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INTERNATIONAL RELATIONS AND U.S. FOREIGN POLICY

REPORTS

STRENGTHENING THE TRANSATLANTIC ALLIANCE: AN OVERVIEW OF THE OBAMA ADMINISTRATION'S POLICIES IN EUROPE

Testimony of Philip H. Gordon Before the Subcommittee on Europe, Committee on Foreign Affairs, U.S. House of Representatives. June 16, 2009 [PDF format, 13 pages]

<http://foreignaffairs.house.gov/111/gor061609.pdf>

Philip H. Gordon, Assistant Secretary of State for European and Eurasian Affairs, focuses on the Obama Administration's policies and priorities in Europe and strategies to further strengthen the transatlantic relationship. "Today, I will highlight some examples of what the United States and Europe have achieved and what our policy objectives are going forward. To do that, I will touch on three strategic priorities for the Administration in Europe: European engagement on global challenges; a Europe that is whole, free, and at peace; and a renewed relationship with Russia. Many of our European partners are among the most prosperous, democratic, and militarily capable countries in the world. Working with our European allies both bilaterally and multilaterally will remain critical to success in tackling the many global challenges we face together. The United States cooperates with Europe on all of the most important global challenges, including restoring growth and confidence in the world financial system; fighting poverty and pandemic disease; countering terrorism and nuclear proliferation; advancing peace in the Middle East; promoting human rights; and combating trafficking in persons. Still, there are other areas where our cooperation with Europe needs to increase. We can and must do more to address challenges like ongoing operations in Afghanistan and Iraq; instability in Pakistan; Iranian and North Korean nuclear weapons programs; energy security and climate change."

TRAFFICKING IN PERSONS REPORT 2009

Office to Monitor and Combat Trafficking in Persons, U.S. Department of State. June 16, 2009.

<http://www.state.gov/g/tip/rls/tiprpt/2009/index.htm>

The Department of State is required by law to submit each year to the U.S. Congress a report on foreign governments' efforts to eliminate severe forms of trafficking in persons. This is the ninth annual TIP Report; it seeks to increase global awareness of the human trafficking phenomenon by shedding new light on various facets of the problem and highlighting shared and individual efforts of the international community, and to encourage foreign governments to take effective action against all forms of trafficking in persons. The TIP Report is a diplomatic tool for the U.S. Government to use to encourage continued dialogue and to help focus resources on prosecution, protection, and prevention programs and policies. In the narrative of each ranked country, the Report provides specific recommendations to facilitate future progress.

THE U.S. COMMITMENT TO DEVELOPMENT

Bureau of Economic, Energy and Business Affairs, U.S. Department of State [Fact Sheet] July, 7, 2009.

<http://www.state.gov/e/eeb/rls/fs/2009/113995.htm>

"The United Nations reaffirmed the 2002 Monterrey Consensus for development at the International Conference on Financing for Development at Doha in 2008, calling on developing countries to establish sound economic, social and governance policies and calling on developed countries to support these efforts through an open trading system, private capital flows, and development assistance. The U.S. is working with other donors and multilateral development banks to ensure that all sources of development finance are available to developing countries as we pass through and beyond the global economic crisis. The United States is strongly committed to helping the world's poor through a broad variety of mechanisms. Preliminary 2008 U.S. Official Development Assistance (ODA) indicates that ODA has tripled over the last decade, and President Obama has pledged further increases."

TRIAGE: THE NEXT TWELVE MONTHS IN AFGHANISTAN AND PAKISTAN

Exum, Andrew M., et. al. Center for a New American Security. June 2009 [PDF format, 36 pages]

http://www.cnas.org/files/documents/publications/ExumFickHumayun_TriageAfPak_June09.pdf

"A new U.S. administration is looking to reverse the negative trends in Central and South Asia against the backdrop of this steadily worsening situation. President Barack Obama has stated that critical U.S. interests are at stake in both Afghanistan and Pakistan. Specifically, the core U.S. goal is "to disrupt, dismantle, and defeat al Qaeda and its safe havens in Pakistan, and to prevent their return to Pakistan or Afghanistan." Such a "counter-haven" strategy could be operationalized using a variety of different means. The president and his advisers have elected to pursue a counterinsurgency campaign in Afghanistan while encouraging the government in Islamabad to do the same in Pakistan. To implement this strategy effectively, the United States must rapidly triage in both countries. For the United States, NATO, and the governments involved, winning control over all of Afghanistan and Pakistan in the coming year is not a realistic objective; setting priorities is paramount... As of mid-2009, the situation in both Afghanistan and Pakistan is dire and getting worse. In both countries, strategies must be adopted which recognize the state of the insurgency today. That means adopting a form of triage—utilizing an ink blot approach at the strategic and operational levels—which prioritizes the security of the population over other considerations while setting the stage for strengthening the institutions of the Afghan and Pakistani states." *Andrew M. Exum is a Fellow at the Center for a New American Security.*

WINDOW OF OPPORTUNITY FOR A TWO-STATE SOLUTION: POLICY RECOMMENDATIONS TO THE OBAMA ADMINISTRATION ON THE ISRAELI-PALESTINIAN FRONT

Katulis, Brian, et. al. Center for American Progress. July 15, 2009 [PDF format, 27 pages]
http://www.americanprogress.org/issues/2009/07/pdf/israel_trip_report.pdf

“The Obama administration sees a two-state solution to the Israeli-Palestinian conflict as the cornerstone of its evolving Middle East strategy. Yet the window of opportunity for achieving a viable two-state solution is rapidly closing—at a time when Israelis and Palestinians seem incapable and unwilling to achieve a sustainable peace agreement. In the coming months, the Obama administration needs to build on its first steps on the Israeli-Palestinian front with specific actions to shore up Israeli and Palestinian political support for a possible two-state solution. The Obama administration needs to win over more Israelis to its strategy for the region and consolidate a Palestinian leadership able to negotiate an enduring agreement in order to achieve a two-state solution. To address this stalemate, the Obama administration needs to take four concrete steps in the coming months: Plan for the possibility of Palestinian elections in the coming year; Develop an integrated program to strengthen Palestinian institutions in a broad range of sectors to lay the foundations for statehood; Take immediate action to address the humanitarian crisis in Gaza; Conduct a public outreach and strategic communications effort in the Middle East outlining U.S. regional strategy, with increased attention to Israeli public opinion.” *Brian Katulis is a Senior Fellow at the Center for American Progress, where his work focuses on U.S. national security policy with an emphasis on the Middle East, Iraq, the Arab-Israeli conflict, and Pakistan.*

WHICH PATH TO PERSIA? OPTIONS FOR A NEW AMERICAN STRATEGY TOWARD IRAN

Pollack, Kenneth M., et. al. Saban Center for Middle East Policy, The Brookings Institution. June 2009.
http://www.brookings.edu/~media/Files/rc/papers/2009/06_iran_strategy/06_iran_strategy.pdf

“What should the United States do about Iran? For nearly 30 years, Washington has had difficulty coming up with a good answer. The Islamic Republic presents a particularly confounding series of challenges for the United States. Many Iranian leaders regard the United States as their greatest enemy for ideological, nationalistic, and/or security reasons, while a great many average Iranians evince the most pro-American feelings of any in the Muslim world. The central purpose of this monograph is to try to present the most important policy options available to the United States to craft a new strategy toward Iran, and to do so in a dispassionate, objective fashion.” *Kenneth Pollack is Director of Research at the Saban Center for Middle East Policy at Brookings Institution.*

IRAN: U.S. CONCERNS AND POLICY RESPONSES

Katzman, Kenneth. Congressional Research Service, Library of Congress. July 10, 2009 [PDF format, 62 pages]
<http://fas.org/sqp/crs/mideast/RL32048.pdf>

"President Obama has said his Administration shares the goals of the previous Administration to contain Iran's strategic capabilities and regional influence, but the Obama Administration has formulated approaches to achieve those goals that differ from those of its predecessor—in particular through expanded direct diplomatic engagement with Iran. This effort was put into practice with messages to the Iranian people by President Obama, and through invitations to and contact with Iranian diplomats at multilateral meetings, including those on Iran's nuclear program. The Administration's Iran policy is in flux because of the Iranian crackdown against protesters who alleged vast fraud in the June 12, 2009 presidential election. The unrest represents the most serious challenge, to date, to the regime's authority, but virtually no observer predicts its imminent demise. President Obama has criticized Iran's use of violence against protesters, but some in the Administration want to take advantage of Iran's internal weakness to obtain a compromise that curbs Iran's nuclear program. The Administration has indicated that, if Iran refuses to return to the nuclear bargaining table by September 2009, it would return to working with allies to

resume sanctioning and pressuring Iran. The Obama Administration has not changed the previous Administration's characterization of Iran as a "profound threat to U.S. national security interests," a perception generated not only by Iran's nuclear program but also by its military assistance to armed groups in Iraq and Afghanistan, to the Palestinian group Hamas, and to Lebanese Hezbollah. The crux of the U.S. policy approach was to persuade Iran to limit its nuclear program by applying progressive multilateral economic pressure on Iran while also offering it potential cooperation should it suspend its enrichment of uranium." *Kenneth Katzman is an Specialist in Middle Eastern Affairs from the CRS.*

DANGEROUS BUT NOT OMNIPOTENT: EXPLORING THE REACH AND LIMITATIONS OF IRANIAN POWER IN THE MIDDLE EAST

Wehrey, Frederic. Rand Corporation. May 2009 [PDF Format, 233 pages]

http://www.rand.org/pubs/monographs/2009/RAND_MG781.pdf

"Following the U.S. invasions of Iraq and Afghanistan, the Iranian threat to U.S. interests has taken on seemingly unprecedented qualities of aggressiveness and urgency. Added to its provocative positions on the nuclear program, support for non-state militants, and development of threatening military capabilities is the sense that Iran is trying to effect far-reaching changes on the regional and even global stage. Within this context, this report aims to provide policy planners with a new framework for anticipating and preparing for the strategic challenges Iran will present over the next ten to fifteen years. In an analysis grounded in the observation that although Iranian power projection is marked by strengths, it also has serious liabilities and limitations, this report assesses four critical areas — the Iranian regime's perception of itself as a regional and even global power, Iran's conventional military buildup and aspirations for asymmetric warfare, its support to Islamist militant groups, and its appeal to Arab public opinion. Based on this assessment, the report offers a new U.S. policy paradigm that seeks to manage the challenges Iran presents through the exploitation of regional barriers to its power and sources of caution in the regime's strategic calculus." *Frederic Wehrey is an Adjunct Senior Policy Analyst with Rand Corporation.*

