Klaus will have a Europe-wide podium to voice his views, with the opportunity to even stall some initiatives to combat global warming.

Until then, he will be viewed as a rarity of sorts—someone most Czechs see, justified or not, as a competent politician—and as an entertainer in the realm of cerebral pursuits. Klaus's own intellectual aspirations may be serious, but his attempts to be provocative by advocating such extreme views on the global-warming debate have, at least in the international arena, left him as a pawn to the losing side of the argument. **FP** 

# The Web We Weave

By David Weinberger

We-Think: Mass Innovation, **Not Mass Production** By Charles Leadbeater 290 pages, London: Profile Books, 2008

ikipedia. Howard Dean. YouTube. Open-source software. eBay. Google. MySpace. "You" as Time magazine's person of the year. Craigslist. Facebook. Amazon. Dan Rathergate. The long tail.

It's only taken the Web about a decade to create its own canon. But all canons hide at least as much as

David Weinberger is a fellow at Harvard's Berkman Center for Internet & Society and author of Everything Is Miscellaneous: The Power of the New Digital Disorder (New York: Times Books, 2007).

they reveal. That is especially true with the Web, an unfiltered, explosive medium. Its social dynamic actually encourages the production of more cultural artifacts than ever. As a result, the Web is more of everything: More love, more hate. More romance, more porn. More brilliant analysis, more head-banging stupidity. How to sort it all out?

Charles Leadbeater, a British journalist, author, management consultant, and former advisor to Tony Blair, makes a reasonable and socially admirable decision about which story to tell about the Web. For him, the Web means "more people can collaborate more effectively in creating new ideas." In his new book, We-Think, released in Britain in March, Leadbeater describes a world in which people, companies, and entire societies gain more from sharing information than from owning it. Curing disease, educating the illiterate poor, spreading democracy to every corner of the planet: All are made more likely by the organic transfer of knowledge and ideas that the Web enables. True to form, he released a portion of an early draft of his book online, open to comments, revisions, and criticism from his audience.

For Leadbeater, the importance of the Web is that it lets us think together. He spends a chapter discussing the five key principles that "We-Think" requires: a core group of

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For an interview with the author of We-Think, visit

ForeignPolicy.com/extras/leadbeater.

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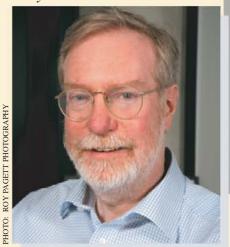
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He defines "a new third world" of some 50 countries that experienced no growth between 1960 and 2000. Foreign aid alone is not the answer, he says, and in some corrupt states, this aid may actually be part of the problem. To save the poorest,

"trapped countries clearly heading towards a black hole," he champions an approach similar to the muscle and magnitude applied to Europe's reconstruction after 1945.

Collier is professor of economics and director of the Centre for the Study of African Economies at Oxford University and former director of research for the World Bank. The Lionel Gelber Prize celebrates the world's best book on international affairs.

Are Failing and What Can Be Done About It. His book examines the world's poorest countries and suggests practical solutions, including military intervention, to save failing states.

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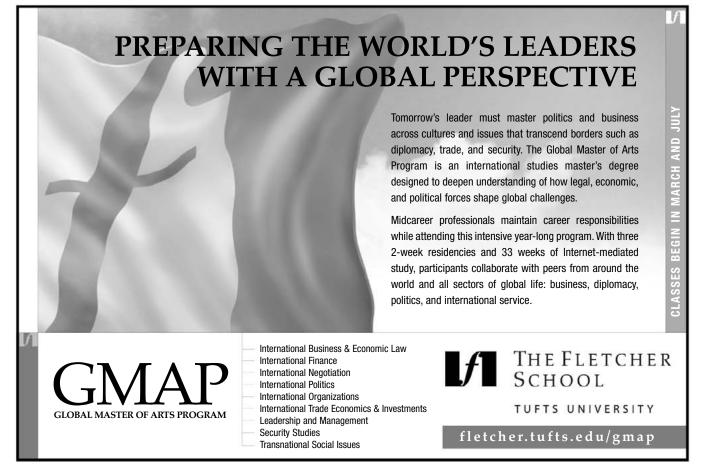
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people dedicated to an idea or a problem to solve; a broad network of contributors whose diverse points of view provide more lenses through which to view an idea; connections and tools to communicate between those groups; harmonious and organized collaboration; and raw creativity. But his definition of "We-Think" is quite loose: It's "my term to comprehend how we think, play, work and create, together, *en masse*, thanks to the web."

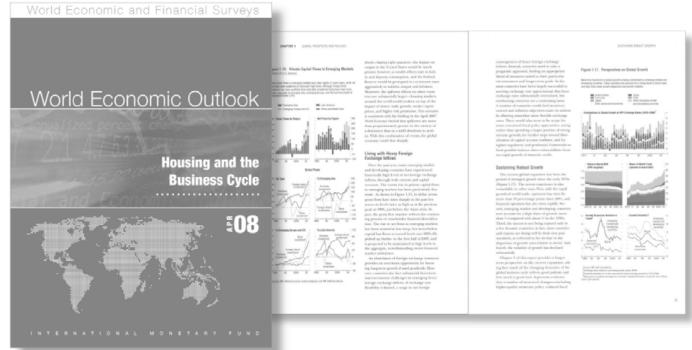
Leadbeater is a good writer with a wide range of interests and knowledge. He makes his points via lively accounts of people and projects engaged in We-Thinking. Many are well known, including international scientists toiling independently on the Human Genome Project, the evolving work on the Linux opensource system, and the mass writing and editing of Wikipedia, but he finds plenty that are fresh or at least not yet

bruised from being handled. In the course of claiming that the Web sprang from a mix of nerd, academic, hippie, and peasant cultures, he draws a direct connection between Douglas Engelbart, the nerd visionary who 40 years ago anticipated the Internet, and Stewart Brand, the hippie visionary who gave us the revolutionary Whole Earth Catalog, a blog-like compendium of tools and oddities. Leadbeater tries to steer clear of cyberutopianism, noting that "The web's potential to create collaborative, largely self-organising networks has been taken up most skillfully by terrorist groups" as well as "religious zealots and neo-Nazis, paedophiles and pornographers, gamblers and organised crime syndicates." Of course, all that's at the beginning of a chapter that concludes We-Think will be good for democracy, equality, and freedom after all.

