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**POLITICAL CONFLICTS
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CONTENTS

POLITICAL CONFLICTS

1. Tension on the rise from arms sales by Jin Canrong and Dong Chunling. *Beijing Review*, February 4, 2010, pp. 10-11.
2. Counterterrorism on the wrong track by Stephen Gale and Gregory Montanario. *Beijing Review*, February 4, 2010, pp. 12-13.
3. Fears for the future by Xu Feibiao. *Beijing Review*, February 4, 2010, pp. 14-15.
4. Untying the Korean Knot by Shi Yongming. *Beijing Review*, February 25, 2010, 2010, pp. 8-9.
5. Red star over Iraq by Stanley Reed and Dexter Roberts. *Businessweek*, February 1 & 8, 2010, pp. 44-47.
6. Facing up to China. *The Economist*, February 6, 2010, pp. 9.
7. By fits and starts. *The Economist*, February 6, 2010, pp. 22-24.
8. There they go again. *The Economist*, February 6, 2010, pp. 29.
9. Market forces 1, brute force, 0. *The Economist*, February 13, 2010, pp. 26-27.
10. Uncrowning Gloria. *The Economist*, February 13, 2010, pp. 30.
11. The warlords' way. *The Economist*, February 20, 2010, pp. 26.
12. Captive nation. *The Economist*, February 20, 2010, pp. 27.
13. Floundering in the foggy fortress. *The Economist*, February 27, 2010, pp. 29-30.
14. Inhospitability. *The Economist*, February 27, 2010, pp. 32.
15. The mother of all dictatorships. *The Economist*, February 27, 2010, pp. 36.
16. And the price of nuclear power? *The Economist*, February 27, 2010, pp. 58-59.
17. A Pacific squall: the Japan-U.S. alliance is still strong by Taskashi Yokota. *Newsweek*, February 1, 2010, pp. 16.
18. The fight over "Allah": Malaysia's delicate balance is at risk by Ioannis Gatsiounis. *Newsweek*, February 1, 2010, pp. 17.
19. Enough is enough by Richard N. Haass. *Newsweek*, February 1, 2010, pp. 34-35.
20. China: the big free rider by Minxin Pei. *Newsweek*, February 1, 2010, pp. 42.

21. End of the rogue by Nader Mousavizadeh. *Newsweek*, February 8, 2010, pp. 20-25.
22. Terror begins at home by Daniel Klaidman. *Newsweek*, February 22, 2010, pp. 25.
23. Secret nukes by Eben Harell. *Time*, February 8, 2010, pp. 36.
24. China's Iran dilemma by Bill Powell. *Time*, February 22, 2010, pp. 11.

Tension on the Rise From Arms Sales

China should react strongly to arms sales to Taiwan until the United States changes policy

By JIN CANRONG & DONG CHUNLING

The Pentagon announced on January 6 the United States would sell weapons with a total value of nearly \$1 billion, mainly *Patriot III* anti-missile systems, to Taiwan. The Chinese Government strongly denounced the move, adopting a much tougher stance than it had previously done.

This event cast a shadow over Sino-U.S. relations once again, less than two months after U.S. President Barack Obama's first state visit to China, which brought a honeymoon period to the two countries.

At the end of 2009, analysts predicted a possible cooling in Sino-U.S. relations during 2010 because of U.S. arms sales to Taiwan, Obama's planned meeting with the Dalai Lama and trade disputes. Their concerns have now become a reality.

Obama's real purpose

The U.S. Government said the sales plan was part of the arms sales package unveiled in October 2008 under the Bush administration, and reiterated the defensive nature of *Patriot III* anti-missile systems. It also argued arms sales to Taiwan were an obligation under its Taiwan Relations Act.

The economic benefits of the arms sales seem to be the direct reason. The large order provided by Taiwan is attractive to the United States in the context of the global financial crisis. Nevertheless, the crisis-ridden country needs help more from the Chinese mainland. Compared to what the vast market on the Chinese mainland can offer, economic benefits brought by the arms sales to Taiwan are negligible.

Washington's political purposes outweigh economic considerations. For a long time, it has taken selling arms to Taiwan as an indication of U.S. policy of treating the island as an independent political entity. It has also used this means mainly to develop military relations with the Taiwan authorities.

Maintaining the military balance across the Taiwan Straits has long been the U.S. ex-

cuse for its arms sales. But its real purpose is to make Taiwan a long-term geopolitical card to constrain China's development.

In order to realize this purpose, the United States has to ensure Taiwan is in a state of "neither reunification nor independence" so as to maintain its ability to intervene in Taiwan's political affairs and cross-Straits relations.

Seeing the thriving development of cross-Straits exchanges in 2009, the United States felt its influence on Taiwan had declined. It even began to worry about the risk of being kicked out of the game.

Against this backdrop, the Americans relaunched arms sales to Taiwan. In this way, they attempted not only to strengthen their political influence in Taiwan, but also to impede the process of peaceful reunification across the Taiwan Straits. What's more, the United States could incorporate Taiwan in the U.S.-dominated East Asian missile defense system.

On top of these motives, as Obama's influence in U.S. politics falters, his ability to maintain the stability of Sino-U.S. relations has also weakened.

From the U.S. arms sales to Taiwan, one can conclude both cooperation and disputes exist between China and the United States. But they also show Washington's China policy is two-sided.

On one hand, it actively seeks cooperation with China in some fields while, on the other, it is adopting a containment strategy against China in fields including human rights, the Taiwan question, arms sales and trade.

In this sense, the latest arms sales are actually a political adventure and a strategic probe against the Chinese Government.

Responding strongly

U.S. arms sales to Taiwan have been bothering Sino-U.S. relations for a long time.

According to statistics, arms and other military aid presented and sold by the United States to Taiwan reached more than \$10 billion between 1950 and 1978.

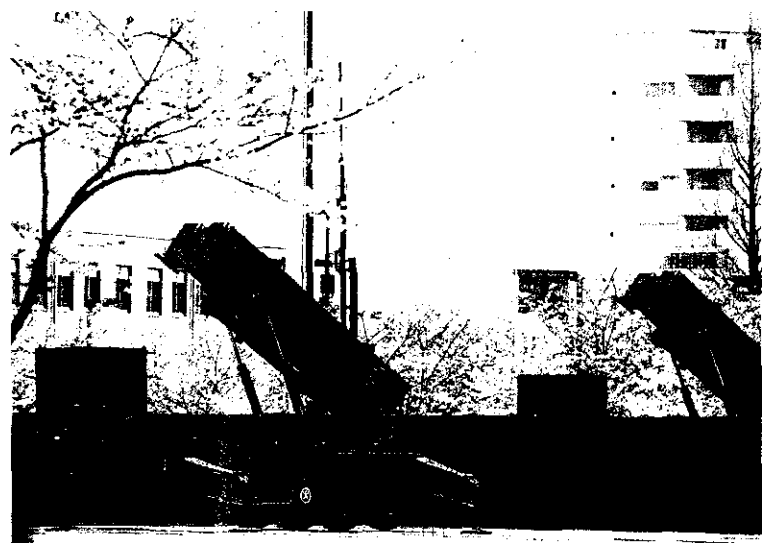
To solve the problem, China and the United States signed the August 17 Communiqué in 1982, three years after they established diplomatic relations.

In the communiqué, the United States pledged "its arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China, and that it intends to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution."

But the U.S. Government has never carried out the August 17 Communiqué wholeheartedly. On the contrary, it has escalated arms sales in both quantity and quality.