JUSTICE INTERRUPTED: HISTORICAL PERSPECTIVES ON PROMOTING DEMOCRACY IN THE MIDDLE EAST

Thompson, Elizabeth F. U.S. Institute of Peace. June 2009. [Note: contains copyright material] [PDF format, 12 pages]

<http://library.usip.org/articles/1012235.1110/1.PDF>

According to the author two worlds have remained separate in recent years: academic history of the Middle East and foreign policymaking in the region. "For the new administration, the Arabs' experience of "justice interrupted" after World War I can still be a useful touchstone for promoting democracy in the region. This precedent alerts us that foreign intervention can spark a deep-seated and negative political reaction in the postcolonial Arab world and that reform in Arab politics must begin with respect for national sovereignty. It also reminds us that constitutionalism and the desire to participate in the community of international law are enduring values in Arab politics...Today, in 2009, the new administration could use historical precedent to set Middle East policy on a new track. The most powerful precedent, in the eyes of Iraqis and their Arab neighbors, is World War I, not World War II. At that time, Arabs rallied to President Woodrow Wilson's promises of liberation and self-determination. After the war, Arabs convened a constitutional congress in a bid to build their own state upon the cinders of the Ottoman Empire. Their representative at the Paris Peace Conference, where they hoped to find support for their independent state, was the Arab Prince Faysal, friend of

T.E. Lawrence (Lawrence of Arabia). To Arabs, justice was denied when the British and French instead decided to occupy their lands. That point in Arab political history is as significant as the 1941 bombing of Pearl Harbor is in American history. Any new plan to promote democracy in the Arab world must begin by recouping this moment of "justice interrupted" ninety years ago." *Elisabeth F. Thompson is an associate professor of history at the University of Virginia.*

U.S. ALLIANCES AND EMERGING PARTNERSHIPS IN SOUTHEAST ASIA

Southeast Asia Initiative, Center for Strategic and International Studies. July 13, 2009 [PDF format, 97 pages]

http://csis.org/files/publication/090710_southeast_asia_alliances_partnerships.pdf

"Hillary Clinton's visit to Indonesia on her first trip abroad as U.S. secretary of state signaled that the Obama administration intends to pay renewed attention to Southeast Asia, a region with over 550 million people, the world's largest Muslim nation, an economy of over \$1 trillion, and some of the world's most strategic waterways. This is a welcome development due to the significance of U.S. interests in the region. U.S.–Southeast Asia trade amounts to over \$200 billion annually, and U.S. cumulative investment in the region is valued at over \$100 billion. Perhaps more importantly, Southeast Asia is a region likely to play a critical role in determining the future of Asia and whether the United States can sustain itself as an Asia-Pacific power. Enhanced U.S. engagement with Southeast Asia will naturally involve greater attention to the Association of Southeast Asian Nations (ASEAN) and other multilateral forums, but key U.S. interests in the region will continue to be pursued through bilateral partnerships. This will include not only U.S. treaty allies—Thailand and the Philippines—but also key emerging players, particularly Indonesia, Malaysia, Singapore, and Vietnam. This report assesses the health and potential of these partnerships and offers recommendations to incoming policymakers as they consider the way forward in U.S. policy toward the region."

NORTH KOREA'S NUCLEAR AND MISSILE TESTS AND THE SIX-PARTY TALKS: WHERE DO WE GO FROM HERE?

Testimony of Richard C. Bush before the U.S. House of Representatives, Subcommittees on Asia, the Pacific and the Global Environment and on Terrorism, Nonproliferation and Trade. June 17, 2009 [PDF format, 10 pages]

http://www.brookings.edu/~media/Files/rc/testimonies/2009/0617_north_korea_bush/0617_north_korea_bush_written.pdf

In testimony before Congress, Dr. Richard Bush, Senior Fellow and Director of the Center for Northeast Asian Policy Studies at the Brookings Institution, describes how North Korea's recent nuclear and missile tests have transformed the challenge faced by the international system. "There was always some question as to whether the Democratic People's Republic of Korea (DPRK) would ever give up its nuclear weapons. After all, it believes that overwhelming American power renders it profoundly insecure and it has nowhere to turn for defense support that is credible. Like Great Britain, France, and China during the Cold War, North Korea decided about thirty years ago to pursue a weapons capability. The efforts to reverse that course through negotiations, while not perfect, were serious and made progress. Despite those efforts and the initial stance of the Obama Administration, which gave the DPRK every reason to continue engagement, Pyongyang had decided to base its security on nuclear weapons and the means to deliver them... North Korea's choice exacerbates two dangers. The first is that it might transfer nuclear technology, fissile materials, and/or nuclear weapons themselves to countries or parties that are hostile to the United States, thus exacerbating security challenges we already face. The other is that

Pyongyang's pursuit of a nuclear deterrent transforms the security situation in Northeast Asia, a region for which the United States has always taken a special responsibility. These two dangers led first the Clinton Administration and then the Bush Administration to seek a negotiated end to the DPRK's nuclear programs—to no avail."

A SHARED SECURITY STRATEGY FOR A EURO-ATLANTIC PARTNERSHIP OF EQUALS

Serfaty, Simon; Biscop, Sven. Center for Strategic and International Studies (CSIS). July 20, 2009 [PDF format, 25 pages]

http://csis.org/files/publication/090715_Serfaty_SharedSecurity_Web.pdf

"This is a decisive period for the institutions of the Euro-Atlantic community and the 34 member states that belong to either the European Union or NATO (or both). Traditional concerns—security, economic, political, and societal—have become bundled into challenges that cannot be addressed by any single nation or institution. Capabilities, too, need to be bundled in a comprehensive approach that combines hard and soft power into smart power, to be used by the states and institutions that can best provide those capabilities. Americans and Europeans must work together, therefore, to develop comprehensive approaches to today's challenges to ensure that tomorrow's solutions are effective for them and the rest of the world. Consequently, this is an opportune moment to pursue the development of a shared Euro-Atlantic security strategy for a rebalanced partnership, through different but converging national and institutional venues: NATO, which will establish a committee of "wise men" to draft a new strategic concept; the United States, which is expected to release a new National Security Strategy later in 2009; and the European Union, which should take its strategic thinking forward and regard the 2008 Implementation Report as the start rather than the end of a process." *Simon Serfaty is the Zbigniew Brzezinski Chair in Global Security and Geostrategy, Senior Adviser for the Europe Program at CSIS. Sven Biscop is director of the Security and Global Governance Program at the Royal Institute for International Relations in Brussels.*

COUNTING THE COSTS OF SOMALI PIRACY

Gilpin, Raymond. U.S. Institute of Peace (USIP). July 2009 [PDF format, 20 pages]

http://www.usip.org/files/resources/1_0.pdf

"The upsurge in attacks by Somali pirates between 2005 and mid-2009 reflects decades of political unrest, maritime lawlessness and severe economic decline. Piracy has dire implications for economic development and political stability in Somalia, with economic prospects constrained, business confidence compromised and human security worsening. It could also have a destabilizing effect on global trade and security unless immediate steps are taken to craft a coordinated strategy to address the complex factors that trigger and sustain crime and impunity on the high seas. However, poorly designed and implemented strategies could inadvertently strengthen the hand of extremists in and around Somalia. The Somali authorities and their international partners should plan for a sustained application of "smart power" by all stakeholders. This paper offers practical strategies to mitigate the rising costs of Somali piracy and lay the foundation for lasting peace." *Dr. Raymond Gilpin is Associate Vice President for USIP's Sustainable Economies Center of Innovation. He leads the Institute's work on analyzing complex economic relationships during all stages of conflict.*

BEYOND BULLETS: STRATEGIES FOR COUNTERING VIOLENT EXTREMISM

Center for a New American Security. June 2009. [PDF format, 127 pages]

http://www.cnas.org/files/documents/publications/LordNaglRosen_Beyond%20Bullets%20Edited%20Volume_June09_0.pdf

"To counter the threat from violent Islamist extremism more effectively, the Center for a New American Security launched a strategy development process modeled after President Eisenhower's Project Solarium. The editors asked five experts to recast the effort to defeat

al-Qaeda in sustainable terms consistent with American values. The result is a series of essays, produced in this report, that recommend a rich array of counterterrorism tools and strategies for the new administration. Kristin Lord, John Nagl, and Seth Rosen present a comprehensive strategy to combat violent Islamist extremism. David Kilcullen recommends a "balanced response" that disaggregates disparate Islamist groups and recalibrates the civilian and military tools of U.S. power. Larry Diamond focuses on democratization in the Arab world as a means to staunch the supply of violent extremists and the grievances that inspire them. Camille Pecastaing suggests that the U.S. government dismantle the "war on terror," relegate counterterrorism to the jurisdiction of technical government agencies, and educate the American public about the true nature of the threat. Harvey Sapolsky proposes a reduction of U.S. military deployments in order to undercut extremist propaganda and conserve limited resources. Finally, Daniel Benjamin presents a counter terrorism strategy that would recommit the United States to international legal standards and to expand civilian tools of government, while continuing to track down Al Qaeda."