The result is a tour of the Web that takes us past the familiar landmarks with a guide who is more interesting than most. In practice, though, We-Think turns out to be nothing more rigorous than how we will "organise our shared intelligence ourselves" now that the Web is making us more collaborative and participative. With such obvious examples as Linux and Wikipedia, it would be hard to claim that We-Think points to a phenomenon we've entirely missed. In fact, Leadbeater doesn't even think We-Think is necessarily characteristic of the Web. Even at the sites that are explicitly about the "We" or about the "Think"—the Facebooks, YouTubes, and eBays—We-Thinking as he defines it is rare: "People gathering on social-networking sites, downloading user-generated videos or spouting off into the blogosphere do not create anything resembling



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collective intelligence. More often than not they produce a deafening babble or a deadening consensus." He chooses to write about We-Think not because it's a novel idea or characteristic of the Web, but because he says it's the agency through which the Web may transform real-world institutions and economies. The book largely consists of an examination of whether those transformations will actually happen and what the world will look like if they do.

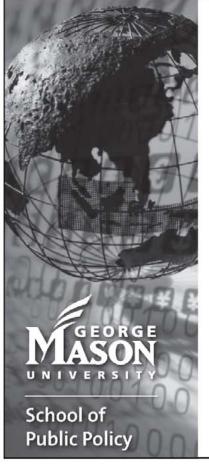
Leadbeater is an optimist overall, predicting that real institutions will begin to take on the nonhierarchical, looser, and more creative characteristics of the Web at its best. "We-Think's style of organisation is particularly well suited to the developing world, where professionals are in short supply, and centralised, top-down solutions will not work in far-flung villages," he says, pointing to

Brazil's enthusiastic support of opensource software and the success of OhmyNews's citizen journalism in South Korea. He can be overly optimistic about specific projects—such as the RepRap machine, a photocopier-like device that can fabricate mechanical parts based on images in its computer. Leadbeater likens it to the replicator in *Star Trek*. But, more importantly, it's not clear that the undeniable utility of the Internet in the developing world is going to be primarily due to We-Thinking.

In fact, the book is weighed down by its central conceit. We-Think is a rubric, a way of stringing materials together. We are left with the suspicion that We-Think is not so much a concept as a useful title. It's hard to consider We-Think as a well-formed idea when Leadbeater says that blogs are a poor example of We-Think because they are often one-sided conversations—but the popular multiplayer game World of Warcraft is "full We-Think" because of its emphasis on collective creativity.

Although a loose rubric is preferable to a Procrustean rigor with a phenomenon as complex as the Web, are we confident that the Web will affect our world primarily because it changes how we think and create together? There's no doubt that collaborative thinking is important, and Leadbeater does a good job laying out the case. But, perhaps the Web only looks like a place for thought and creative collaboration if you're a writer whose day is spent thinking and creatively collaborating. Most of the Web is not about thinking; it's about playing, flirting, making friends, showing off, trying on new selves, looking things up, daydreaming, fantasizing, indulging our curiosities, and taking care of one another. Might not all of that which falls outside the scope of collaborative thinking have an even greater influence on existing institutions? Might the "babble," as Leadbeater characterizes the Web when it's not We-Thinking, be what truly shapes our democracy, economy, and culture?

This line of thought is not necessarily an argument against Leadbeater's ultimate optimism. It only seems that way because through the lens of We-Think, non-We-Thinking looks like the usual frivolous activity of the riffraff. It is entirely possible that the Web as a connective medium itself—and not just because of We-Think, We-Play, We-Shop, or any other particular behaviors—is tending to improve our institutions and way of life. The focus on any one aspect of the Web as the most important indeed reveals high points worthy of notice. Readers of We-Think will enjoy the tour. But if the Web is as important as Leadbeater and many of us think, its abundance escapes the clarity—and the canon any of us would impose upon it. **EP** 



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# Mexico's Love of the Local

Think books are dead? Take a trip to Mexico City, where a market for fiction, self-help, and political works is thriving. FP recently spoke with Mexicobased publishing executive Cristóbal Pera to find out why.

FOREIGN POLICY: What are people reading in Mexico?

Cristóbal Pera: There's a big market for political books, books that try to unveil corruption. Those that are a continuation of journalists' accounts are the kinds of books that become best-sellers here. Books are very hard on politicians who are successful. One book about Vicente Fox, the ex-president, [accused him] of possible corruption through his wife, and it has been a big success. Every year, there are one or two books that become big best-sellers because of what they expose.

FP: Unlike in much of the world, Mexicans and other Latin Americans seem to be buying books in greater numbers these days. Why are they bucking this global trend?

CP: You have to take into account that the readership for a country of 100 million people is still very small. Now, there are some kinds of books that are read in huge numbers by that [poor] segment of the population: comic books, sex books, and so on. There is a cartoonist here named Rius. and he has published over 150 titles. [He] is very critical of

the status quo. And he writes cartoon books explaining, "What is communism," "What is Cuba," or "What is the food that we eat, and why is it sh\*t?" He explains simple things in a way that is easy to explain to a wide audience of poor people. He's a hero in Mexico...a real reflection of the republic.