The Chinese Government has always opposed this. It has urged the United States to strictly abide by the principles of the three Sino-U.S. joint communiqués—especially the August 17 Communiqué—and stop arms sales to Taiwan. But the United States has not made any changes in the face of China's protests.

China has responded to the new round of U.S. arms sales to Taiwan with an unprecedented tough attitude for a number of reasons.



STRONG ARMS: The U.S. decision to sell weapons to Taiwan, including *Patriot III* anti-missile systems shown in this file photo, is politically motivated

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The latest U.S. arms sales to Taiwan are actually a political adventure and a strategic probe against the Chinese Government

First, the action of the United States infringes on the core interests of China and goes against international law.

More than three decades after it adopted its reform and opening-up policy, China has become an international power familiar with the international politics and is able to conduct modern diplomacy flexibly via various channels.

It has upheld two principles in its contacts with other countries: the first is if two countries want to work together, they should take care of each other's core interests; and the second is once two countries create a legally binding document, they should fulfill their respective obligations in accordance with the provisions of the document.

A country may have many national interests. These interests can be divided into different levels according to their degree of importance. Only a few are defined as "core interests."

In its diplomatic decision-making, the Chinese Government has tried to avoid the generalization of its core national interests by taking a prudent approach toward defining them.

But it has clearly classified the Taiwan question as an issue at its core national interests. Washington's respect on this question has therefore been the key to the sound development of Sino-U.S. relations in recent years.

The three Sino-U.S. joint communiqués have always been the cornerstone of Sino-U.S. relations. China—its government and people—does not accept the Taiwan Relations Act the U.S. Congress passed in 1979 after the establishment of China-U.S. diplomatic relations. And they strongly oppose the U.S. practice of placing the Taiwan Relations Act above the August 17 Communiqué.

In addition to the changes in China's perception of its own national interests and international law, the rise of the influence of public opinion at home is another reason.

With its extraordinary growth in the past three decades, China's political leadership structure has gradually changed. The previous structure featuring a strong state and

a weak society has been replaced by one characterized by a strong state coupled with a fledgling civil society. Social forces now have a bigger influence on the government's decision-making than ever before.

For instance, China's 384 million Internet users have grown to become a new force in the arena of public opinion. As a result, diplomatic decision makers must respect and listen to public opinion—a trend that has become increasingly prominent given the rapid progress of globalization today.

Last but not least, with the constant enhancement of China's overall strength, the current balance of power between China and the United States is quite different from what it was 10 years ago.

Given the profound impact of the world financial crisis and accelerating multi-polarization, America's dream of dominating the world as the only superpower has become impossible. Despite the crisis, China has maintained rapid economic growth, and its international influence has further strengthened.

Managing crisis

Looking back on 2009, Sino-U.S. relations enjoyed a good beginning after Obama took office. But the three bombs that can explode any time—arms sales to Taiwan, Obama's meeting with the Dalai Lama and trade disputes—have yet to be resolved.

The Associated Press reported on January 25 that the Obama administration has decided to sell new weapons to Taiwan. An official announcement of the sale, which is likely to include Black Hawk helicopters, *Patriot III* missiles and military communications equipment, could come soon, according to the report.

Although these issues may adversely affect Sino-U.S. relations, they can be kept under control, because of the multiple common interests and developed cooperation mechanisms between the two countries.

Most importantly, both governments have the strong desire to solve problems and promote cooperation.

All in all, in 2010, Sino-U.S. relations may undergo fluctuations and will not be as good as in 2009. But the broad framework of the relationship will not change. Dialogue and cooperation will remain the mainstream.

The most recent arms sales have once again awakened China to the importance of the August 17 Communiqué. In the future, it will be more determined to urge the United States to honor its commitments in the communiqué. It is expected to make a substantive counterattack against every sale of arms. The United States will have to pay more dearly every time until it finally stops arms sales to Taiwan and faithfully implements the August 17 Communiqué. ■

Diplomatic Agenda

Chinese leaders are to participate in a series of multilateral summits this year to help forge a "global partnership for development," said Foreign Minister Yang Jiechi.

"Summit diplomacy will continue to be a highlight of China's diplomacy this year," Yang said in an interview on January 22. For example, Chinese leaders will attend two summits of the Group of 20 major economies to be held in Canada in June and in South Korea in November.

Through attending the summits, Yang said, China hopes to work together with other countries to cope with the economic, financial and development challenges confronting the world at large while helping promote multilateralism.

Another focus for Chinese diplomats in 2010 will be the Shanghai World Expo, Yang said. To date, 192 countries and 50 international organizations have signed up for the Shanghai World Expo, a six-month gala starting on May 1.

China and Austria

China has vowed to strengthen its ties with Austria by encouraging partnerships between the two countries' small and medium-sized enterprises (SMEs) and by increasing mutual investment.

Chinese President Hu Jintao made a number of proposals to visiting Austrian President Heinz Fischer during a meeting on January 20.

The two countries should make SME collaboration a "new bright spot" in their bilateral relations, Hu said. Both sides should revise investment protection agreements to expand investment in each other's countries, while standing against trade and investment protectionism.

China is Austria's biggest trade partner in Asia, with two-way trade amounting to \$4.33 billion from January to November 2009. Austria is one of China's major technology providers in Europe. By September 2009, China had signed more than \$4 billion in technology transfer contracts with Austria.

Hu also said China and Austria should work more closely in fields such as culture, education and tourism. China is also ready to engage Austria within the China-EU and Asia-Europe cooperative frameworks, he said.

Counterterrorism On the Wrong Track

Insufficient knowledge about terrorists' real objectives poses the central problem to U.S. antiterror efforts

By **STEPHEN GALE &
GREGORY MONTANARO**

Umar Farouk Abdulmutallab's attempt at bombing Northwest Airlines Flight 253 on Christmas Day 2009 certainly rekindled Americans' interest in terrorism and security. Until recently, security issues for many citizens seemed to focus on complaints about the endless lines and burdensome procedures at airports.

Far too many of us presumed that the world's most serious terrorist groups had lost interest in attacking the United States after the post-9/11 changes in security and the bevy of heavy-duty U.S. military operations aimed at destroying terrorist groups worldwide. But now, with Abdulmutallab's one bungled attempt, security has once again captured Americans' attention.

Unsurprisingly, in the aftermath of Abdulmutallab's failure, accusations and finger pointing prevail as well as the usual attempts to identify the relevant security gaps and improvements in security procedures. But since little is known either about why he was selected for the operation or the reasons for the attack, the options reviewed have been largely limited to arguments about the means for plugging the various security holes exploited in the failed attempt. In the end, since the information that has emerged has provided little more than some background accounts on Abdulmutallab, his purported relationships with radical Muslim clerics and an incomplete picture of his possible connections to one or another terrorist group, most of the security recommendations have all the hallmarks of "locking the barn door after the horse has left" or opportunities for showpiece political one-upmanship.

We believe that it is this incomplete information—both in understanding the current wave of Islamist terrorism and our ongoing failure of imagination—that constitutes the crux of the problem that America and Americans are facing with respect to terrorism and security.

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While we are chasing after the security gaps that allowed Abdulmutallab to board and potentially destroy an airplane, we still seem to be missing much—if not most—of the critical information necessary to prevent potential future terrorist attacks that can severely damage and disrupt critical U.S. infrastructure and its economy. Even more significant, while we have generally focused on the methods used in past events and the associated preventative measures, there is almost no information on what security measures work, what don't or how to improve the efficiency of security operations.