FOOD SECURITY ASSESSMENT, 2008-09

Economic Research Service, U.S. Department of Agriculture. June 2009 [PDF format, 58 pages]

<http://www.ers.usda.gov/Publications/GFA20/GFA20.pdf>

Food security in 70 developing countries is projected to deteriorate over the next decade, according to report. After rising nearly 11 percent from 2007 to 2008, the number of food-insecure people in the developing countries is estimated to rise to 833 million in 2009, an almost 2-percent rise from 2008 to 2009. Despite a decline in food prices in late 2008, deteriorating purchasing power and food security are expected in 2009 because of the growing financial deficits and higher inflation that have occurred in recent years. "The slow pace or lack of progress in improving food insecurity in lower income countries raised concerns even before the current economic downturn. While the full consequences of the current global economic downturn are not known, for lower income countries food-security problems are expected to worsen. Another concern is the linkage between food insecurity and political unrest, with human costs that are staggering. Establishing the causal relationship between food insecurity, poverty, and political unrest is not straightforward, but the experience in a number of food-insecure countries indicates that political instability often emerges in poorer countries where the safety net programs are weakest. In sum, food security is one of the foundations for "social security." Short-term food insecurity mitigation and prevention should be combined with long-term food-security strategies. This report also includes a special article, "Developing Countries Face Urbanization Growth, Food-Security Worries, and Food Safety Challenges", which reviews the impact of the rise in urbanization in all developing countries by 2030."

ARTICLES

U.S. FOREIGN POLICY TOWARD SYRIA: BALANCING IDEOLOGY AND NATIONAL INTERESTS

Sadat, Mir H.; Jones, Daniel B. *Middle East Policy*. Summer 2009, pp.93-105.

"Situated between the current flashpoint of Iraq and the perennial hotspots of Israel-Palestine, Lebanon and Iran, Syria is in a position to either advance or hinder U.S. goals in the Middle East. However, the United States has not executed a foreign policy toward Syria that benefits from this opportunity. America has been unable to develop and maintain a consistent position toward Syria. Instead, divergent impulses have guided American policy with regard to that state. This paper examines the theoretical basis of U.S. foreign policy

toward Syria and provides a brief evaluation of which approach would be more effective for the Obama administration. We start with an examination of the realist influences on foreign policy toward Syria during the presidential administrations of Ronald Reagan, George H.W. Bush and Bill Clinton. It proceeds to the idealistic influences of neoconservatives' on policy toward Syria during the administration of President George W. Bush. The paper ends with a discussion of the potential for a return to realism or liberalism in foreign policy toward Syria during President Barack Obama's administration. We recommend an overall moderate-realist approach mixed with liberal approaches in specific instances. A U.S. foreign policy based on idealism over national interests needs to be carefully reconsidered." *Dr. Mir H. Sadat, a Middle East and Southwest Asia specialist, is a faculty member in the School of Intelligence Studies at the National Defense Intelligence College in Washington, D.C. LTC Jones serves as a strategic intelligence officer in the U.S. Army.*

TEHRAN'S TAKE: UNDERSTANDING IRAN'S U.S. POLICY

Milani, Moshen M. *Foreign Affairs*. July/August 2009, pp.46-64.

"Iran's foreign policy is often portrayed in sensationalistic terms: mad mullahs, apocalyptic delusions, untamable nuclear ambitions. But Iran's ruling ayatollahs are following a clear strategic logic: ensuring the survival of the Islamic Republic against what they think is an existential threat posed by the United States. The main goals of Iran's U.S. policy are to deter Washington from attacking Iran, counter Washington's containment strategy, and expand Tehran's influence in the Middle East. To deter any possible military actions by the United States and its allies, Iran is improving its retaliatory capabilities by developing the means to pursue asymmetric, low-intensity warfare, both inside and outside the country; modernizing its weapons; building indigenous missile and antimissile systems; and developing a nuclear program while cultivating doubts about its exact capability. And to neutralize the United States' attempts to contain it, the Iranian government is both undermining U.S. interests and increasing its own power in the vast region that stretches from the Levant and the Persian Gulf to the Caucasus and Central Asia. Although it is being careful to avoid a military confrontation with the United States, Tehran is maneuvering to prevent Washington from leading a united front against it and strategically using Iran's oil and gas resources to reward its friends." *Mohsen M. Milani is Professor of Politics and Chair of the Department of Government and International Affairs at the University of South Florida in Tampa.*

CONTAINING IRAN?: AVOIDING A TWO-DIMENSIONAL STRATEGY IN A FOUR-DIMENSIONAL REGION

Kaye, Dalia Dassa; Wehrey, Frederic. *The Washington Quarterly*. July 2009, pp. 37-53.
http://www.twq.com/09july/docs/09jul_KayeWehrey.pdf

"One of the most significant effects of the Iraq war is Iran's seemingly unprecedented influence and freedom of action in regional affairs, presenting new strategic challenges for the United States and its regional allies. Although Middle Eastern governments and the United States are in general agreement about diagnosing Tehran's activism as the war's most alarming consequence, they disagree on how to respond. The conventional U.S. view suggests that a new Arab consensus has been prompted to neutralize and counter Tehran's rising influence across the region in Gaza, the Gulf, Iraq, and Lebanon. Parallels to Cold War containment are clear. Indeed, whether consciously or unwittingly, U.S. policy has been replicating features of the Cold War model by trying to build a "moderate" Sunni Arab front to bolster U.S. efforts to counter Iranian influence. Despite signals that the Obama administration intends to expand U.S. engagement with Iran, the foundations of containment are deeply rooted and engender bipartisan backing from Congress. Even if the

Obama administration desires to shift U.S. policy toward Iran, containment policies will be difficult to overturn quickly; if engagement with Iran fails, reliance on containment will only increase." *Dalia Dassa Kaye is a senior political scientist and associate director of the Center for Middle East Public Policy at RAND Corporation. Frederic Wehrey is an adjunct senior policy analyst with RAND.*

A COUNTERTERRORISM STRATEGY FOR THE OBAMA ADMINISTRATION

Hoffman, Bruce. *Terrorism and Political Violence*. July 2009. pp. 359-377.

This article assesses the scope and nature of the current terrorist threat to the United States and suggests a strategy to counter it. Al-Qaeda is most dangerous when it has a safe haven from which to plant and plot attacks. It has acquired such a haven in Pakistan's Federal Administered Tribal Areas and its North-West Frontier Province and nearby areas, concludes terrorism expert Bruce Hoffman. During 2008 al-Qaeda was able to re-group and re-organize in these lawless regions along the Afghan-Pakistan border, once again having a sanctuary in which it can operate, while marshalling its forces to continue its struggle with the U.S. The highest priority for the new administration and U.S. allies is to refocus on Afghanistan and Pakistan, Hoffman says; part of any counterterrorism strategy must include an understanding that al-Qaeda and its local affiliates cannot be defeated by military means alone. At its basic level, a new strategy requires two major requirements -- a military capability to systematically destroy and weaken enemy capabilities, and the means to break the cycle of terrorist recruitment and effectively counter al-Qaeda's information operations. This article first discusses the scope and details of the terrorist threat today and then proposes a counterterrorism strategy for the new presidential administration. It focuses first on creating a micro approach to address the deteriorating situation in both Afghanistan and Pakistan. It then considers the requirements of a broader macro strategy to counter terrorism and insurgency. *Bruce Hoffman is a Professor at Georgetown University's School of Foreign Service, Washington DC.*

THE DANGERS OF DIPLOMATIC DISENGAGEMENT IN COUNTERTERRORISM

Tara Maller. *Studies in Conflict and Terrorism*. June 2009, pp. 511-536.

"This article assesses the utility of diplomatic sanctions in U.S. counterterrorism efforts. Through an examination of the United States' use of diplomatic sanctions in Afghanistan and Sudan in the 1990s, the article argues that diplomatic disengagement runs the danger of being more costly than beneficial. The blowback from diplomatic disengagement in counterterrorism includes, but is not limited to, the loss of valuable intelligence, a diminished public diplomacy capability, and the potential radicalization of moderates in the target regime. The article also highlights some of the general benefits of diplomatic engagement with problematic regimes and closes with recommendations aimed at enhancing the role of diplomacy in both counterterrorism and non-proliferation foreign policies." *Tara Maller, Security Studies Program, Massachusetts Institute of Technology, Cambridge, MA.*

INFLUENCE WARFARE AND MODERN TERRORISM

Forest, James J. F. *Georgetown Journal of International Affairs*. Winter/Spring 2009, pp. 81-89.

The author examines the sophisticated use of different forms of communication by al-Qaeda on the Internet. Using Web sites, blogs, videos, and other Internet tools, al-Qaeda attempts to convince their audiences that the righteousness of their cause justifies their violent attacks. A challenge for the U.S. is to develop a new information strategy that will

undermine and discredit al-Qaeda's rationales for violence. The U.S. must use all available media, including the Internet, to craft and deliver messages that discredit al-Qaida's violent ideology. American efforts in strategic communication are currently scattered across many overlapping government entities and should be more centrally coordinated. *James J. Forest is director of Terrorism Studies and associate professor in the Combating Terrorism Center at West Point. This article draws from his new book, Influence Warfare: How Terrorists and Governments Fight to Shape Perceptions in a War of Ideas, which will be published (Praeger, 2009).*

CHINA'S ECONOMIC AND POLITICAL RISE: IMPLICATIONS FOR GLOBAL TERRORISM AND U.S.-CHINA COOPERATION

Smith, Paul J. *Studies in Conflict and Terrorism*. July 2009, pp. 627-645.