**FP:** So many other parts of the world elevate British and American translations to the top of their best-seller lists, but local works seem to enjoy a special popularity in Latin America, and in Mexico in particular. Why is that?

CP: I've wondered that myself. As a publishing company here in Mexico, we're always trying to figure out why, if you publish a work by a local author, it will be a bigger hit than any Dan Brown or John Grisham novel. It may be nationalism. That sounds simplistic, but I think that's part of it. Some of these books coming from America are good, they're entertaining, but they're not about us.

FP: Just a few decades ago, there was an enormous wave of interest, first in Europe and then in the United States, in Latin authors such as Gabriel García Márquez. Mario Vargas Llosa, and Jorge Luis Borges. But now, at a time when the world is supposedly more interconnected than ever before. Latin literature doesn't seem to be making the same kind of impact abroad. How do you explain that?

**CP:** It's true, it's completely true. And there are many possible



answers. But when those young authors appeared, it was a big surprise in the literary world, because their style, the stories they were telling, were completely new. In Germany, people couldn't believe what they were reading when they [picked up] García Márquez, or Julio Cortázar. But the surprise factor has vanished now.

FP: Perhaps because so many people around the world have similar cultural experiences now?

CP: Because of that, and because the new Latin authors are not talking so much about Latin issues. The Latin American identity is not on the agenda of these young writers. They want to be international, they want to be loved [globally].

FP: How has the telenovela phenomenon influenced reading habits in Latin America?

**CP**: The mass consumption of telenovelas is even more relevant than Tother forms of lfiction for the whole population. We have an author, Gustavo Bolívar, he's Colombian. He wrote a novel called Sin tetas no hav paraíso (Without Breasts, There Is no Paradise). The title sounds horrible, but the novel sold 100,000 copies in Colombia. It came to Mexico, and we published it. And now NBC has paid \$2.5 million for the rights in the States. So you can see in this case the clear connection between literature [and lowbrow culture]. Here is a novel about young girls who want [breast implants] because of peer pressure in Colombia ... they feel it's the only way out. And it has touched the imagination of everybody in Latin America.

Interview: Kate Palmer. FOREIGN POLICY's deputy managing editor.

# GLOBAL NEWSSTAN

ESSAYS, ARGUMENTS, AND OPINIONS FROM AROUND THE WORLD

# A Prescription for Free Trade

By Roger Bate

■ Review of International Economics, Volume 15, Issue 4, September 2007

ost people agree that free trade is a mixed blessing. We may enjoy greater general prosperity, and we all benefit from low-priced goods from abroad. But, as a result, jobs are exported overseas. Importing clothes from countries with sweatshops or buying oil from war-torn locales raises deep ethical concerns. As for whether free trade is beneficial for the poorest in society, even economists are divided. Competition drives down wages and makes companies cut corners on healthcare for their poorest workers. Bosses push short-term contracts with no health insurance, so employees have to work sporadic but generally longer hours in unsafe conditions for less pay. In other words, free trade directly and indirectly damages the health of the poor.

Roger Bate is a resident fellow at the American Enterprise Institute and a director of the health advocacy group Africa Fighting Malaria.

Or does it? According to a recent article, "Is Trade Good for Your Health?" in the Review of International Economics, economists Ann L. Owen and Stephen Wu of Hamilton College build on an increasingly strong, but rarely reported, body of literature demonstrating the health benefits of free trade. By analyzing a variety of data from 219 countries over 35 years, they demonstrate that the citizens of economically freer nations are healthier than those where the economy is more tightly controlled. Their model is simple and useful. To measure a country's openness to trade, they assess foreign currency restrictions and trade distortions, such as high tariffs and low quotas on foreign imports. They measure health by examining factors such as infant mortality and life expectancy. Owen and Wu conclude that openness to trade and higher volumes of trade are powerfully associated with reductions in infant mortality and increases in life expectancy, particularly among women in developing countries. Interestingly, the effect is even more marked for the poorest of the poor: A small opening up of trade in the poorest developing countries gives

a disproportionately larger health benefit to that country's citizens than it would to the citizens of richer nations. In terms of health, the worst off gain the most from free trade.

In some ways, the authors' findings are intuitive. If medications and vaccines are allowed across borders freely, it makes sense that more lives would be saved. But Owen and Wu also suggest that the transfer of something less concrete matters more: beneficial knowledge that spills over simply from the act of trading with other countries. "[I]f trade facilitates the transfer of knowledge," they write, "then countries that import goods from healthier trading partners should receive more knowledge." They claim that knowledge of disease treatment, good health practices, and the design and administration of health programs comes about because of the associations from trade.

To ensure the accuracy of their findings, the authors spend nearly half the paper testing the validity of their methodology. Along the way, they unveil several startling points of discussion. Most notably, they find that most foreign aid has no significant impact on a country's





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Trading up: Open borders may bolster the health of people in poor countries.

health (water appears to be an exception), and that while opening up trade causes improvements in health, improving health does not lead to open trade.

These two findings undermine most of the economic (but not humanitarian) arguments put forward by aid activists for increases in healthcare spending by donors. International aid cheerleaders such as economist Jeffrey Sachs argue that we must vastly increase aid in order to improve health so that people can trade, create better institutions, and draw themselves out of disease and poverty. But history and wider research support Owen and Wu's conclusions. Numerous countries have been given foreign aid to battle diseases such as malaria, but only those that have developed sensible domestic policies and embraced international trade have completely eradicated or controlled the disease. For example, there were 3 million cases of malaria annually in Sri Lanka until the 1950s. After the World Health Organization and UNICEF funded a DDTspraying program, malaria cases plummeted to only 17 in 1963 and remained at low levels for several years. But without sustainable domestic policies, the disease eventually resurged. Many other countries took that same approach, but only the ones that developed rapidly, such as Italy and Greece, sustained eradication. Indeed, myriad diseases often flourish on only one side of a border: for example, Mexico and the United States, Malaysia and Singapore, and Mozambique and South Africa. Certainly, wealth is an important factor. But openness to trade may explain a key part of this phenomenon as well.