Regrettably, we may be preparing for the repetition of past attacks and devoting little energy to developing a foundation for making reasonable judgments about the broad range of security policies and operations required to protect the nation.

What's unknown?

A fact of life in U.S. security today is that, while we have developed detailed accounts of virtually every past terrorist action,

the central concern of the 9/11 Commission on September 11, 2001, is still on the back burner. Although we have piles of data on just what happened to the *USS Cole* in the harbor in Aden, Yemen, on October 12, 2000, and are now accumulating equally detailed data about Abdulmutallab's failed attempt, little has been done about the failures of imagination that leave terrorists with misunderstood motivations and open opportunities. And underlying our failure of imagination is a keen sense of denial based on information that has little relevance to their motivations and goals—denying, for example, that there is anything more to Islamist terrorism than frustrations with modernity, poverty, concerns about the influence of the West and potential political power grabs.

For the most part, we have treated Islamists as if they are simply waiting for a relief program from the West that would provide an easy transition to Western culture and Western values. But even with the enormous military efforts devoted to destroying "them" before "they" can attack us and the open-handed support for the current regimes in the Middle East, Islamist terrorist groups have obviously been able to spread, expand their numbers, and continue to operate against the United States and the West.

Since 9/11, the most senior members of Al Qaeda have been the focus of a worldwide manhunt. Yet in these eight plus years, not only has much of the leadership remained at large, but the group has continued not only to be able to operate but also to extend its reach well beyond the Afghanistan-Pakistan region in which it is supposedly contained. Nevertheless,



SOLEMN PLEDGE: A woman protests in Detroit on January 8 outside the courthouse where Umar Farouk Abdulmutallab was tried on charges of attempting to blow up a Christmas Day flight

based on what amounts to little more than idiosyncratic information, many counterterrorism organizations and agencies now appear to believe that it is only a matter of time before Al Qaeda is completely destroyed and the terrorism threat is permanently removed.

Unfortunately, Islamists have recognized this failure in the U.S. counterterrorism and security posture and have consistently used it to their advantage. Consider, for example, the possibility that Abdulmutallab does not represent the vanguard of a new wave of terrorism aimed at the United States but, rather, is simply a committed young man who was sent on a disinformation mission aimed at convincing Americans that Al Qaeda no longer has the ability to mount major attacks aimed at Western economies or the U.S. infrastructure.

Even under the best of circumstances, disinformation operations can be difficult to detect and, in the context of the now geographically dispersed, highly decentralized terrorist groups, it may be close to impossible to see at this time.

To make matters worse, U.S. citizens continue to believe attacks on the United States will derive from individuals and groups operating outside the country (rather than from sleeper cells comprised largely of American citizens) and that the critical targets—generally speaking, those that can result in deaths—are domestic. Again, we fail to comprehend what the terrorist threat amounts to—the failure of our information sources to provide insights on motivations, goals and, perhaps most importantly, the strategies employed. It is the failure to recognize that actions outside the United States—such as a blockade of the straits of

While we have generally focused on the methods used in past events and the associated preventative measures, there is almost no information on what security measures work, what don't or how to improve the efficiency of security operations

Hormuz or Malacca—would be far more destructive and disruptive to the United States and the global economy as a whole than any modest action aimed at a single passenger aircraft.

Even the information we now possess about Al Qaeda's actions and planning over the past decade indicates that relatively modest attacks carried out by the likes of Abdulmutallab are hardly consistent with their long-term objectives or operational methods.

Hard information on terrorism has been difficult for the United States to secure, and the possibility that what is observed is disinformation makes it all the more so. With the recent ground swell over Abdulmutallab's failed bombing attempt and the rush to find ways to plug the perceived security gaps, there is even a greater risk that the continuing focus on com-

mercial airplanes will only further distort our understanding of terrorism and misdirect our focus on appropriate security measures.

Take-aways

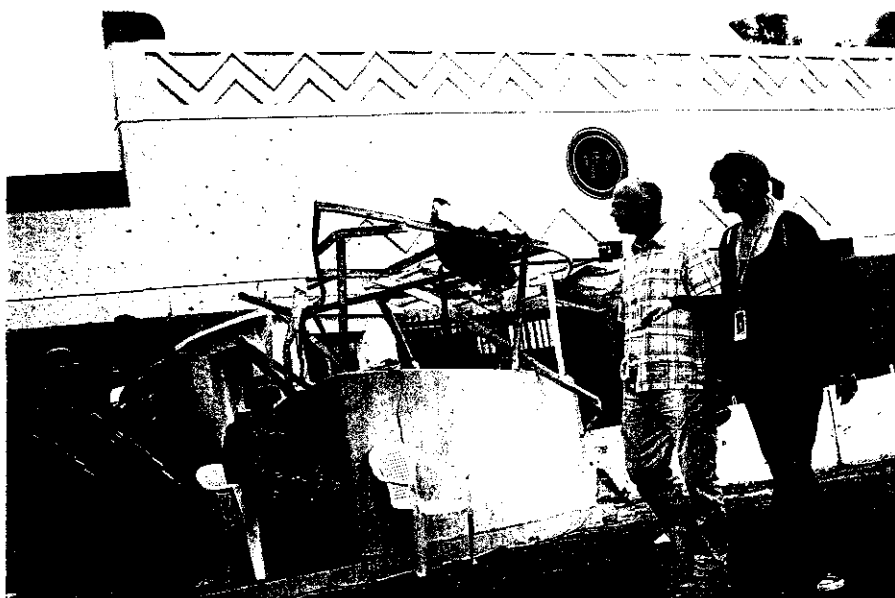
We must understand that Islamist terrorists' motivations and goals are directed less at revenge than at a reckoning. For them, the future of Islam is at stake and even though eye-for-an-eye repayments are often desired, far more important are the opportunities for attacks that could result in a clear decline in the West's ability to continue to influence Islam. Thus, while the Abdulmutallab affair has occupied our imaginations since Christmas Day, we have yet to understand the meaning of his actions. While the destruction of a passenger airliner would capture headlines, simple death and destruction is probably a minor concern to the Islamist leadership.

Groups such as Al Qaeda have shown remarkable survival ability—even in view of the massive counterterrorist operations over the past eight or so years. Part of this success is due to their ability to maintain a clear internal focus while, at the same time, relying on the West to distort much of the information that would be required for an effective and efficient counterforce. In effect, we have been fighting a serious, committed enemy based on a distorted picture of the threat. Al Qaeda and others have recognized this weakness and have capitalized on this distortion by simply continuing to arrange for signals that support our ongoing failures of imagination: to wit, the Abdulmutallab affair.

Had Abdulmutallab been successful, there is little doubt that the United States would have reacted with major firepower directed at one or more of the Middle Eastern jihadist training facilities. But as in the past, such retributive acts would probably only have played into the Islamist script, which calls for distorted information and an ever-narrowing field of imagination. But, even in failure, the Abdulmutallab affair will likely turn into a modest success for the jihadists since there will undoubtedly be both a sizable witch-hunt directed at determining who left the doors ajar and the dedication of whatever security expertise the United States can muster to plug security holes that are of little real consequence.