"As a rising power in the international system, China is discovering that, like many states before it, the ascendancy to great power status sometimes entails significant terrorism risks. Recent attacks against Chinese nationals (or commercial interests) in Africa, Central Asia, and South Asia appear to reflect this trend. In addition, since the early 1990s, China has endured a series of violent attacks emanating from (or associated with) its restive northwest Xinjiang Uighur Autonomous Region (XUAR). Beijing's search for energy security and its associated commercial activities in the Middle East, Africa, South Asia and Central Asia suggests that terrorism risks for China may increase in the future. In the wake of the 9/11 attacks in the United States and U.S.-Chinese counterterrorism cooperation prior to and during the 2008 Olympic Games, Washington and Beijing have discovered they have many common interests in countering the global threat of terrorism. However, for long-term cooperation to be sustained, the two countries must overcome or manage various disagreements on issues related to terrorism and the larger challenges associated with geopolitical competition. If these differences can be mitigated or resolved, China and the United States may be ideally positioned to establish a powerful and long-term bulwark against international terrorism and the instability that it promotes." *Paul J. Smith is an Associate Professor at the U.S. Naval War College.*

SHAPING THE CHOICES OF A RISING CHINA: RECENT LESSONS FOR THE OBAMA ADMINISTRATION

Christensen, Thomas J. *The Washington Quarterly*. July 2009, pp.89-104.

http://www.twq.com/09july/docs/09jul_Christensen.pdf

"What does China want and what does the United States want from China? There is a broad national consensus within China across diverse segments of society and different intellectual orientations that the nation should increase its power and influence on the international stage. The key question is what mix of policies China should use to increase that influence: economic growth and greater integration with regional and global economies; diplomatic activism designed to reassure China's nervous neighbors and help solve regional and global problems; and/or military coercion against actors with whom China has been brewing territorial or political disputes? China's answers to these questions will have enormous repercussions for the region and the world. The United States can best influence these choices by maintaining the current two-pronged strategy: a strong U.S. presence in Asian security and political affairs to discourage the use of coercion by China when resolving its disputes, and active diplomatic engagement to encourage China to seek greater influence through constructive economic and diplomatic policies." *Thomas J. Christensen is a professor of politics and international affairs and the director of the China and the World Program, which is a joint venture between Princeton and Harvard Universities.*

THINK AGAIN: ASIA'S RISE

Pei, Minxin. *Foreign Policy*. July 2009

http://www.foreignpolicy.com/articles/2009/06/22/think_again_asias_rise?page=0.0

"Those who think Asia's gains in hard power will inevitably lead to its geopolitical dominance might also want to look at another crucial ingredient of clout: ideas. Pax Americana was made possible not only by the overwhelming economic and military might of the United States but also by a set of visionary ideas: free trade, Wilsonian liberalism, and multilateral institutions. Although Asia today may have the world's most dynamic economies, it does not seem to play an equally inspiring role as a thought leader. The big idea animating Asians now is empowerment; Asians rightly feel proud that they are making a new industrial revolution. But self-confidence is not an ideology, and the much-touted Asian model of development does not seem to be an exportable product...Asia is poised to increase its geopolitical and economic influence rapidly in the decades to come. It has already become one of the pillars of the international order. But in thinking about Asia's future, let's not get ahead of ourselves. Its economic ascent is not written in the stars. And given the cultural differences and history of intense rivalry among the region's countries, Asia is unlikely to achieve any degree of regional political unity and evolve into an EU-like entity in our lifetime. All told, Asia's rise should present more opportunities than threats. The region's growth not only has lifted hundreds of millions out of poverty, but also will increase demand for Western products. Its internal fissures will allow the United States to check the geopolitical influence of potential rivals such as China and Russia with manageable costs and risks." *Minxin Pei is senior associate at the Carnegie Endowment for International Peace.*

THE OBAMA ADMINISTRATION AND THE AMERICAS: A PROMISING START

Lowenthal, Abraham F. *The Washington Quarterly*. July 2009, pp. 119-136.

http://www.twq.com/09july/docs/09jul_Lowenthal.pdf

"Why has the new administration taken such a strong initial interest in Latin America and the Caribbean? What are the premises, principles, and priorities for the Obama administration in the Americas? What should be its next steps? The main reason for the Obama administration's strong early engagement with Latin America is the new team's perception that, although the countries of Latin America and the Caribbean pose no urgent issues for the United States, many of them will in fact be increasingly important to this country's future. First, such transnational issues as energy security, global warming, and other environmental concerns, crime, narcotics, and public health are increasingly important. Second, borders between the United States and some of its closest neighbors have been blurred by massive and sustained migration. Third, Latin America is economically important to the United States as a prime source of energy and other key resources, and as a priority market for U.S. goods and services. And finally, there are shared values in the Western Hemisphere, as expressed in the Inter-American Democratic Charter, especially a commitment to fundamental human rights including free political expression, effective democratic governance, and consistent application of the rule of law." *Dr. Abraham F. Lowenthal is professor of international relations at the University of Southern California. He is also president emeritus of the Pacific Council on International Policy, and the founding director of the Inter-American Dialogue.*

PROTECTING THE PROTECTORS: NGO ACTION AND THE RESPONSIBILITY TO PROTECT

Benjamin, Dave. *International Journal on World Peace*. March 2009, pp. 31-50.

According to the author, nongovernmental organizations (NGOs) and international nongovernmental organizations (INGOs) are facing increasing threats as internal conflict in states rises. Benjamin says that as NGOs and INGOs play a bigger role in shaping international humanitarian policy, they become more vulnerable. Because NGOs have no official ties to any government, Benjamin says they cannot rely on protection by the UN or under international law. The author also notes that NGOs can fall prey to internal conflicts, and often fall into the habit of promoting reforms based on Western economic models and can overlook local, older social structures and norms. He notes that NGOs and INGOs walk a fine line between humanitarian intervention and cultural chauvinism; they are playing an increasingly important role in shaping the framework for countries with internal conflicts. Despite the pitfalls, Benjamin says NGOs and INGOs have great potential for "preserving the peace, protecting the vulnerable, and securing humanity's common future," and for this reason, they should be afforded the same protections as states and individuals. The article examines the more involved role of NGOs in crisis zones and fragile states and enquires into whether there is a case to be made that NGO field agents be accorded the same protection in international law that is enjoyed by international civil servants including United Nations personnel. *Dave Benjamin is an assistant professor of international political economy at the University of Bridgeport in Connecticut.*

TOWARD A THIRD GENERATION OF INTERNATIONAL INSTITUTIONS: OBAMA'S UN POLICY

Weiss, Thomas G. *The Washington Quarterly*. July 2009, pp. 141-162.
http://www.twq.com/09july/docs/09jul_Weiss.pdf

"The fundamental disconnect between the nature of many global problems and the current inadequate structures for international problem solving and decision-making goes a long way toward explaining fitful, tactical, and short-term local responses to challenges that require sustained, strategic, and longer-term global thinking and action. For all of its warts, the UN is the closest approximation to a central institutional presence on the global stage. The world organization urgently requires strengthening to become, in Obama's own description, a global institution that works, not the current G-7 and G-8 or an upgraded G-20 version to include emerging powers, not ad hoc coalitions of the willing or Robert Kagan's "League of Democracies," but a universal global body. Anything less constitutes wishful thinking to escape from the complexities of addressing daunting global challenges... In the aftermath of World War II, Washington led the effort to construct a second generation of international organizations on the ashes of the first, the League of Nations. Does the United States now require a comparable calamity to demonstrate the abject poverty of current thinking? Is such a disaster necessary to catalyze a transformation of the current feeble system of what many of us now call "global governance," the patchwork of formal and informal arrangements among states, international agencies, and public-private partnerships, into something with at least some supranational attributes?" *Thomas G. Weiss is presidential professor of political science at The City University of New York's Graduate Center and director of the Ralph Bunche Institute for International Studies, where he is co director of the United Nations Intellectual History Project.*

PIRATES, THEN AND NOW: HOW PIRACY WAS DEFEATED IN THE PAST AND CAN BE AGAIN

Boor, Max. *Foreign Affairs*. July/August, 2009, pp. 94-109.

"To defeat piracy in centuries past, governments pursued a more active defense at sea and a political solution on land. The current piracy epidemic off the coast of East Africa requires many of the same tactics. Piracy off the coast of East Africa is growing at an alarming rate,

with 41 ships attacked in 2007, 122 in 2008, and 102 as of mid-May 2009. The more high-profile captures include a Saudi supertanker full of oil and a Ukrainian freighter loaded with tanks and other weapons. An estimated 19 ships and more than 300 crew members are still being held by pirates who are awaiting ransom payments from ship owners or insurers. Such fees have been estimated to total more than \$100 million in recent years, making piracy one of the most lucrative industries and pirates one of the biggest employers in Somalia, a country with a per capita GDP of \$600. This question of how to try and process pirates is closely related to the problem of how to deal with terrorists, another species of international outlaw. With the detention policies of former U.S. President George W. Bush generating endless adverse publicity, neither the Obama administration nor any other Western government is eager to hold suspected pirates or terrorists. "No one wants a Guantánamo on the sea," the German defense minister, Franz Josef Jung, said last year. But nor does anyone want to simply set predators loose to strike again. One option would be to negotiate an international agreement that would allow the processing and detention of pirates and terrorists through legal venues such as the International Criminal Court or a specially created tribunal. Failing that, the United States and other states should use their national courts to try pirates, much as a U.S. court in New York is now hearing the case of one of the pirates who attacked the Maersk Alabama. Under laws that date back to the nineteenth century, U.S. courts have the authority to try pirates even if they did not attack U.S. vessels." *Max Boot is Jeane J. Kirkpatrick Senior Fellow for National Security Studies at the Council on Foreign Relations.*

OBAMA AND AFRICA: MATCHING EXPECTATIONS TO REALITY

Lyman, Princeton; Robinette, Kathryn. *Journal of International Affairs*. Spring/Summer 2009, pp. 1-18.