This idea gives extra impetus for countries to open their borders, and for the World Trade Organization to complete the Doha round of trade talks sooner rather than later. My own research

has demonstrated that tariffs on medicines significantly lower access to them, notably in places such as Nigeria and the Democratic Republic of the Congo. Singapore, Switzerland, and the United States have tried to encourage their removal through the World Trade Organization. Owen and Wu's findings suggest that a long list of practices that impede trade

could also be guilty of impeding improvements in public health.

This idea should, but probably won't, influence the upcoming U.S. presidential election. Although President George W. Bush has done well with his AIDS and malaria programs, Owen and Wu's analysis implies that he might have done much more for global health simply by lowering U.S. agricultural subsidies and increasing trade with poor nations. As for the next administration, all of the presidential candidates support more health aid for poor countries. But neither of the two Democratic hopefuls is pushing a free trade agenda, and it's far from Republican nominee John McCain's top priority. Although they should continue to support humanitarian programs, they should also reconsider promoting trade: As Owen and Wu's findings suggest, it would do more for the health of the world's poor than the most generous acts of charity. **FP** 

# Taking a Chance on War

By Robert Trager

■ The American Economic Review, Vol. 97, No. 4, September 2007

hen President George W. Bush unveiled his National Security Strategy in the fall of 2002, he declared that the United States would "actively work to bring the hope of democracy . . . to every corner of the world." He was just the latest in a line of American leaders to call for the spread of democracy. It's a belief that has driven the United States to war time and again, not only because it's a moral imperative, but because it can be a pragmatic thing to do as well. After all, ever since the German philosopher Immanuel Kant espoused his idea of "perpetual peace" in the 18th century, many social scientists have argued that countries with certain characteristics—namely, democracy—will refrain from attacking each other.

peace" occurs. Two economists have analyzed a mathematical model of conflict that tries to answer that question. In an article titled "Political Bias and War" in the September 2007 issue of the American Economic Review, Matthew Jackson of Stanford University and Massimo Morelli of Ohio State University argue that conflict is often driven by divergent incentives of leaders compared with society as a whole, which they term "political bias." Autocratic Iraq invaded autocratic Kuwait in 1990, they would argue, partly because what was good for Saddam Hussein was not what was good for Iragis.

To understand the model, consider the case of two fictional countries, Narnia and the smaller Neverland. The leaders of each country, Aslan and Peter, respectively, are assumed to control a

bias occurs when the incentives of a leader diverge from those of his people. Positive bias means a leader gets more of the spoils of victory than the losses from defeat, relative to his own subjects: Heads, I win more; tails, we both lose.

Iackson and Morelli's analysis begins by asking not just why leaders would choose war over peace, but why leaders would choose war over a negotiated solution. To see why this is important, suppose Aslan and Peter are fighting over \$100. Aslan is stronger, so if it comes down to it, he has a 90 percent chance of getting the money. But fighting is hard and costs each of them supplies and troops equivalent to \$5 in value. Suppose Peter offers Aslan a deal: Aslan gets \$90 and Peter \$10. That sounds better than fighting to Aslan—he figures a 90 percent chance at \$100 is worth about \$90. If he fights, he has to pay an additional \$5, so Peter's offer is a good one. In fact, under reasonable assumptions, and not just in the case of Narnia and Neverland, there is always a negotiated solution that both sides prefer to war if the leaders are unbiased. Why, then, does war occur? The authors show that if the political bias is large enough relative to the costs of war, conflict follows.

Jackson and Morelli address a second possible cause of war, known as a commitment problem. Suppose that after Peter gives Aslan \$90, Aslan uses the money to buy weapons that increase Aslan's probability of winning a fight to 96 percent. Aslan might then come

# Peace among democracies is not directly related to liberal values. Rather, it's a matter of whether the fortunes of rulers and ruled rise or fall together.

Politicians take this a step further: If the United States helps other countries embrace democracy, then the probability of war will decrease.

There is no consensus, however, about why "democratic

Robert Trager is assistant professor of political science at the University of California, Los Angeles.

fraction of the economic activity in their countries. If Narnia defeats Neverland in a war, Peter loses part of his wealth and Aslan gains a share of Neverland's wealth. Narnia's political system is biased if the spoils of victory that go to Aslan are greater than the losses Aslan would suffer if Narnia were defeated. In other words, political

looking for more concessions—not such a great deal for Peter. Anticipating this possibility, perhaps Peter wouldn't make the deal in the first place, and the two might just choose to fight at the outset. Therefore, two countries with an inability to make firm commitments would always fight each other, as long as the costs of war are not too great, right? Jackson and Morelli demonstrate, however, that this is not the case. Whether the inability to commit to abiding by the terms of a settlement leads to war depends on how wealth translates into power. If the probabilities of victory are proportional to each side's wealth, for instance, unbiased leaders still won't ever fight each other, and biased leaders sometimes will.

Jackson and Morelli's propositions make the case that political bias is a key cause of war. If democracies are less biased, their research offers a novel explanation as to why democracies don't fight each other. Democratic peace is not directly related to checks and balances, liberal values, transparency of the political process, or even representative institutions. Rather, it's explained by the extent to which the fortunes of rulers and ruled rise or fall together.