Perhaps Umar Farouk Abdulmutallab was an unwitting agent for clever Islamist strategists. Or he may have known in part the role he was to play in the disinformation package being served to the West. Either way, his failure will embolden Islamist leaders and strategists. It is yet another example of how easily the West can be styrified by fixating on what we think the enemy should be doing—as if he were us—rather than concentrating on the enemy's real objectives. ■

(Viewpoints in this article do not necessarily represent those of *Beijing Review*)



GUARDED: Yemeni soldiers guard the U.S. Embassy in Sana'a on September 18, 2008. The embassy was temporarily closed following Umar Farouk Abdulmutallab's failed attempt to bomb a U.S. passenger plane on Christmas Day 2009

Fears for the Future

How a failed terror plot changes America's antiterror strategy

By XU FEIBIAO

The foiled bid to blow Northwest Airlines Flight 253 from the skies above Detroit on December 25, 2009, was very nearly the second most serious incident in the United States associated with Al Qaeda since 9/11.

Though appropriately dubbed the single "biggest failure" by U.S. intelligence and homeland security officials since then, its fallout has already unquestionably begun to affect U.S. antiterrorism strategies. Indeed, it is a shift that will continue to evolve for years to come.

Obama's new strategy

Since U.S. President Barack Obama assumed office in January 2009, he has significantly altered many dimensions of his predecessor's "war on terror." From the beginning, Obama has pledged to shutter U.S. detention facilities at Guantanamo Bay while withdrawing U.S. troops from Iraq. Instead, he has already begun shifting the focus of counterterrorism measures to Pakistan and, in particular, Afghanistan, which has witnessed a significant troop escalation.

Meanwhile, the 44th U.S. president has emphasized a comprehensive use of "soft power," including diplomacy and economic aid, along with U.S. military might—something conspicuously absent over much of the past decade. The goal is to divide and weaken Al Qaeda, its regional loyalists and emulators worldwide.

In addition, the Obama administration has also sought to improve America's overall image in the Muslim world. In particular, the White House has worked energetically to enhance relations with the nations of the Arab street—relationships that had previously all but collapsed following the 2003 invasion of Iraq and a near-total lack of progress on the Palestinian question.

This can be seen even in the choice of language the administration uses regarding terrorism in the international arena. It abandoned monikers such as the "war on terror," "jihadists" and "Islamic terrorism," replacing them with words with greater resonance and nuance like "emergency action overseas," "rebels" and "extremist forces."

On December 1, 2009, for instance,

Obama made a pointed speech at the U.S. Military Academy at West Point, declaring a new strategy against terrorism in South Asia. He reiterated that America's antiterrorist goal is to vanquish Al Qaeda cells in Afghanistan and Pakistan, thus preventing them from establishing a beachhead to threaten the United States and its allies.

Obama pledged to accomplish this by sending 30,000 additional American soldiers to Afghanistan. Meanwhile, he announced a timetable during which U.S. troops would begin to withdraw from Afghanistan over the course of 18 months.

Overall, Obama's new strategy consists of three main parts: The first involves the strengthening of military strikes. The second lies in improving the Afghan economy through economic aid and diplomatic efforts with its allies and neighboring countries. Beyond that, Obama has expressed a desire to enhance the basic governance and security management abilities of the Kabul government.

The third is to push for greater antiterrorism and counterinsurgency operations in Pakistan in order to dismantle the "terrorist paradise" flourishing on the lawless border regions in northern Pakistan near the Afghan border.

This partially realized vision, however, was seriously disrupted by Christmas terrorist attack.

Yemen's Al Qaeda franchise

In the aftermath of the Northwest Airlines incident, the United States raised its security threat level, coupled with various other measures aimed at smashing the Al Qaeda branch in Yemen. It has since become clear that the perpetrator of the attempted attack, a 23-year-old Nigerian named Umar Farouk Abdulmutallab, had spent some time in Yemen prior to the incident.

On January 3, the United States announced the adoption of new, more stringent security checks. Under the new measures, passengers arriving from 14 countries—including Nigeria, Yemen, Pakistan and Saudi Arabia—are now subject to full-body searches at international airports. Meanwhile, the U.S. Embassy in Yemen was temporarily closed.

For some time now, Washington has supported harsh antiterrorist operations in Yemen, with the intensification of both air and land attacks on terrorist redoubts. Since the latest episode, Obama has done an about-face by declaring all-out war on Al Qaeda with higher-profile language. This language struck many as eerily reminiscent of the seemingly long departed Bush era.

And although the Yemeni Government has launched multiple crackdowns, leaving Al Qaeda in serious disarray since 2001, things on the ground are changing yet again.



HANDS UP: Soldiers of Yemen's antiterrorism forces participate in a mock kidnapping scenario during training in the mountainous outskirts of Sana'a, capital of Yemen, on January 9, 2010

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Moreover, in the past two years, Al Qaeda in Yemen has expanded once more, as the country on the southern end of the Arabian Peninsula has deteriorated into lawlessness and violence.

The year 2008, for instance, saw a rash of terrorist incidents; these soared in number last year to 100 attacks that, on more than one occasion, targeted foreign tourists and embassies.

Yemen, notably, has long been regarded as the strategic haven for Al Qaeda. In addition, the rugged, mountainous land has strong ties to Osama bin Laden's family.

There can be no question that Yemen's cultural and ethnic characteristics, coupled with its geographic location, have made it a special home for Al Qaeda's global jihad movement.

One of the biggest challenges for Yemeni security officials has been a 2006 jail break by Nasir al-Wuhayshi. He, along with coconspirators, has managed to reconstitute their terrorist network, thus resurrecting Al Qaeda operations there.

On its rebirth, Al Qaeda in Yemen continued to modify its strategies where it had left off. This included cooperation with rebels in the north and separatists in the south of Yemen. Al Qaeda militants further colluded with terrorists in Somalia and Saudi Arabia beyond Yemeni borders, evolving into a greater concern yet for Sana'a and Washington.

After the near-downing of Flight 253, the Al Qaeda branch in Yemen immediately claimed responsibility. The militants also released videos in which they threatened to make more severe attacks. Given all this, the rise of Al Qaeda's franchise in Yemen cannot be ignored.

Though Washington has not yet declared any intent to deploy troops to Yemen, it is fast becoming all but inevitable that military assistance may soon be on the way. The U.S. antiterrorism layout in South Asia will thus be constrained as a result

Adjustment pressure

Further proof that the United States recognizes the importance of the Yemeni situation, if any were needed, came on January 2, when David Petraeus, Commander of the U.S. Central Command, met with Yemeni President Ali Abdullah Saleh.

During the talks, Petraeus, widely revered in Washington for his military strategies during the occupation of Iraq, pledged to increase counterterrorism assistance in Yemen to \$190 million this year.

The United States, meanwhile, has voiced its intent to strengthen economic aid to Yemen. Currently, a series of assistance plans have been brought forward. They promise to create more job opportunities for the Yemeni people, while promoting Yemen's educa-

tional and medical care development. More such programs are on the horizon.

Though Washington has not yet declared any intent to deploy troops to Yemen, it is fast becoming all but inevitable that military assistance may soon be on the way. The U.S. antiterrorism layout in South Asia will thus be constrained as a result.

The United States is facing the daunting task of confronting terrorism in different locations worldwide. Indeed, in 2009, the international terrorist situation was deteriorating as a whole. Besides Yemen, terrorist forces were at work again in Europe, most notably in the form of bombings by ETA, a nationalist group in the Basque region of Spain.

Regions elsewhere in the Middle East, North Africa, and South, Central and Southeast Asia witnessed even more bloodshed.

Despite a degree of political reconciliation, the situation in Iraq has deteriorated rapidly, too. Last year, for example, there were more than 2,000 reported terrorist incidents—twice as many as that of 2008.