Lyman, writes that the election of President Obama aroused expectations in Africa that will be hard to meet. Obama has the advantage of following successful Bush policies in Africa, which tripled aid and provided care to millions of AIDS sufferers. But Obama must preserve Bush's gains: if aid to Africa remains static, he cannot respond to problems with food security, the HIV/AIDS pandemic and meeting the UN's Millennium Development Goals. Obama will also have to address climate change, counterterrorism and peacekeeping, and resolve conflicts in Sudan and Darfur. Then, there are two things Obama must do to create a legacy of his own: First, Obama can inspire personal and institutional responsibility in Africa, and make accountability and democracy the theme of his visits. He should provide resources to good governments and institutions that foster democracy, and prosecute organizations that illegally bribe African governments. Second, Obama can develop a new trade agenda with Africa -- he should declare Africa a single trading zone, provide technical assistance necessary to develop its trade capacity, and work to open markets in India, China and Brazil. *Princeton Lyman is an adjunct senior fellow for Africa policy studies at the Council on Foreign Relations. Kathryn Robinette is a research associate at the Council on Foreign Relations.*

UNDERSTANDING THE U.S. NUCLEAR WEAPONS POLICY DEBATE

Chyba, Christopher F.; Crouch, J. D. *The Washington Quarterly*. July 2009, pp. 21-36.
http://www.twq.com/09july/docs/09jul_ChybaCrouch.pdf

"The National Defense Authorization Act of 2008 requires the U.S. secretary of defense to conduct a nuclear posture review (NPR) in consultation with the secretaries of energy and state, and to report the results to Congress before the end of 2009. The NPR, therefore, will be the Obama administration's forum for reviewing U.S. nuclear weapons policy, posture, and related programmatic and technical issues. Navigating and choosing among sharp

disagreements in each of these areas, in order to map the wisest path forward for national and international security, is a difficult task. President Barack Obama has already made decisions on a number of important nuclear issues, but the NPR will need to relate these to the overall nuclear weapons posture. How will his desire to ratify the Comprehensive Nuclear Test Ban Treaty (CTBT) relate to the size and capabilities of the U.S. nuclear weapons complex? Should the United States arm some Trident submarines with conventionally-tipped ballistic missiles? Should it pursue new arms control agreements with Russia beyond negotiating a new Strategic Arms Reduction Treaty (START)? What should medium-term U.S. objectives for strategic and non-strategic warhead numbers and types be? What about ballistic missile defense? The list of important questions is long and, unless integrated into a broader strategic vision, presents a disparate jumble of choices."

Christopher F. Chyba is professor of astrophysics and international affairs at Princeton University, where he directs the Program on Science and Global Security at the Woodrow Wilson School, and a former National Security Council staff member in the Clinton administration. J. D. Crouch is executive vice president at Qinetiq North America and was deputy national security advisor in the George W. Bush administration.

AVOIDING A NUCLEAR CROWD: HOW TO RESIST THE WEAPON'S SPREAD

Sokolski, Henry. *Policy Review*. June/July 2009.

<http://www.hoover.org/publications/policyreview/46390537.html>

"If current trends continue, in a decade or less, the United Kingdom could find its nuclear forces eclipsed not only by those of Pakistan, but of Israel and India as well. Shortly thereafter, France could share the same fate. China, which has already amassed enough separated plutonium and highly enriched uranium to easily triple its current stockpile of roughly 300 deployed nuclear warheads, also is likely to increase its deployed numbers, quietly, during the coming years. Meanwhile, over 25 states have announced their desire to build a large nuclear reactor — a key aspect of most previous nuclear weapons programs — before 2030. A decade ago, an analysis of the challenges of transitioning to a world without nuclear weapons would be dismissed as purely academic. No longer. Making total disarmament the touchstone of U.S. nuclear policy is now actively promoted by George Shultz, William Perry, Henry Kissinger, and Sam Nunn — four of the most respected American names in security policy. Most of their proposals for reducing nuclear threats, moreover, received the backing of both presidential candidates in 2008 and, now, with President Obama's arms control pronouncements in April in Prague, they have become U.S. policy." *Henry Sokolski, executive director of the Nonproliferation Policy Education Center, serves on the U.S. congressional Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism.*

LOOSE NUKES IN NEW NEIGHBORHOODS: THE NEXT GENERATION OF PROLIFERATION PREVENTION

Luongo, Kenneth N. *Arms Control Today*. May 2009, pp. 6-14.

http://www.armscontrol.org/act/2009_5/Luongo

"In the initial weeks of the Obama administration, former Vice President Dick Cheney stated that there was a 'high probability' of a terrorist attempt to use a nuclear weapon or biological agent and that 'whether they can pull it off depends on what kind of policies we put in place.' President Barack Obama, in his April 5 Prague speech, said that terrorists 'are determined to buy, build, or steal' a nuclear weapon and that the international community must work 'without delay' to ensure that they never acquire one. Obama also outlined a number of policies for locking down vulnerable nuclear material and strengthening the nuclear nonproliferation regime. If both Cheney and Obama are right, that the threat is real

and we are in a race against time, then the new administration needs to act quickly to adapt its nuclear and biological proliferation prevention strategies and threat reduction programs to combat this 21st-century challenge. This effort will require significantly increasing programmatic budgets, creating a robust globalized agenda, harmonizing U.S. government and international programs, removing bureaucratic and legal impediments to action, and utilizing new tools to defeat the new threats. The Obama administration needs to create a next-generation Global Proliferation Prevention Initiative." *Kenneth N. Luongo is president of the Partnership for Global Security and a former senior adviser on nonproliferation policy to the Secretary of Energy.*

U.S. DOMESTIC POLICY AND TRENDS

REPORTS

THE ECONOMIC CASE FOR HEALTH CARE REFORM

Council of Economic Advisors, The Executive Office of the President of the United States. June 2009 [PDF format, 56 pages]

http://www.whitehouse.gov/assets/documents/CEA_Health_Care_Report.pdf

"The Council of Economic Advisers (CEA) has undertaken a comprehensive analysis of the economic impacts of health care reform. The report provides an overview of current economic impacts of health care in the United States and a forecast of where we are headed in the absence of reform; an analysis of inefficiencies and market failures in the current health care system; a discussion of the key components of health care reform; and an analysis of the economic effects of slowing health care cost growth and expanding coverage. CEA's findings on the state of the current system lead to a natural focus on two key components of successful health care reform: (1) a genuine containment of the growth rate of health care costs, and (2) the expansion of insurance coverage. Because slowing the growth rate of health care costs is a complex and difficult process, we describe it in general terms and give specific examples of the types of reforms that could help to accomplish the necessary outcomes".

THE ECONOMIC EFFECTS OF HEALTH CARE REFORM ON SMALL BUSINESSES AND THEIR EMPLOYEES

Council of Economic Advisors, Executive Office of the President of the United States. July 25, 2009 [PDF format, 20 pages]

<http://www.whitehouse.gov/assets/documents/CEA-smallbusiness-july24.pdf>

"Small businesses play an important role in the U.S. economy and are a strong driver of job growth and innovation. But small businesses are severely disadvantaged by the current U.S. health care system relative to their larger counterparts. This report examines the challenges faced by smaller firms under the current health care system, and the likely impacts of health care reform on small businesses and the workers they employ. Small businesses pay significantly higher insurance premiums and, as a result, are far less likely to offer health insurance to their workers. Properly designed health care reform has the potential to improve the competitiveness of small businesses and the economic condition of workers in this crucial sector of the economy."

PREPARING THE WORKERS OF TODAY FOR THE JOBS OF TOMORROW

Council of Economic Advisors, The Executive Office of the President of the United States.
July 13, 2009 [PDF format, 30 pages]

http://www.whitehouse.gov/assets/documents/Jobs_of_the_Future.pdf

In this report, the President's Council of Economic Advisers (CEA) presents a projection of potential developments in the U.S. labor market over the next five to ten years and discusses the preparations necessary to develop the 21st century workforce. "We discuss the skills that will likely be most relevant in growing occupations, the value and limitations of our current post-high school education and training systems, and the characteristics of a more effective education and training structure. This report examines the sectors that are expected to grow and develop over the next several years. The American Recovery and Reinvestment Act (ARRA) will create new opportunities in already-expanding industries such as health care and education, and also will create new opportunities in fledgling industries, such as renewable energy production and distribution."

FINANCIAL REGULATORY REFORM: A NEW FOUNDATION

Department of the Treasury. June 17, 2009 [PDF format, 89 pages]

http://www.financialstability.gov/docs/regs/FinalReport_web.pdf

"Over the past two years we have faced the most severe financial crisis since the Great Depression. While this crisis had many causes, it is clear now that the government could have done more to prevent many of these problems from growing out of control and threatening the stability of our financial system. Gaps and weaknesses in the supervision and regulation of financial firms presented challenges to our government's ability to monitor, prevent, or address risks as they built up in the system. In the following report, we propose reforms to meet five key objectives: (1) Promote robust supervision and regulation of financial firms; (2) Establish comprehensive supervision of financial markets; (3) Protect consumers and investors from financial abuse; (4) Provide the government with the tools it needs to manage financial crises; (5) Raise international regulatory standards and improve international cooperation. In addition to substantive reforms of the authorities and practices of regulation and supervision, the proposals contained in this report entail a significant restructuring of our regulatory system. We propose the creation of a Financial Services Oversight Council, chaired by Treasury and including the heads of the principal federal financial regulators as members. We also propose the creation of two new agencies. We propose the creation of the Consumer Financial Protection Agency, which will be an independent entity dedicated to consumer protection in credit, savings, and payments markets. We also propose the creation of the National Bank Supervisor, which will be a single agency with separate status in Treasury with responsibility for federally chartered depository institutions. To promote national coordination in the insurance sector, we propose the creation of an Office of National Insurance within Treasury."

THE SMALL BUSINESS ECONOMY: A REPORT TO THE PRESIDENT 2009

U.S. Small Business Administration. July 2009 [PDF format, 160 pages]

http://www.sba.gov/advo/research/sb_econ2009.pdf

"The 2009 edition of *The Small Business Economy* reviews the economic environment and, to the extent that data are available, how small firms fared in the recessionary economy and financial markets of 2008. Small businesses create most of the nation's new jobs, employ about half of the nation's private sector work force, and provide half of the nation's nonfarm, private real gross domestic product (GDP), as well as a significant share of innovations. In 2008, with the rest of the economy, they faced a deepening recession. As the new year began, the incoming administration sought to counteract the falling aggregate

demand through a massive stimulus package that invested in infrastructure development, educational facility improvements, broadband access, scientific research, and tax incentives. The stimulus also increased funding for guaranteed loans and other initiatives of the U.S. Small Business Administration in the hope of boosting small business growth. The report briefly summarizes several of the current challenges faced by small firms, including access to capital, the cost and availability of health insurance, retaining a quality work force, global competition, and concerns about taxes, regulation, and federal procurement. Small firms also make important contributions to the economy through innovations and the creation of jobs, enterprises, and entire new industries. In sum, small firms struggled mightily in the recessionary economy of 2008—and if the past is an indication, they will likely help lead the economic recovery.”