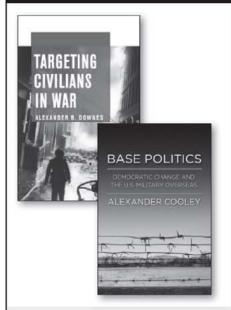
It's certainly plausible that positive political bias, when it exists, is a factor that encourages conflict. But does bias actually exist that often? And does the model explain democratic peace? It is worth remembering that bias, as defined by Jackson and Morelli, has nothing whatsoever to do with economic inequality. If a leader controls 99 percent of the economy and stands to gain 99 percent of the spoils of war, this constitutes a case of no bias.

Even in autocracies, leaders often appear to share more in losses than in spoils, making these cases of

negative political bias rather than the positive bias that favors war in the model. If a leader stands to be deposed from office or have their treasury raided if a war is lost, these would be cases of negative bias. Suppose a king extracts 50 percent of the economic activity of a territory in taxes and stands to lose this territory in a war. Is there any reason to believe the king would be able to extract more from the economy of a conquered territory? If not, as has probably been the case since the rise of nationalism in the 19th century, then such cases are also not instances of positive political bias. When Saddam Hussein invaded Kuwait, when Czar Nicholas II entered the First World War, and even when Leonid Brezhnev sent Soviet troops into Afghanistan, these autocrats risked the very existence of their regimes. Positive political bias probably had nothing to do with it.

Perhaps if a natural resource exists in one country that could be expropriated by the leadership of another country, as in the case of Iraq's attacking Kuwait, this would constitute a case of positive bias if the Iraqi side stood to lose no oil wealth of its own. Or perhaps if a king were able to enslave the subjects of a conquered territory, but not those of his own, this too would result in political bias. Alternatively, bias might result from the ability of the leadership of a large state to pilfer the coffers of a smaller state without really risking similar treatment if the war went badly. On the whole, and especially in the modern world, however, positive bias is probably rare. Although it might help explain conflict in specific historical periods, it seems unlikely to explain current differences between autocratic and democratic foreign policies. But the foreign-policy choices of Neverland have never been more clear. IP

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# New World Math

By Deepak Lal

#### ■ European Economic Review,

Vol. 51, Issue 5, July 2007

ot long ago, the tools of the trade for economists were fairly basic. They had little more than hand-held calculators at their disposal to calculate the most complicated sets of variables. That meant they had to be fairly certain about the relevance and quality of the data they were analyzing. Fast-forward to today, and every economics graduate student has massive computing power available at the push of a button. Combined with the availability of a whole host of dubious databases, there has been a massive proliferation of supposedly scientific research on nearly every aspect of countries' political, economic, and social standings.

The pitfalls of this burgeoning academic research are illustrated by a recent article in the European Economic Review. In an article titled "Income Inequality and Colonialism," economist Luis Angeles of the University of Glasgow asserts that the degree of colonialism is the major explanation behind the differing levels of inequality within countries.

He divides the New World into three categories: "New Europes" are Australia, Canada, the United States, and New Zealand, where European immigrants eventually became the majority of the population; "settler

Deepak Lal is the James S. Coleman professor of international development studies at the University of California, Los Angeles.

colonies" are places where those of European descent made up 10 to 30 percent of the population, such as Latin America, the Caribbean, and parts of southern and northern Africa; and "peasant colonies" are places like West and East Africa and Southeast Asia, where Caucasians were only a small minority, usually less than 1 percent. Angeles then analyzes the Gini coefficient of different countries economists' favorite tool for

their populations are dominated by Spanish descendants? Angeles also classifies countries such as Kenya and Zimbabwe as peasant colonies, despite the fact that most Africans would consider them to be settler colonies.

Angeles's choice of statistics is equally questionable. Gini coefficients are not truly comparable across countries, as the World Bank itself acknowledges. Some are based on the distribution of

## Was colonialism bad for the developing world? Evidence suggests that is not the case.

measuring how evenly income is dispersed across a society (the higher the number, the more unequal)—and observes that income inequality has historically been much higher in settler colonies than in New Europe or in peasant colonies.

Angeles's thesis has an elegantly tidy appeal, its implication being that racial homogeneity leads to more equality. But his premise is shaky from the outset. For starters, his classification of countries by degree of colonialism is sloppy, at best. Angeles's New Europe consists mainly of countries where white colonists arrived in numbers large enough to exterminate or expropriate the indigenous and aboriginal populations so that those countries became primarily white. But why exclude Argentina and Chile from this category, since income, while others are based on consumption expenditure. Some use individuals as a unit of observation, while others look at households. In short, the statistics that are available simply make it impossible for an apples-toapples comparison.

Not only does Angeles's thesis have a weak foundation, but it is also not particularly persuasive. From a historical perspective, other sources of inequality besides European colonialism are clearly relevant. Take, for example, the agrarian civilizations of Eurasia: China, India, and Mesopotamia. These regions were sandwiched between two vast areas of nomadic pastoralism: the steppes of Central Asia and the Arabian Desert. To protect themselves against the periodic raids that nomads mounted against them,

these rich sedentary civilizations required specialists in warfare. That necessarily led to social stratification, with the warrior class distinct from the peasants tilling the soil. Another source of inequality in these civilizations was that labor was scarce. That meant that peasants would have to be coerced to hand over the rice and wheat they cultivated to feed the warriors and priests who lived in the towns. Various unequal social institutions like serfdom, slavery, and the caste system were descendants of these trends.