Pakistani Taliban militants, meanwhile, stiffened their resistance in the face of counterinsurgency operations by Islamabad's military forces. At the same time, rebel forces in Afghanistan have gained their highest momentum than at any point since 2001. Terrorist activities are also spreading to its west and north.

In India, terrorist activities have also become more pronounced. As Jamaah Islamiyah, the notorious Islamic group in Indonesia, has reactivated after a spate of crackdowns. The nettlesome Philippine group Abu Sayyaf has also revived under the leadership of a new generation of terrorists.

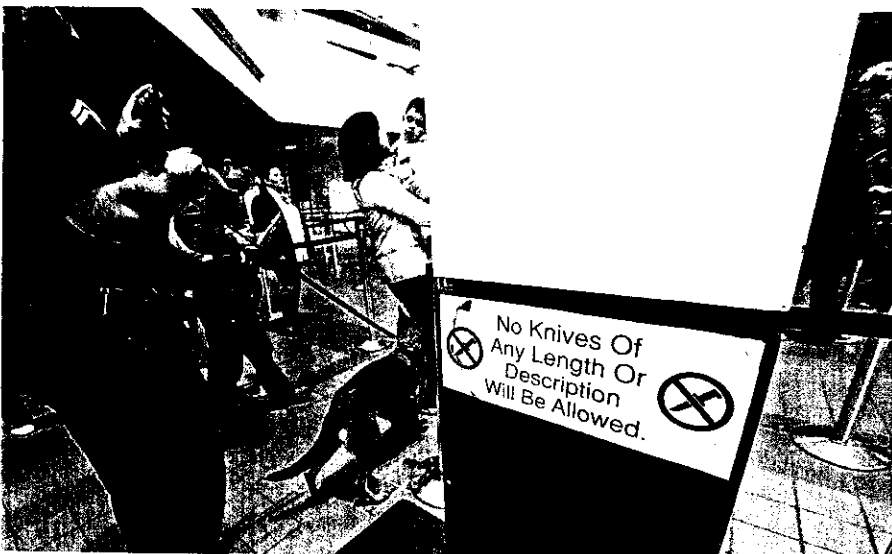
Against this backdrop, strategic adjustments are called for.

Indeed, signs of change continue in the United States—many often beyond the control of the Obama administration. Some members of the U.S. Congress, notably, have called for reviewing Obama's policy on relocating Guantanamo Bay detainees.

After eight long years of destructive unilateralism by the Bush administration, President Obama has shown a nimble willingness to adopt a shrewd strategy of smart power.

But it would be wrong to say that Northwest Flight 253 did not expose the many loopholes in U.S. antiterrorism policies—fissures that have provided ample opportunities within which terrorists can maneuver.

Closing these gaps will necessitate a broad undertaking—while posing many serious existential questions. How can the United States further carry out the diplomacy of smart power, for example? The answers to this and other critical questions will pose a severe test for the obvious wisdom of the Obama team. ■



STRENGTHENED SECURITY: A policeman uses an explosive-sniffing dog to monitor passenger luggage at the Los Angeles International Airport on December 27, 2009

Untying the Korean Knot

The six-party talks aimed at checking North Korea's pursuit of a nuclear arsenal should be resumed immediately—without preconditions

By SHI YONGMING

Last month, in the aftermath of bilateral talks between the United States and North Korea over its nuclear weapons capacity, Pyongyang offered a unique proposal. It was a precedent, but nonetheless not necessarily a harbinger of better things to come.

On January 11, the North Korean Government called for a peace treaty by December 2010 to formally end the Korean War that had first broken out 60 years earlier.

Since the Korean War unofficially ended in 1953 with the demarcation of the Demilitarized Zone (DMZ) along the 38th Parallel, there has been no formal truce between North Korea and South Korea. The DMZ, which stretches across the peninsula, is now the most heavily fortified border area in the entire world.

Still, the biggest and most dangerous wild card remains North Korea's nuclear program—and not least because of a massive underground test earlier last year.

At the same time, the success of international efforts to assert control over North Korea's nuclear weapons, however, have proven limited at best.

The first serious attempt to do so occurred under the auspices of the so-called Agreed Framework treaty signed by the United States in 1994 during the Clinton administration. On September 19, 2005, a Joint Statement of the six-party talks was issued in the stark absence of political trust.

In addition to the United States, North Korea and South Korea, the other members of the six-party talks consist of China, Japan and Russia.

Mutual confidence, Pyongyang diplomats are now arguing, should be contingent on a peace treaty that will replace the 1953 armistice. In this context, the North Koreans say negotiations on the peace treaty should be carried out either within the framework of the six-party talks, or in a separate forum, according to the Joint Statement of September 19, 2005.

While rekindling hope for the resumption of the stalled six-party talks, Pyongyang's new proposal underscored the complex nature of the Korean nuclear issue.

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An impractical proposal

Not surprisingly, the international community has not blanched at North Korea's latest proposal. Indeed, it poses a fundamental philosophical dilemma that offers no clear-eyed, obvious answer: That is, which should come first, a peace treaty or North Korea's denuclearization?

While Washington wants to see a nuclear-free Korean Peninsula, Pyongyang feels it badly needs security guarantees. It is not only eager to normalize relations with the United States, but also seeks to put a formal end to decades of hostilities.

Clearly the two sides cannot realize these immense goals simultaneously. For instance, participants in the six-party talks have yet to reach a consensus on when—much less how—negotiations on a peace treaty should be carried out.

Moreover, they have discussed the normalization of U.S.-North Korea relations as only a side issue. Consequently, agreements of the six-party talks tend to become extremely sensitive and vulnerable when implemented.

By contrast, North Korea's most recent suggestion has squarely focused on its own concerns. But making the conclusion of a peace agreement a precondition to denuclearization is fraught with flaws. Rather, now that agreements forged at the six-party talks

have not been implemented on good faith, conducting negotiations on a brandnew treaty are pointless.

Moreover, a peace treaty that can resolve the security issue on the Korean Peninsula should not only be a treaty of non-aggression, but should also address the heavy presence of military forces along the DMZ.

In the end, it would be anything but practical to negotiate a peace treaty before the nuclear issue is fully resolved.

Despite its unrealistic demands, North Korea's latest proposal has at least shown a change in its attitude—and it is a hopeful one. This has brought the normally hard-line stance of North Korea to one that embraces the art of diplomacy—at least on its face.

The shift has presented both considerable opportunities and momentous challenges for the international community.

Multilateral efforts

Despite rejecting Pyongyang's proposal, Washington has implied that a peace treaty could be discussed so long as North Korea agrees to resume the six-party talks.

White House spokesman Robert Gibbs, for one, has indicated that North Korea needs to return to the six-party talks and take actions toward denuclearization before further progress can be made in peace talks.



"If they're willing to live up to those obligations," he told reporters shortly after North Korea called for a peace treaty. "then we will make progress in those talks."

Since taking office just over a year ago, U.S. President Barack Obama has expressed a robust willingness to address the North Korean nuclear issue through talks. He has also indicated it would be possible for both countries to at last discuss normalizing relations.

Nonetheless, the Obama administration has since failed to come up with an effective mechanism to persuade the North Koreans to return to the talks. During his visit to Pyongyang between December 8 and 10 last year, Stephen Bosworth, U.S. Special Representative for North Korea Policy, exchanged views with North Korean officials on the six-party talks as well as U.S.-North Korea relations.

U.S. Secretary of State Hillary Clinton said Bosworth's mission had proven "quite positive"—despite the fact that neither side could agree on a date at which the six-party talks could restart.