THE US FINANCIAL AND ECONOMIC CRISIS; WHERE DOES IT STAND AND WHERE DO WE GO FROM HERE?

Baily, Martin Neil; Elliott, Douglas J. Initiative on Business and Public Policy, Brookings Institution. June 15, 2009. [PDF format, 26 pages]

http://www.brookings.edu/~media/Files/rc/papers/2009/0615_economic_crisis_baily_elliott/0615_economic_crisis_baily_elliott.pdf

The economy is showing signs that it is likely bottoming out and heading toward a weak recovery, but the U.S. needs to keep optimism and keep policy actions in check, argue the authors. Many risks remain for both the banking system and the larger economy, and they argue for increased focus on existing financial rescue plans and the banking sector. “Public policy must remain focused on the very real possibility that the apparent easing in the economy’s decline may be followed by little or no growth for several quarters and there could possibly be another negative turn. The global economy could be a significant drag on US growth. If in fact the economy remains stuck in first gear for far too long, this will exacerbate the problems with unemployment and mortgage foreclosures. In the face of this risk, economic and financial policy over the next few months should emphasize, first, the execution of existing initiatives, many of which remain in early stages, and, second, contingency plans in case things go badly. This paper will review where we stand with the economy and the financial crisis, the likeliest path forward, and the risks to that relatively optimistic view.” *Martin Neil Baily is a Senior Fellow on Economic Studies and the Bernard L. Schwartz Chair in Economic Policy Development at the Brookings Institution. Douglas J. Elliot is a Fellow on Economic Studies at the Brookings Initiative on Business and Public Policy.*

UPS AND DOWNS: DOES THE AMERICAN ECONOMY STILL PROMOTE UPWARD MOBILITY?

Rose, Stephen J.; Winship, Scott. Economic Mobility Project, Pew Charitable Trusts. June 18, 2009 [PDF format, 38 pages]

http://www.pewtrusts.org/uploadedFiles/wwwpewtrustsorg/Reports/Economic_Mobility/EMP%20Ups%20and%20Downs%20Full%20Report.pdf

“This report investigates the extent to which the U.S. economy promotes upward economic mobility (in the form of income growth) and prevents downward economic mobility (in the form of income declines), and whether it does so to the same degree as in the past. There is widespread consensus that the current recession is likely to affect more families than any since the Great Depression. But more fundamental than the impact of any one recession is whether the United States has entered an era in which families must permanently lower their expectations for income growth and brace themselves for more and bigger income losses. The findings indicate that the American economy promotes upward mobility over

two- and ten-year periods just as well as it has in the past. Americans are no more likely to experience income drops than they have been in the past, and they recover from those drops at similar rates". *Steven J. Rose is President of Rose Economic Consulting. Scott Winship Research Manager for the Economic Mobility Project at The Pew Charitable Trusts.*

THE CLEAN ENERGY ECONOMY: REPOWERING JOBS, BUSINESSES AND INVESTMENTS ACROSS AMERICA

Pew Charitable Trusts. June 2009 [PDF format, 61 pages]

http://www.pewcenteronthestates.org/uploadedFiles/Clean_Economy_Report_Web.pdf

"This study shows that despite a lack of sustained policy attention and investment, the emerging clean energy economy has grown considerably— extending to all 50 states, engaging a wide variety of workers and generating new industries. Between 1998 and 2007, its jobs grew at a faster rate than overall jobs. Like all other sectors, the clean energy economy has been hit by the recession, but investments in clean technology have fared far better in the past year than venture capital overall. Looking forward, the clean energy economy has tremendous potential for growth, as investments continue to flow from both the government and private sector and federal and state policy makers increasingly push for reforms that will both spur economic renewal and sustain the environment. Pew's research shows that between 1998 and 2007, clean energy economy jobs—a mix of white and blue-collar positions, from scientists and engineers to electricians, machinists and teachers—grew by 9.1 percent, while total jobs grew by only 3.7 percent. Pew's analysis shows that every state has a piece of America's clean energy economy. Texas, for instance, generates more electricity from wind than any other state; Tennessee has succeeded in cultivating jobs in recycling, waste treatment and water management and Colorado has raised the amount of power electricity providers must supply from renewable energy sources. All told, in 38 states and the District of Columbia, job growth in the clean energy economy outperformed total jobs growth between 1998 and 2007. In a number of states, job gains in the clean energy economy have helped lessen total job losses."

THE CASE FOR REAL HEALTH CARE REFORM

Antos, Joseph. American Enterprise Institute for Public Policy Research. June 23, 2009 [PDF format, 17 pages]

<http://www.aei.org/docLib/20090623-Antos.pdf>

Every decade or two, politicians embark on a crusade to reform the American health care system. Theodore Roosevelt pushed for national health insurance in his 1912 run for president under the Progressive party banner. More recently, Harry Truman, John Kennedy, Lyndon Johnson, Richard Nixon, Jimmy Carter and Bill Clinton advanced health insurance proposals in presidential campaigns or while in office. Johnson, building on the initiatives of his predecessor, oversaw the creation of Medicare and Medicaid. Barack Obama has taken on the task of major health reform and, unlike his predecessors, he might succeed, according to the author. *Joseph Antos is the Wilson H. Taylor Scholar in Health Care and Retirement Policy at the American Enterprise Institute. He is also a commissioner of the Maryland Health Services Cost Review Commission, a health adviser to the Congressional Budget Office, and an adjunct professor at the Gillings School of Global Public Health at the University of North Carolina at Chapel Hill.*

THE NEW GEOGRAPHY OF UNITED STATES IMMIGRATION

Singer, Audrey. The Brookings Institution [Brookings Immigration Series #3] July 2009 [PDF format, 8 pages]

http://www.brookings.edu/~media/Files/rc/papers/2009/07_immigration_geography_singer/07_immigration_geography_singer.pdf

This brief highlights the recent trends in immigration, including the new geography of immigration and changes in the demographic characteristics of immigrants. "New trends in immigration are changing communities across the United States. The movement of immigrants from abroad to the heart of America's largest cities is no longer the dominant pattern as it was in the past. The restructuring of the U.S. economy and the accompanying decentralization of cities and growth of suburbs as major employment centers have shifted immigrant settlement to a new class of metropolitan areas. Emerging destinations tend to be metropolitan areas with more recent development histories, largely suburban in form. Many of the newest destination areas have little history or identity with immigration. Consistent with the current economic recession and its concomitant decline in economic opportunity, immigration shows signs of recent slowing after the great wave of 1990s immigration. Today, the Census Bureau estimates more than 38 million foreign-born persons reside in the United States, making up nearly 13 percent of the U.S. population. According to estimates from the Pew Hispanic Center, 36 percent of the foreign-born population are naturalized U.S. citizens, 31 percent are legal permanent residents, 30 percent are unauthorized; the remainder are legal temporary immigrants." This report is part of a series that presents the work of experts from a variety of fields at Brookings and is designed to inform the public debate over immigration policy. Their goal is to stimulate new thinking on this area and to present new information that sheds light on major immigration concerns and trends. *Audrey Singer is a Senior Fellow at the Brookings Metropolitan Policy Program.*

PROSPECTS FOR IMMIGRATION REFORM IN THE NEW POLITICAL CLIMATE

West, Darrell M.; Mann, Thomas. The Brookings Institution [Brookings Immigration Series #2] July 2009 [PDF format, 11 pages]

http://www.brookings.edu/~media/Files/rc/papers/2009/07_immigration_mann_west/07_immigration_mann_west.pdf

"This brief explores how America's new political landscape offers hope for action on immigration, even with an economy mired in recession. Just as policy-makers have done on other contentious policy areas, such as tobacco regulation and gun control, tough choices must be made that reconcile competing goals. New federal policy will require a new immigration narrative, bold and innovative ideas and a determination to overcome major obstacles to action. The nation's growing Latino factor—now 15 percent of the U.S. population—will increasingly counter the rhetoric that favors strict border controls and workplace raids. Some recent shifts in immigration positions, such as union federations announcing willingness to compromise, also brighten the outlook. Despite the hopeful signs, immigration still evokes economic, social, political and cultural obstacles that must be overcome if congressional reform is going to be effective." *Darrell M. West is the vice president and director of Governance Studies at Brookings. Thomas Mann is Senior Fellow on Governance Studies at Brookings.*

U.S. IMMIGRATION POLICY

Council on Foreign Relations [Independent Task Force Report # 63] July 2009. [PDF format, 165 pages]

http://www.cfr.org/content/publications/attachments/Immigration_TFR63.pdf

"The goal of the Independent Task Force on U.S. Immigration Policy was to examine this complex issue and craft a nuanced strategy for reforming immigration policies and

practices. The Task Force report argues that immigration is vital to the long-term prosperity and security of the United States. In the global competition to attract highly talented immigrants, the United States must ensure that it remains the destination of first choice. The Task Force finds that the widespread presence of illegal immigrants has weakened the rule of law, created unfair competition for the American workforce, and strained the education and health budgets of many states. It also finds that taking steps to resolve the festering problem of illegal immigration is necessary for improving U.S. relations with Mexico. The Task Force report recommends that Congress and the administration launch a new effort to pass comprehensive immigration reform legislation, built around a grand bargain with three elements: improvements to the legal immigration system so that it functions more efficiently to attract and retain talented and ambitious immigrants, a robust enforcement regime that secures America's borders and strongly discourages employers from hiring illegal workers, and a program of legalization that will allow many of those already living in the United States illegally to earn the right to remain. The report calls for new measures to bring in the best foreign students by removing many of the quotas and other roadblocks currently in place. It also recommends reconsideration of some of the post-9/11 border measures that have discouraged travel to the United States. Moreover, the report urges opening avenues for lower-skilled workers to come to the United States both temporarily and permanently, but with new mechanisms for adjusting the numbers based on the needs of the American economy." Directed by CFR Senior Fellow Edward Alden, the independent task force was co-chaired by former Florida governor Jeb Bush and former White House chief of staff Thomas "Mack" McLarty.