By contrast, countries of New Europe did not face this perpetual military threat; Australia, New Zealand, and North America were all protected by vast oceans. Moreover, the temperate agriculture they practiced allowed white settlers and their descendants to expand their family farms with

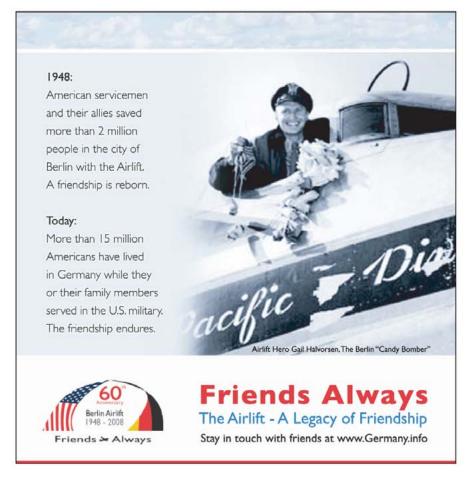
relatively little social stratification. With the notable exception of the American South, these countries did not rely on coerced labor to survive and could maintain more equal societies.

But never mind these historical lapses. Let's assume that Angeles's primary data are robust and that his conclusions are correct. So what? Does that mean colonialism was bad for the developing world? The evidence suggests that this is not the case. As Angeles himself recognizes, even if colonialism resulted in highly unequal societies in settler colonies, that does not imply that they had poorer economic growth records than places that were more homogeneous. Nor does it mean that the impoverished majority of the population in a settler colony would be poorer in absolute terms than the population of a peasant economy. Take Brazil and Mexico,

archetypical settler economies by Angeles's definition, where the white settler population ranged from 10 to 30 percent. Their economies grew at an annual rate of more than 4 and 6 percent, respectively, from 1950 to 1980, with substantial reductions in absolute poverty. Compare that with the peasant colony of India, where the white population was less than 1 percent. Its economy grew at only 3.5 percent a year during the same period, with no decrease in absolute poverty.

Certainly, there are some dogmatic egalitarians in the world who would cheerfully trade growth or the reduction of absolute poverty for equality. But many people would be happy to look upon colonialism favorably—if it raised growth rates and reduced absolute poverty—irrespective of how it distributed wealth across society. Angeles provides no reasons for taking a jaundiced view of the economic record of empires and colonialism in general. He ignores the positive effects of empires on the well-being of the majority of the population; dismisses the order that they promoted in disorderly societies; and chooses not to tackle how they might have contributed to the integration of the developing world into the global economy.

There is little danger that Angeles's arguments will have any effect on policy. But the fact that such studies can masquerade as research should raise concern. The problem with such supposedly scientific studies is that they begin by offering dubious suppositions, build them further with suspect data, and derive misleading and ill-informed conclusions. But they may prove one thing: Sometimes it is better if economists just work with calculators. IP



# NETEFFECT

HOW TECHNOLOGY SHAPES THE WORLD

## Fake China

hina is about to re-create itself on a massive scale. This July, the Beijing Cyber Recreation District (CRD), a state-owned enterprise, will launch the first of several "virtual Chinas" planned for popular online realms known as massive multiplayer online role-playing games. The first "virtual China," which they call "Dotman," will be found inside Entropia Universe, a 700,000-player gaming world run by the Swedish technology firm Mindark. Capable of hosting 150 million avatars, or virtual citizens, it will be the largest virtual nation in the world.

"We are re-creating China," says Robert Lai, CRD's chief scientist. "The real China is only a piece of land. We

believe that there must be a China in the virtual world and the real world. In the virtual world, people can live a better life that's more entertaining, more fun."

But China's rulers have a notoriously authoritarian attitude toward technology, and Beijing's Internet censorship regime is highly advanced. "The virtual world is much more free, but you also must have some regulations," Lai says. The virtual China will feature many aspects of the real China, including culture, history, and, yes, Chinese law.

Perhaps unsurprisingly, Beijing hopes the "virtual China" will mostly

emphasize business opportunities, serving as a vast online marketplace where consumers from around the world can buy merchandise (think T-shirts and toys) directly from China. But with hundreds of millions of users, how easy will it be to police? Not very, according to Xiao Qiang, director of the China Internet project at the University of California, Berkeley, who says any virtual China could quickly become a forum for political dissent. "Even business or entertainment sites [can] instantly become something quite political," savs Xiao.

That possibility doesn't worry Lai. "We focus on business, fun, and life," he says. But it seems unlikely that Beijing will tolerate any more fun in the virtual China than it does in the real one. —Ioshua E. Keating

Syria has ordered Internet

dents in the cafes.

中华人民共和国万岁

Caught in

## Cell Division

side from the radio, mobile phones are the developing world's most pervasive technology. Ninety-seven percent of Tanzanians, for instance, report having access to a mobile phone, while just 28 percent say they have access to a land line. Driving much of the growth, it appears, is the fact that consumers have found their own way to cut costs—by splitting the bill. Nokia, for instance, recently found that more than 50 percent of users in India share or want to share a phone. Mobile-phone companies appear to be getting the message. Nokia recently released a series of handsets with features specifically designed for those sharing a phone, including call-by-call cost-tracking and language applications that allow users speaking different dialects to share the same phone. Allen Hammond, vice president for innovation at the World Resources Institute, sees the trend developing further. "It may well be that in two or three years they'll end up making a phone with a biometric sensor that can register several different users with several different accounts," he says. Apparently, sharing is more than just good manners; it's also good business.—Lucy Moore

#### the Net: cafe users to hand over their identity in exchange for access. State security officials recently told Internet cafe owners to record the names and national identification card numbers of their customers, also noting the times they come and go. The records will be collected and reviewed by security officials. The government did not comment on the decision, but in the past it has insisted such steps are necessary to prevent "penetration by Israel." Maybe. But given the increasing number of bloggers criticizing Svrian President Bashar al-Assad's government, a more plausible explanation may be a desire to quiet the dissi-

FOP: LI JIA YI; BOTTOM: LOUAI BESHARA/AFP/GETTY IMAGES



Black marketed: Apple has embraced the iPhone's illicit spread.