Media reports indicated that Bosworth hand-delivered a confidential letter from Obama to the North Korean top leader Kim Jong Il. It remains unclear whether the letter had prompted North Korea to make its latest move. But the move was clearly not what Washington had expected.

So far, the Obama administration has yet to develop a viable approach toward resolving nuclear proliferation on the Korean Peninsula. Instead, it has demonstrated a tendency to regard North Korea's denuclearization as a precondition to any and all forms of progress.

With regard to specific issues, however, the United States faces other challenges, too. For instance, it recently raised concerns over

South Korea's human rights record—a move that could prevent North Korea from rejoining the six-party talks.

It is thus imperative the United States fully engage itself in the resumption of the six-party talks.

While reinforcing the U.S. view, South Korea clearly has its own agenda. In the Declaration on the Advancement of South-North Korean Relations, Peace and Prosperity issued in 2007, state leaders of South Korea and North Korea pledged trilateral and four-party summits to formally put an end to the Korean War.

South Korean President Lee Myung Bak, however, has largely abandoned his predecessor Roh Moo Hyun's policy toward North Korea since taking office in 2008. Consequently, the declaration has been shelved, leaving Seoul reluctant to discuss the prospects of a peace treaty.

North Korea's recent calls for a peace treaty have since sparked concerns among South Koreans that Pyongyang might further delay its denuclearization process under the pretext of these peace talks.

South Korea's interpretation of the clause in the September 19 Joint Statement that includes language stating that "the parties will negotiate a permanent peace on the Korean Peninsula at an appropriate separate forum" is, in particular, worth noting. To Seoul, that means precisely that the parties will carry out peace talks only after progress is made toward denuclearization.

In fact, Lee's drastic changes regarding Seoul's policy toward Pyongyang are among the factors that led to the nuclear issue stalemate to begin with. In an effort to ease tensions, Lee coined the concept of a "Grand Bargain" in September 2009, but declined to offer specifics.

But some sources say the program mainly followed Lee's vision of a South Korea willing to provide economic assistance to help North Korea to achieve \$3,000 in per capita income—if Pyongyang gives up its nuclear weapons and offers greater transparency.

This purported package solution, however, gives no mention to peace talks. Had Lee emphasized peace talks instead of openness and transparency, rather, his proposal might prove to be more acceptable to North Korea.

Under the current circumstances, moreover, even if the six-party talks were to restart, South Korea's role would be dubious.

North Korea's recent proposal has underscored the fact that the six-party talks that seek a nuclear-free Korean Peninsula are not expected to dodge the security issue. Meanwhile, the parties must not regard denuclearization and security guarantees for North Korea as mutually exclusive goals. Instead, they must try to address them side by side. ■

DIPLOMATIC DYNAMICS

Hopes Anew on Korean Nuclear Talks

A recent de-escalation of tensions over North Korea has presented strong opportunities for a resumption of the six-party talks aimed at achieving nuclear disarmament on the Korean Peninsula, according to Chinese Foreign Ministry spokesman Ma Zhaoxu.

Ma's remarks came at a February 9 press conference as he outlined the results of a previous visit to North Korea by Wang Jiarui, head of the International Department of the Central Committee of the Communist Party of China.

North Korean leader Kim Jong Il reiterated Pyongyang's desire to realize its goal of denuclearization on the Korean Peninsula during his meeting with Wang on February 8, Ma said.

All parties involved—the United States, North Korea, South Korea, China, Japan and Russia—should pursue engagement, while demonstrating flexibility, Ma said.

Beijing, he added, is more than willing to pursue the goals of a nuclear free Korean Peninsula, normalized diplomatic relations between Pyongyang and Washington, and lasting peace in northeast Asia. (See P8)

Advisory Panel Advocates China-Japan Collaboration

A policy advisory panel has called on China and Japan to work closer with the aim of advancing Asian integration.

The two countries should "view bilateral cooperation in the Asian integration process as one of the priorities in developing Sino-Japanese relations," said Tang Jiaxuan, the Chinese chair of the Fifth 21st Century Committee for China-Japan Friendship.

Tang and other committee members said that both countries should establish a joint financial security network, according to a statement following the first meeting of the committee, held in China from February 7-9.

Tang also urged Beijing and Tokyo to play a greater role in the development of the Greater Mekong Sub-region—consisting of Cambodia, Laos, Myanmar, Thailand, Viet Nam, and China's Yunnan Province. In addition, Tang recommended greater cooperation between Beijing and Tokyo to initiate an infrastructure network to link different parts of Asia.

Committee members also called on China, Japan and South Korea to speed up their research on the establishment of a tri-lateral free trade area.

Meanwhile, they underlined the importance of China-Japan collaboration in energy, environmental protection and low-carbon technologies.



CHRONIC CONFLICT: A North Korean Navy patrol boat is seen on May 31, 2009, among North Korean fishing boats from the South Korean-controlled Yeonpyeong Island near the two countries' disputed waters, the scene of previous inter-Korean clashes in 1999 and 2000. In the latest clash on January 27, 2010, North Korea fired artillery near the disputed sea border with South Korea, and Seoul's military returned fire, according to a report of South Korean Yonhap News Service

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RED STAR OVER

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China's ambitions in
the Iraqi oil fields could
change the landscape

By Stanley Reed
and Dexter Roberts

RAQ

It may be the start of the biggest oil job in the world. Each day, 20 workers from BP and China National Petroleum Corp. (CNPC) buckle down to the task of prepping the Rumaila oil field in southern Iraq for rapid development. In industry lingo, Rumaila is a "supergiant"—a 50-mile-long deposit of sweet crude with estimated reserves of 16 billion barrels, whose output may someday rank second only to Saudi Arabia's vast Ghawar field. The Saudis, though, have carefully managed their oil assets for decades. In contrast, Rumaila, a lightly inhabited expanse of date groves and Bedouin encampments, has not had

An Iraqi worker
(below) at the
Rumaila oil field;
Chinese guards
(left) at the Ahdab
field

ATEF HASSAN/REUTERS;
(INSET) THAYER/SUDAN/REUTERS

CHINA IN IRAQ Recent pacts to develop Iraqi oil fields

FIELD/RESERVES	DEVELOPER/SHARE OF VENTURE	TARGET PRODUCTION
Rumaila 16 billion	BP 38%, CNPC 37%, South Oil 25%	2.85 mbd*
Halfaya 4 billion	CNPC 50%, Total 25%, Petronas 25%	0.54
Ahdab 1 billion	CNPC 100%	0.10

*Millions of barrels per day Data: Wood Mackenzie, Iraqi government

a proper upgrade since the 1970s. The Iraqis contracted with BP and CNPC last year to juice Rumaila's production from 1.06 million barrels a day to 2.85 million, all in seven years. No one has ever tried such a ramp-up at a field as huge as this one. Putting Rumaila back in full working order will take tens of thousands of workers, 1,000 new wells, and billions in investment.

BP is the largest partner in the venture, but only by a dipstick: It has a 38% stake, while the Chinese hold 37% (the rest is owned by an Iraqi company). The media focus has been on BP's decision to take up the Rumaila challenge for a low fee of only \$2 for every barrel the venture produces. But the more important

story could be China's role. "CNPC's involvement brings together the country with the most rapid growth in energy demand in history with the country that plans the greatest buildup of production capacity ever," says Alex Munton, an Iraq specialist at Edinburgh-based oil consultants Wood Mackenzie.