MEXICAN IMMIGRANTS: HOW MANY COME? HOW MANY LEAVE?

Passel, Jeffrey S.; Cohn, D'Vera. Pew Hispanic Center. July 22, 2009 [PDF format, 22 pages] <http://pewhispanic.org/files/reports/112.pdf>

The flow of immigrants from Mexico to the United States has declined sharply since mid-decade, but there is no evidence of an increase during this period in the number of Mexican-born migrants returning home from the U.S., according to a new analysis by the Pew Hispanic Center of government data from both countries. "The current recession has had a harsh impact on employment of Latino immigrants, raising the question of whether an increased number of Mexican-born residents are choosing to return home. This new Hispanic Center analysis finds no support for that hypothesis in government data from the United States or Mexico. Mexico is by far the leading country of origin for U.S. immigrants, accounting for a third (32%) of all foreign-born residents and two-thirds (66%) of Hispanic immigrants. Patterns of migration between the U.S. and Mexico are varied. Many immigrants come from Mexico to settle permanently, but large numbers also move both ways across the U.S.-Mexico border throughout the year, sometimes staying for only a few months, a pattern known as circular migration. This report examines whether the recent annual volume of movement between the U.S. and Mexico has gone up or down in either direction. It relies on major national population surveys from Mexico and the U.S., as well as on U.S. Border Patrol apprehension figures. No single source presents the full picture of migration flows between the two countries, but the three sources examined here point to similar conclusions." *Jeffrey S. Passel is Senior Demographer at the Pew Hispanic Center. He is a nationally known expert on immigration to the United States and the demography racial and ethnic groups. D'Vera Cohn is a senior writer at the Pew Research Center.*

METROMONITOR: TRACKING ECONOMIC RECESSION AND RECOVERY IN AMERICA'S 100 LARGEST METROPOLITAN AREAS

Metropolitan Policy Program, The Brookings Institution. June 2009 [PDF format, 21 pages]

http://www.brookings.edu/~media/Files/rc/reports/2009/06_metro_monitor/06_metromonitor.pdf

"The *MetroMonitor*, an interactive barometer of the health of America's metropolitan economies, looks "beneath the hood" of national economic statistics to portray the diverse metropolitan landscape of recession and recovery across the country. It aims to enhance understanding of the underpinnings of national economic trends, and to promote public- and private-sector responses to the downturn that take into account metro areas' unique starting points, weaknesses, and strengths—the potential "grassroots green shoots"—for eventual recovery. This edition of the *Monitor* examines indicators through the first quarter of 2009 (ending in March) in the areas of employment, unemployment, wages, output, home prices, and foreclosure rates for the nation's 100 largest metropolitan areas."

THE FUTURE OF LONG-TERM CARE: WHAT IS ITS PLACE IN THE HEALTH REFORM DEBATE?

Gleckman, Howard. Urban Institute; Brookings Institution. June 15, 2009 [PDF format, 16 pages]

http://www.urban.org/UploadedPDF/411908_longterm_care.pdf

"More than 10 million Americans require long-term care supports and services. Yet the system for delivering and paying for this assistance is deeply flawed. While most of the frail elderly and those with disabilities prefer assistance at home, many must live in nursing homes to receive Medicaid benefits, care coordination for those with multiple chronic illnesses is poor, and the system for financing care impoverishes many middle-income families. The national health reform debate allows policymakers to reconsider long-term care as well. The paper assesses proposals to restructure the delivery and financing of long-term care services. As Congress and the Obama administration consider broad-based health reform, efforts to restructure long-term care are taking on greater urgency and policy experts have put forward several reform plans aimed at improving access to care. Some would make Medicaid more responsive to the needs of those who require long-term care services. Others would reduce the current reliance on Medicaid as the principal payer by expanding access to either social insurance or private coverage, or a combination of both." *Howard Gleckman is a senior research associate at the Urban Institute.*

THE FISCAL SURVEY OF STATES

National Governors Association; National Association of State Budget Officers. June 2009 [PDF format, 74 pages]

<http://www.nga.org/Files/pdf/FSS0906.PDF>

Despite receiving funds from the American Recovery and Reinvestment Act of 2009, state fiscal conditions deteriorated for nearly every state during fiscal 2009, according to the study. "The 50 states are facing one of the worst fiscal periods in decades. Fiscal conditions deteriorated for nearly every state during fiscal year 2009, and weak fiscal conditions are expected to continue in fiscal 2010 and possibly into fiscal years 2011 and 2012. While general fund expenditures and revenue collections increased for many states in fiscal 2008, the economic recession, which began in December 2007, significantly changed the fiscal outlook, resulting in almost half the states experiencing negative budget growth in fiscal 2009, and nearly three quarters of states recommending fiscal 2010 budgets with negative growth. The survey presents aggregate and individual data on the states' general fund receipts, expenditures, and balances. Although not the totality of state spending, these funds are used to finance most broad-based state services and are the most important

elements in determining the fiscal health of the states. A separate survey that includes total state spending also is conducted annually."

PROMOTING ECONOMIC MOBILITY BY INCREASING POSTSECONDARY EDUCATION

Haskins, Ron, et al. Pew Charitable Trust. May 12, 2009 [PDF format, 66 pages]

http://www.pewtrusts.org/uploadedFiles/wwwpewtrustsorg/Reports/Economic_Mobility/PEW_EM_Haskins%207.pdf

Many low-income students miss out on college because they don't know how much it actually costs or how to get access to billions of dollars in financial aid, according to the report. This matters, say the report's authors, because postsecondary education is among the most important factors in determining whether a person achieves the American Dream of upward economic mobility. It has become increasingly difficult to advance in society without some level of higher education. "This report highlights and identifies the factors that are essential to boosting college enrollment and graduation rates of low-income students and lays out a plan to help enhance economic mobility particularly for those students. It serves to inform the discussion and spark a productive debate on the ways our nation can better promote upward mobility—now, and for generations to come." *Ron Haskins is Senior Fellow of Economic Studies and co-directs the Center on Children and Families at the Brookings Institution.*

THE U.S. NEWSPAPER INDUSTRY IN TRANSITION

Kirchhoff, Suzanne M. Congressional Research Service, Library of Congress. July 8, 2009 [PDF format, 26 pages]

http://assets.opencrs.com/rpts/R40700_20090708.pdf

"The U.S. newspaper industry is suffering through what could be its worst financial crisis since the Great Depression. Advertising revenues are plummeting due to the severe economic downturn, while readership habits are changing as consumers turn to the Internet for free news and information. Some major newspaper chains are burdened by heavy debt loads. In the past year, seven major newspaper chains have declared bankruptcy, several big city papers have shut down, and many have laid off reporters and editors, imposed pay reductions, cut the size of the physical newspaper, or turned to Web-only publication. As the problems intensify, there are growing concerns that the rapid decline of the newspaper industry will impact civic and social life. As old-style, print newspapers decline, new journalism startups are developing around the country, aided by low entry costs on the Internet. The emerging ventures hold promise but do not have the experience, resources, and reach of shrinking mainstream newspapers. Congress has begun debating whether the financial problems in the newspaper industry pose a public policy issue that warrants federal action. Whether a congressional response to the current turmoil is justified may depend on the current causes of the crisis. If the causes are related to significant technological shifts (the Internet, smart phones and electronic readers) or societal changes that are disruptive to established business models and means of news dissemination, the policy options may be quite limited, especially if new models of reporting (and, equally important, advertising) are beginning to emerge." *Suzanne M. Kirchhoff is an Analyst in Industrial Organization and Business at the CRS.*

GLOBAL CLIMATE CHANGE IMPACTS IN THE UNITED STATES

U.S. Global Change Research Program. June 2009.

<http://www.globalchange.gov/publications/reports/scientific-assessments/us-impacts>

"The report summarizes the science and the impacts of climate change on the United States, now and in the future, with the goal of better informing public and private decision making at all levels. It focuses on climate change impacts in different regions of the U.S. and on various aspects of society and the economy such as energy, water, agriculture, and health. "In addition to discussing the impacts of climate change in the U.S., the report also highlights the choices we face in response to human-induced climate change. It is clear that impacts in the United States are already occurring and are projected to increase in the future, particularly if the concentration of heat-trapping greenhouse gases in the atmosphere continues to rise." The report is largely based on results of the U.S. Global Change Research Program (USGCRP), and integrates those results with related research from around the world. The U.S. Global Change Research Program (USGCRP) coordinates and integrates federal research on changes in the global environment and their implications for society. The USGCRP began as a presidential initiative in 1989 and was mandated by Congress in the "Global Change Research Act of 1990" (P.L. 101-606). Thirteen departments and agencies participate in the USGCRP, which was known as the U.S. Climate Change Science Program from 2002 through 2008.

ARTICLES

DECISION MAKERS: PROFILES OF KEY PLAYERS IN THE OBAMA ADMINISTRATION

National Journal. June 20, 2009.