## iPhone Underground

It might be the perfect recipe for an illicit market. Take an attractive, expensive new gadget and slap an exclusivity agreement on it. In short, create the Apple iPhone.

So, it shouldn't come a surprise that when the muchhyped device was launched last June, it became the subject of a global mystery. Apple's sales figures didn't match the number of activations on AT&T's network, Apple's exclusive carrier in the United States. More than 1 million iPhones were "missing."

In reality, though, they weren't. The phones had simply been "unlocked," or modified to operate on any service provider's network. Most were sent overseas. It's difficult to determine just how many unlocked iPhones ended up where, but consumers from Afghanistan to Brazil to Russia report buying and using the devices. China Mobile, reportedly had 400,000 unlocked iPhones on its network at the end of 2007.

Within weeks of the iPhone's release, a cottage industry emerged that helped chip away at Apple's unique business model. Bladox, for instance, a Czech firm that manufactures SIM cards that can be used in unlocked iPhones, says it was overwhelmed with orders from some 100 countries. And distributors in China say that at least some of the illicit iPhones came straight from the factory, where workers stole them for sale on the street.

Surely Apple must have anticipated such a massive gray market? Actually, no. "I don't think they really saw it coming ... [or] the scope of it," says David Zeiler, who writes the Baltimore Sun's Apple a Day blog. But that doesn't necessarily mean Apple is too concerned about it, either. "If they sell a handset and someone takes it overseas and unlocks it, they still make money," says Zeiler. In fact, Toni Sacconaghi, an analyst with Bernstein Research, says a vast gray market may have some benefit to Apple's long-term strategy. "It helps Apple get to its goal of 10 million [phones sold] ... and it helps increase global awareness of the Apple brand."

What's more, there's evidence that Apple is using the

global gray market as a way to test markets where the iPhone has not yet launched.

For More Online Learn how to unlock an iPhone at ForeignPolicy.com/extras/iphone.

# **Expert Sitings**

Saac Mao is cofounder of the Social Brain Foundation and vice president of Shanghai-based United Capital Investment Group. He helped pioneer the practice of using overseas servers to host Chinese blogs and served as cofounder of CNBlog.org. His Web site is isaacmao.com.



#### 1bao.org

Chinese journalist-blogger Zhai Minglei started his blog after his print magazine, *Minjian*, was banned in 2007. Roughly translated as "newspaper for only one person," 1bao's insights on politics, culture, and the media are popular among young Chinese, who access it despite China's censors.

#### kurzweilai.net

The Web site of futurist Ray Kurzweil is my go-to source for the latest news and commentary on technology and artificial intelligence. Through a weekly e-mail newsletter, Kurzweil highlights the best theories and visions of how science and technology can make the world a better place.

#### chinadialogue.net

ChinaDialogue is the first fully bilingual Chinese-English site dedicated to environmental issues in China. It collects links to news stories and reports—both positive and negative—on everything from the melting glaciers in the far northwest to Beijing's smog.

#### en.yeeyan.com

YeeYan (or "voice of translation") is a "bridge blog" between the English- and Chinese-language worlds. Chinese users can read the most recent articles from Western media, including those from Web sites banned in China. Westerners, meanwhile, will find translations of Chinese blogs and media on topics ranging from the recent uprisings in Tibet to this summer's Olympic Games.

"We view [unlocking] as a positive indicator in future demand," Apple's Chief Financial Officer Peter Oppenheimer has said. Gregory Ng, editor of the blog iPhone Matters, believes selling more iPhones, no matter where or how, is Apple's ultimate aim. "From a very romantic point of view, [Apple] likes to think that they're changing the way people use phones," he says. "They care about making an impact and driving the market." Apple may not let on, but those "missing" iPhones are likely music to their ears.—Carolyn O'Hara

Joshua E. Keating is editorial assistant, Lucy Moore an editorial researcher, and Carolyn O'Hara a senior editor at Foreign Policy.

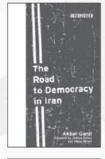
## Answers to the FP Quiz

(From page 24)

- 1) C, 85 percent. The market for online shopping has grown 40 percent in just the past two years, with at least 875 million people clicking their way to goods and services. South Koreans are the most avid online shoppers, with 99 percent of those with Web access shopping online. Britain, Germany, and Japan follow with 97 percent. The most popular online purchase around the world? Books.
- 2) B, China. China has been the world's fastest-growing auto market for the past decade, with more than 5 million automobiles sold in 2007, compared with just 610,000 in 2000. But India is hot on China's heels, with some estimates projecting that it will overtake China this year.
- 3) B, 50 percent. Women make up roughly half of the world's international migrants—a figure that has remained stable for the past 40 years. Regionally, the picture differs somewhat, with the proportion of female migrants in Asia falling slightly during the past few decades. In the Middle East, women represent just 38 percent of migrants.
- 4) A, France. The French remain the leading consumers of wine, quaffing roughly 3.6 billion bottles of wine in 2007, compared with about 3.3 billion bottles for the United States. By 2010, however, the United States is expected to become the world's leading wine-drinking country, with a projected 3.6 billion bottles consumed.

- 5) A, 63 billion. Unsurprisingly, China is the world's largest producer of disposable chopsticks, an industry that employs more than 100,000 Chinese. But attitudes toward the sticks are turning sour, as environmentalists, corporate leaders, and pop stars have denounced disposable chopsticks as environmentally unfriendly. The Chinese government has even banned them at a number of Olympic events.
- 6) C, 8. Despite Europe's often loud and passionate opposition to genetically modified (GM) foods, eight countries on the continent—the Czech Republic, France, Germany, Poland, Portugal, Romania, Slovakia, and Spain—harvest biotech crops. In 2007, the amount of European land devoted to GM crops increased 77 percent.
- 7) A, Europe. Despite Asia's dominance in the textile market, Europe remains the world's leading exporter of merchandise—a position it has held for more than 60 years. The region accounts for 42 percent of the world's merchandise exports, with Asia trailing at 28 percent.
- 8) A, Japan. The Japanese government's public debt, at 194 percent of the country's GDP, is the highest in the world. Plagued by the banking crisis and asset bubbles of the late 1980s and 90s, the Japanese government has borrowed and spent its way into exorbitant debt. With a penchant for artificially low interest rates and an aging population requiring ever expanding social security payments. public debt looks to remain perilously high for the foreseeable future.