China has moved fast. In a little over a year, CNPC, China's main oil producer with revenues of more than \$188 billion and a 1.5 million-worker payroll, has won large stakes in three Iraqi oil fields. The total production target for those fields is around 3.5 million barrels per day—close to China's domestic output. In two of the ventures, China is the controlling partner. Over two decades or so, CNPC may spend some \$20 billion on the fields, the most of any oil company in Iraq since Saddam Hussein fell. For China's oil industry, "Iraq is a game-changer," says Wenrang Jiang, an authority on the country's energy thirst who teaches at Canada's University of Alberta.

TIED TO THE LEADERSHIP

Carved out of China's oil ministry in 1988, state-controlled CNPC managed the oil and gas fields of north China before expanding to Peru, Sudan (where it has been criticized for working with the regime), and Venezuela. It has a reputa-

tion as insular and bureaucratic, especially compared with China National Offshore Oil Corp. CNOOC founded in 1982 with a mandate to drill in offshore locales with foreign companies, has executives who speak English as a matter of course and travel widely. "CNPC always viewed itself as a direct successor of the oil ministry," says Victor Gao, CNOOC's former general counsel and currently a private equity investor. "So it's more orthodox; it considers itself a government entity."

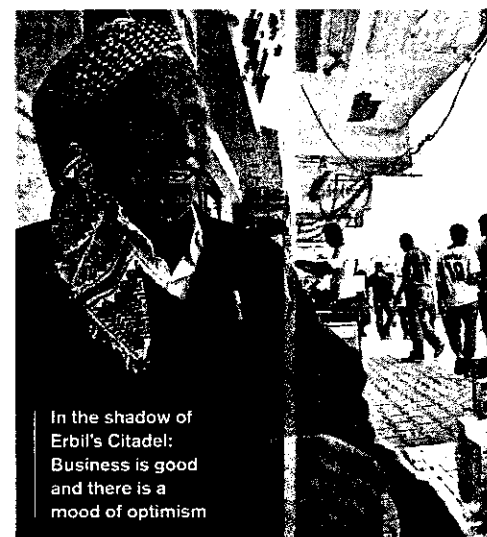
Jiang Jiemin, 54, who has run CNPC since 2004, is a man of few words. In Iraq, though, Jiang and his team played their hand well. Months before the Rumaila deal, CNPC got the rights to develop Ahdab, a medium-sized field. That means CNPC is one of a few outside oil companies with operating experience in Iraq. Jiang has also forged a good relationship with BP CEO Tony Hayward, who sees CNPC as the gateway to China. BP "wants to have them as a partner wherever they can," says Bob Maguire, head of oil and gas investment banking at Perella Weinberg Partners in London. "They are the largest NOC [national oil company] in Hayward's mind." CNPC declined to comment for this story.

AN OIL BOOMTOWN IN IRAQI KURDISTAN

Erbil is prospering, but tensions with Baghdad are increasing

By Ben Holland
ERBIL, IRAQ

Traveling from Baghdad to Erbil, you feel like you're entering a different country, which in a sense you are, since the city is the capital of Iraq's semi-autonomous Kurdish region. New homes stretch out onto the dusty prairie, and the main avenues are dug up as workers lay fiber-optic cables. In the bazaars, horse-drawn carts laden with pomegranate seeds and stewed beetroot jostle with men selling mobile phones from motorbikes. "Every time I go, there are two or three buildings that weren't there before," says Andrew Eberhart, whose Marshall Fund, a U.S. private equity firm, runs a tomato-paste plant near Erbil that he visits several



In the shadow of Erbil's Citadel: Business is good and there is a mood of optimism

SAFIN HAMED/AFP/GETTY IMAGES

BP and CNPC bring different strengths. BP has been studying the field by agreement with the Iraqis and already has worked out a development plan. And the Chinese? Beijing-based CNPC has access to affordable credit from China Development Bank and China Exim Bank. In an industry where supplies are tight, "they have spare capacity, rigs, and other equipment available that you could mobilize and put on the ground," says Andy McAuslan, BP's Iraq commercial director. (He adds that contracts for oil services in Iraq will be awarded competitively.) Fast deployment in Iraq is key. According to their contract, BP and CNPC won't start getting paid until they have boosted production 10%. The Chinese know how to manage thousands of workers in distant, often hostile locales such as Central Asia and the Sudan. It also knows how to develop onshore fields: In China, it pumps the equivalent of 3.3 million barrels a day. Besides the role in drilling wells and pumping oil, Chinese companies are good candidates to build the oil terminals, refineries, and pipelines Iraq will need to get its crude to global markets.

China is the low-cost provider in the industry. "As a general rule of thumb, Chinese management and labor costs are about one-third if not one-fourth of Western costs," says Gao, the ex-CNOOC executive. Nine colleges and universities focus exclu-

sively on oil studies in China: "The Chinese treat the industry as a life-and-death issue," says Gao. The Western oil industry's workforce is aging rapidly. "Analysts always mention that the oil majors face personnel shortages," says Xu Xiaojie, an independent oil and gas adviser in Beijing. "In China we have a surplus."

The Iraq ventures still face formidable obstacles—sectarian strife, corruption, and government instability, among them. The Iraqis also may not welcome large numbers of Chinese to their fields. "Yes, bringing in low-cost engineers is China's advantage," says Trevor Houser, a partner at the Rhodium Group, a New York-based research firm that studies India and China. "But that has created tensions [elsewhere]. Look at Zambia, where an election was pretty much

CHINA'S RELIANCE ON MIDEAST OIL

MILLIONS OF BARRELS PER DAY	
MIDDLE EAST	1.8
AFRICA	1.1
0.1 ASIA-PACIFIC	
OTHER 0.6	
TOTAL IMPORTS: 3.6 MILLION BARRELS A DAY	
Data: Energy Information Administration, FACTS Global Energy	

fought over China."

China and CNPC, though, have no choice. The Chinese are hungry for crude and for a position among the world's top oil companies. Iraq may prove the best place to satisfy both desires. **BW**

CHART BY ALBERTO MENA/BW

times a year. "There's a lot of energy."

As Baghdad steps up oil production, it might look north to this city for pointers on working with foreign investors. The Kurds have been awarding contracts to overseas companies since 2002, a year before Saddam Hussein's ouster. Today, Canada's Addax Petroleum (acquired by China Petrochemical), Norway's DNO

International, and Turkey's Genel Enerji International have contracts for the Taq Taq and Tawke fields in Kurdistan. The Kurds say they could produce 200,000 barrels a day by the end of 2010—about 10% of Iraq's current output—up from a maximum of 100,000 barrels daily last year.

The north's stability is strengthening the hand of Kurdish President Massoud Barzani as he bar-

gains with Baghdad over oil resources. In the run-up to national elections in March, the Kurdish region—where nearly 20% of Iraq's 29 million citizens live—isn't shy about parading its autonomy: Police wear Kurdish uniforms. The region's red, white, and green flag is ubiquitous while Iraq's is nowhere to be seen. Kurdish parties will participate in the election, but Barzani isn't a candidate.

EXPORTS ON HOLD

The catch is, the Kurds can't sell their oil abroad without help from the government of Prime Minister Nuri al-Maliki, which controls export pipelines. Since the Kurds started oil exports in June, Baghdad has refused to pay the international companies for their share of the export revenue, saying Barzani's government had no right to sign its own contracts. That's "unfair and unreasonable and illogical," says Falah Mustafa Bakir, the region's de facto foreign minister. In October the Kurds suspended exports, and the region's output has slumped to 20,000 barrels a day.