<http://www.nationaljournal.com/decisionmakers/>

"*National Journal* devotes the entire issue to profile 366 of the top officials in the Obama administration. Some of the names, such as those of Rahm Emanuel, David Axelrod, and Hillary Rodham Clinton, will be familiar. Others less so -- the Janet Lutes, Rajiv Shahs, and Laurel Blatchfords who fill the ranks of deputy secretary, assistant secretary, and chief of staff in various Cabinet departments and agencies. *National Journal* continues with a tradition, started in 1981, in profiling key administration officials about five months into a president's term. "A mere glance around Barack Obama's Cabinet table provides ample evidence of the president's philosophy that diversity is an important element of good government. Fewer than half of the 22 officials designated by Obama as having Cabinet rank are white men -- only nine in fact. The new look of government is, in part, a generational story. From college campuses to corporate boardrooms to campaigns, society is increasingly tapping the professional talents of women and racial minorities. The impact of Obama's staffing of the government is likely to extend beyond the next four years of this administration. Should Obama seek and win another term, the number of women and minorities poised to assume even more senior positions will only grow."

TAKING THE HILL

Bai, Matt. *New York Times Magazine*. June 7, 2009, pp. 30/47.

<http://www.nytimes.com/2009/06/07/magazine/07congress-t.html>

"Sometime this summer, Congress and the White House will try to put together a comprehensive health care reform package. For Barack Obama, this signals the end of the eventful prologue to his presidency. Impressive as they are, Obama's legislative victories so far have been easily accomplished, for a popular new president installed at a time of economic crisis and supported by comfortable majorities in the House and Senate. A new health care system, on the other hand, is a legislative goal that has eluded every Democratic president since Harry Truman. Making good on his campaign promise will require not just public expenditure on a mammoth scale but also the kind of activism and creativity at which Washington hasn't succeeded for generations. Health-care spending in

the U.S. nearly doubled in the decade after Clinton's plan died, reaching about 16 percent of the gross domestic product, the highest percentage on record. Some businesses that might have opposed reform in 1993 are now desperate to address their growing health care costs, and insurance companies and health care providers seem increasingly open to compromise if it means they can avoid more drastic forms of government regulation."

THE GOP: POISED FOR ANOTHER QUICK COMEBACK?

Cook, Rhodes. *Larry Sabato's Crystal Ball*. July 2, 2009.

<http://www.centerforpolitics.org/crystalball/article.php?id=FRC2009070201>

"The current state of the Republican Party is a good-news, bad-news situation. The good news is that the GOP has gone through several debilitating elections over the last generation and each time has recovered quickly. The bad news is that the conditions may not be as ripe this time for a fast Republican comeback as they were after the elections of 1964, 1976 and 1992. The presidential election of 2008 is the fourth since 1964 that has left the Democrats in control of both the White House and Congress. And in the past, Republicans benefited from a confluence of favorable factors to rebound with alacrity." Larry J. Sabato's Crystal Ball web site, run by the University of Virginia's Center for Politics, features analyses of presidential elections, Senate, House and gubernatorial races.

UNTANGLING THE RECOVERY

Brodsky, Robert. *Government Executive*. June 1, 2009, pp. 24-30.

<http://www.govexec.com/features/0609-01/0609-01s1.htm>

The author believes that government has another chance at proving it can be effective in the present economic climate. In early May 2009, President Obama unveiled his formal fiscal 2010 budget, including a list of 121 cuts to federal programs that added up to a savings of about \$17 billion. Then there is the \$787 billion American Recovery and Reinvestment Act, signed less than a month after Obama took office, as an opportunity to prop up a faltering economy, spur long-term investments in energy and in education, and put millions of unemployed Americans back to work. For the nation's over 2.7 million federal employees, the stimulus plan and the new FY2010 budget represent chances to prove that the government can still operate as an effective management organization. Right now, the most important use of funds are those that are allocated by the Recovery Act to get Americans back to work and to restart a faltering economy. Of this, \$60 billion is expected to be spent on federal contracts with another \$84 million going to the Recovery Accountability and Transparency Board that was created to oversee fund disbursement and to manage Recovery.gov, the central government repository for information on the stimulus.

ITS ECONOMY IN SHAMBLES, THE MIDWEST GOES GREEN

Schneider, Keith. *Yale Environment 360*. July 16, 2009, var. pages.

<http://e360.yale.edu/content/feature.msp?id=2171>

"It took awhile, but the U.S. Midwest finally has recognized that the industries that once powered its economy will never return. Now leaders in the region are looking to renewable energy manufacturing and technologies as key to the heartland's renaissance. Today, Midwestern states have decided — somewhat belatedly — that their best chance to generate prosperity in the 21st century lies in reversing the economic and environmental damage that the region's 20th century factories caused in the first place. No region of the United States better understands the potential wealth generated by commanding new markets — and the consequences of failing to compete when they change. The Midwest, after all,

invented the production practices, made the steel, supplied the vehicles, and manufactured the parts that produced America's energy-wasting, drive-through economy of the 20th century" *Keith Schneider, a former national correspondent and regular contributor to the New York Times, is director of media and communications at the U.S. Climate Action Network.*

ARE AMERICAN HEALTHCARE COSTS GROWING UNUSUALLY FAST? NO

Biggs, Andrew. American Enterprise Institute for Public Policy Research. July 9, 2009 [HTML format, various paging]

<http://blog.american.com/?p=2898>

"The Obama administration has pegged its healthcare reforms on the prospect of reducing the rate of healthcare cost growth, which the administration has termed "the real deficit" threat. A look at health data from the Organization for Economic Cooperation and Development (OECD) provides some interesting context. Using OECD data, the author calculates the rate of "excess cost growth" for 23 countries over the period 1990-2006. Excess cost growth is the rate at which per capita health costs grow "in excess" economy-wide expansion. As it happens, the United States rate of excess healthcare cost growth from 1990-2006 is right about average among developed countries."

MBAS GONE WILD

Khurana, Rakesh. *The American Interest*. July/August 2009, pp.46-52.

<http://www.the-american-interest.com/article.cfm?piece=623>

The economic crisis that has befallen the U.S. has come about as result of the prevalence of a particular character type in American political, economic and social institutions -- the "loose individual", who isn't bound by norms of fairness and equity, writes Khurana. "Outside of their intimates, their relations with others are anchored only in self-interest." The author contends that the economic collapse and an almost decade-long cascade of sordid revelations stretching from Enron to AIG are evidence that "too many loose individuals have been admitted to the inner sanctums of American capitalism." As to how they have come to exert such influence, Khurana points a finger at university-based business schools. When universities began instituting business schools during the U.S. Progressive era in the early 20th century, they sought to instill social values in future managers so that "large corporations would be run in the interests of society," Khurana writes. The commitment to the social good began to unravel after World War II, with the proliferation of dozens of new business schools and a lowering of academic standards. The final abandonment of attempts to teach ethical standards came in the late 1980s, Khurana believes. With business educators adopting the philosophy that "the sole purpose of the corporation is to maximize shareholder value," they taught their students that "managers and employees cannot trust one another, which in turn sets in motion a self-reinforcing cycle encouraging opportunism and cheating." The author calls for a revamping of business education to create a new generation of business leaders who will help solve a critical problem, not cause it. *Dr. Rakesh Khurana is the Marvin Bower Professor of Leadership Development at the Harvard Business School and author of From Higher Aims to Hired Hands: The Social Transformation of American Business Education and the Unfulfilled Promise of Management as a Profession (Princeton University Press, 2007).*

CIRCULATION BOOST?

Skowronski, Will. *American Journalism Review*. June/July 2009.

<http://www.ajr.org/Article.asp?id=4768>

"Some newspapers are turning to easy-to-carry electronic readers as a way to attract and keep subscribers while cutting back on print and delivery costs. The New York Times, the Boston Globe and the Washington Post, already available via the Kindle, will pilot editions on a newer version of the device this summer. The papers will offer the subscriptions at a reduced cost to readers out of the home-delivery range who agree to long-term subscriptions. The Detroit Free Press and the Detroit News, which have already sharply cut back home delivery to save newsroom jobs, plan to rely on electronic editions even more -- and so far the readers have been receptive to the changes. Newspapers are taking electronic reading devices more seriously now that the technology is making them more user-friendly -- screens are more readable, displays larger and batteries last longer."

WHAT DOES IT MEAN TO BE AN AMERICAN?

Song, Sarah. *Daedalus*. Spring 2009, pp.31-42.

"It is often said that being an American means sharing a commitment to a set of values and ideals. To take the motto of the Great Seal of the United States, E pluribus unum "From many, one" - in this context suggests not that manyness should be melted down into one, as in Israel Zangwill's image of the melting pot, but that, as the Great Seal's sheaf of arrows suggests, there should be a coexistence of many-in-one under a unified citizenship based on shared ideals. Of course, the story is not so simple. America's history of racial and ethnic exclusions has undercut the universalist stance ; for being an American has also meant sharing a national culture, one largely defined in racial, ethnic, and religious terms. And while solidarity can be understood as "an experience of willed affiliation," some forms of American solidarity have been less inclusive than others, demanding much more than simply the desire to affiliate. In this essay, I explore different ideals of civic solidarity with an eye toward what they imply for newcomers who wish to become American citizens." Sarah Song is an assistant professor of law and political science at the University of California, Berkeley, and the author of *Justice, Gender, and the Politics of Multiculturalism* (2007). She is at work on a book about immigration and citizenship in the United States.

INFOMANIA

Marsan, Carolyn Duffy. *Government Executive*. May 2009.

<http://www.govexec.com/features/0509-01/0509-01s3.htm>

The author notes that as participatory government brings an onslaught of public comments online, agencies will need the right tools to make sense of it all. In 2008, the General Services Administration (GSA) had 214 million electronic communications with the U.S. public, and it expects that number to increase in 2009. Similar situations have developed at other government agencies as they realize that more and more of public opinion and commentary are going to be sustained through the new media. However, these new examples of social media have several challenges in adopting customer feedback techniques like those used in the private sector, such as asking citizens to rank their interests on various subjects. While federal agencies are new at gathering and analyzing public comments, private business is experienced in managing feedback by combining automated and manual processes, structured and unstructured data. Government agencies also have legal restrictions; they often have to negotiate standard terms of services with providers because the government is bound by multiple federal regulatory requirements. Carolyn Duffy Marsan is a high-tech business reporter in Indianapolis who has covered the federal IT market since 1987.

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<http://www.embusa.es/irc>

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