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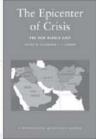


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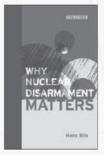
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Continued from page 96

politicians will denounce the companies for "exporting jobs" to America, while U.S. politicians, already rattled by the threat of foreign competition, will be infuriated by what they will brand as "the foreign takeover of America." CNN anchor Lou Dobbs will be foaming at the mouth.

Why is this happening now? The plummeting U.S. dollar has made the move across the Atlantic affordable for many European companies. And this may be a once-in-a-lifetime chance to relocate: American companies have rarely been so cheap. Five years ago, a German or Spanish company that coveted a U.S. competitor worth \$500 million needed roughly

"I cannot afford not to move to the U.S. if I want my family's company to survive. It will not only be cheaper, but it will also place me and my engineers in the middle of a large cluster of leading-edge technology companies and in the largest market in the world. We will keep some design operations in Italy, but everything else goes to Massachusetts."

Some manifestations of the Euroinvasion are already visible. Germany's ThyssenKrupp is investing \$3.7 billion in a steel plant in Alabama. France's Alstom, a manufacturer of high-speed trains and turbines, is building a major factory in Tennessee. Other European companies like Italy's Fiat have decided to reenter the U.S. market after

## The United States is poised to receive a massive—perhaps unprecedented—inflow of European investors.

430 million euros to purchase it. Today, it would take just 316 million euros to buy a company worth half a billion dollars.

European companies are not just being pulled to America by a cheaper dollar. They are also being pushed away from Europe by a business environment that is not as attractive as that in the United States. For many companies, moving across the Atlantic is the fastest and cheapest way to cut costs and become more competitive. The average hourly manufacturing wage in Europe is 16 percent higher than in the United States. Social insurance and payroll taxes are far steeper in Europe. As are energy costs: the average price of a kilowatt-hour for industrial usage in Europe is roughly 60 percent more than in the United States. Transportation costs are higher, too. And the cost advantages of operating in the United States don't stop there. Land is still far cheaper in the United States. An acre of rural land in the United States will cost you an average of \$1,900. The same plot of land will cost you \$5,700 in Germany, \$6,650 in Spain, and \$14,600 in Denmark.

Every year, competition in the global economy becomes fiercer. Although some European companies may set up shop in Asia or Eastern Europe—which can be even cheaper than the United States—most still view the United States as the corporate Mecca. As the CEO of an Italian manufacturing company recently told me,

a 13-year hiatus, and BMW is substantially expanding its manufacturing presence. Recently, the market value of Spain's Banco Santander surpassed the value of Citigroup, the standard bearer of the U.S. banking industry. It will be only natural for European banks like Santander to expand their presence in the United States by taking advantage of the fact that many U.S. financial institutions have become far cheaper as a result of the subprime crisis. But the Euroinvasion will be much more than a few headline-grabbing mega-deals. It will consist of thousands of smaller transactions in which midsize European companies swoop in to buy American companies for what will seem like a bargain.

It is going to be impossible for American politicians to stop the Euroinvasion. European politicians will be equally helpless in preventing their companies from moving to the United States. While stopping a few large investments by foreign government-owned funds in American ports, defense industries, and oil companies may be possible, preventing thousands of private companies from investing in the United States is not. Although difficult economic times always create political opportunities for demagogues and populists, America is far from ready to repeal capitalism. And stopping the Euroinvasion would require nothing short of that.

Moisés Naim is editor in chief of Foreign Policy.

# The Coming Euroinvasion

First they came for the iPods. Then the Europeans snatched up condos in Manhattan. Now they're coming for the companies.

#### By Moisés Naím

am not worried about rich Arabs; it's the French

who worry me." This was the response from a businessman in Clovis, California, reacting to my comment that the U.S. government was concerned about the influence of foreign-owned sovereign wealth funds.

"Why are you worried about the French?" I asked.

"They just bought the largest company here," he replied. "Life will now change for all of us that company has been an important part of this community for years." He was referring to Pelco, a Clovis-based manufacturer of video security systems that was recently acquired by Schneider Electric, a French company.

There is nothing special about Pelco's sale; foreign companies buy American ones all the time and vice versa. This transaction was far smaller than the United Arab Emirates' \$7.5 billion investment in Citigroup or China's \$3 billion investment in the Blackstone Group, a major financial company. Except that this transaction is part of a trend that, though still largely unnoticed, will soon rear its head: The United States is poised to receive a

massive—perhaps unprecedented—inflow of large- and medium-size European investors. Everything from corporate behemoths to family-owned companies are about to come to America on a corporate buying spree. Call it the Euroinvasion. Not only will many U.S. companies now have European owners, but the American marketplace will witness an infusion of new foreign competitors that will manufacture their products in the United States. They will use their new American base both to export to the world—including back to their own European market-and to serve the U.S. market from inside its borders. Such a trans-Atlantic shift will have an enormous impact on Europe's levels of employment and exports. Inevitably, the move will also ignite a political firestorm on both sides of the Atlantic. European

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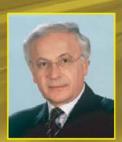
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