While locals and foreigners alike praise Kurdistan for building up its infrastructure and welcoming investment, tension

between the Kurds and Arab Iraqis remains a concern. Barzani says Kirkuk, the province southeast of Erbil that produces a quarter of Iraq's oil, should be part of Kurdistan. A local referendum on that question has been delayed for two years, and both Barzani and Maliki have built up military forces in the province. "If you clash with your neighbors, it's difficult for investors to believe in the area," says Baz Karim, chief executive of Kar Group, an Erbil company with \$1 billion in energy and building contracts.

Nonetheless, there's a mood of optimism in Erbil. Karim is building a 13-story tower in the city as Kar Group's headquarters and is expanding Kar's oil refinery. The boom marks a dramatic shift from the 1980s, when Hussein's troops killed thousands of Kurds, and the impoverished 1990s when the region was cut off from the rest of the world. "A few years ago there was no money, no electricity, no banks," says Dara Jalil Khayari, head of the Erbil Chamber of Commerce, whose glass-fronted offices stand out against the 6,000-year-old mud-brick Citadel that looms over Erbil's center. "Now we have lots of industry." **BW**



Facing up to China

Making room for a new superpower should not be confused with giving way to it



FOR six decades now, Taiwan has been where the simmering distrust between China and America most risks boiling over. In 1986 Deng Xiaoping called it the "one obstacle in Sino-US relations". So there was something almost ritualistic about the Chinese government's protestations this week that it was shocked, shocked and angered by America's decision to sell Taiwan \$6 billion-worth of weaponry. Under the Taiwan Relations Act, passed in 1979, all American administrations must help arm Taiwan so that it can defend itself. And China, which has never renounced what it says is its right to "reunify" Taiwan by force, feels just as bound to protest when arms deals go through. After a squall briefly roils the waters, relations revert to their usual choppy but unthreatening passage.

With luck, this will happen again. But the squalls are increasing in number, and the world's most important bilateral relationship is getting stormy. If it goes wrong, historians will no doubt heap much of the blame on China's aggression; but they will also measure Barack Obama on this issue, perhaps more than any other.

The China ascendancy

As if to highlight the underlying dangers, China has this time gone further than the usual blood-and-thunder warnings and suspension of military contacts (see pages 22-24). It has threatened sanctions against American firms and the withdrawal of co-operation on international issues. Those threats, if carried out, would damage China's interests seriously, so its use of them suggests that it hopes it can persuade Mr Obama to buckle—if not on this sale then perhaps on Taiwan's mooted future purchases of advanced jet-fighters. But the unusual ferocity of the Chinese regime's response also points to three dangerous undercurrents.

The first is the failure of China's Taiwan policy. Under the presidency of Ma Ying-jeou, Taiwan's relations with the mainland have been better than ever before. Travel, trade and tourist links have strengthened. A free-trade agreement is under negotiation. Yet there is little sign of progress towards China's main goal of "peaceful reunification". Most Taiwanese want both economic co-operation and de facto independence. A similar failure haunts policy in Tibet, where our correspondent, on a rarely permitted trip to the region, found the attempt to buy Tibetans' loyalty through the fruits of development apparently futile (see page 27). As talks between China and the emissaries of the Dalai Lama ended in the usual stalemate this week, China warned Mr Obama against his planned meeting with Tibet's exiled spiritual leader.

Again, nothing new in that. There is, however, a new self-confidence these days in China's familiar harangues about anything it deems sovereign. That is the second trend: China, after its successful passage through the financial crisis of late 2008, is more assertive and less tolerant of being thwarted—and not just over its "internal affairs". From its perceived posi-

tion of growing economic strength, China has been throwing its weight around. It played a central and largely unhelpful role at the climate-change talks in Copenhagen; it looks as if it will wreck a big-power consensus over Iran's nuclear programme; it has picked fights in territorial disputes with India, Japan and Vietnam. At gatherings of all sorts, Chinese officials now want to have their say, and expect to be heeded.

This suggests a dangerous third trend. As China has opened its economy since 1978, it has been frantically engaged in catching up with the rich West. That has led to the idea, even among many Chinese, that it would gradually become more "Western". The slump in the West, however, has undermined that assumption. Many Chinese now feel they have little to learn from the rich world. On the contrary, a "Beijing consensus" has been gaining ground, extolling the virtues of decisive authoritarianism over shilly-shallying democratic debate. In the margins of international conferences such as the recent Davos forum, even American officials mutter despairingly about their own "dysfunctional" political system.

A swing not a seesaw

Two dangers arise from this loss of Western self confidence. One is of trying to placate China. The delay in Mr Obama's meeting with the Dalai Lama in order to smooth his visit to China in November gave too much ground, as well as turning an issue of principle into a bargaining chip. America needs to stand firmer. Beefing up the deterrent capacity of Taiwan, which China continues to threaten with hundreds of missiles, is in the interests of peace. Mr Obama should therefore proceed with the arms sales and European governments should back him. If American companies, such as Boeing, lose Chinese custom for political reasons, European firms should not be allowed to supplant them.

On the other hand the West should not be panicked into unnecessary confrontation. Rather than ganging up on China in an effort to "contain" it, the West would do better to get China to take up its share of the burden of global governance. Too often China wants the power due a global giant while shrugging off the responsibilities, saying that it is still a poor country. It must be encouraged to play its part—for instance, on climate change, on Iran and by allowing its currency to appreciate. As the world's largest exporter, China's own self-interest lies in a harmonious world order and robust trading system.

It is in the economic field that perhaps the biggest danger lies. Already the Obama administration has shown itself too ready to resort to trade sanctions against China. If China now does the same using a political pretext, while the cheapness of its currency keeps its trade surplus large, it is easy to imagine a clamour in Congress for retaliation met by a further Chinese nationalist backlash. That is why the administration and China's government need to work together to pre-empt trouble.

Some see confrontation as inevitable when a rising power elbows its way to the top table. But America and China are not just rivals for global influence, they are also mutually dependent economies with everything to gain from co-operation. Nobody will prosper if disagreements become conflicts. ■



By fits and starts

BEIJING AND WASHINGTON, DC

As China and America square off in the latest round of recriminations, how bad are relations really?

IT IS probably the most important relationship of today's world, and even more of tomorrow's. If the United States and China cannot co-operate, what hope of stemming climate change and the spread of nuclear weapons, or returning the global economy to a path of stable growth? Over the past decade, the established superpower and the rising one have rubbed along reasonably well; relations with China are, by common consent, one of the few things George Bush junior got mostly right. But under Barack Obama, after a cordial start, slights have been building up for a while. The past week has produced a sharp reminder of how sensitive the relationship can be—and how quickly it might spin out of control.

The issue, as so often in the past, was Taiwan, and in particular America's promise to defend the island republic from the Communist mainland, which continues to claim sovereignty over it. America's Congress has embodied this commitment in law: the United States is obliged under the Taiwan Relations Act of 1979 to provide the island with the arms it needs to defend itself. On January 29th the Obama administration gave Congress notice of more than \$6 billion-worth of arms sales it had determined to be necessary for Taiwan's defence. These included some sophisticated

weaponry, including Harpoon anti-ship missiles and Black Hawk helicopters.

China promptly had a fit. It summoned America's ambassador and scolded him for this interference in China's "internal affairs". It announced that it would cut some of the recently strengthening ties between the armed forces of the two countries. And it threatened to impose commercial sanctions on the American firms whose weapons might be sold to Taiwan, cutting them out of China's own market. This looks like a highly uncomfortable collision between the two big powers. How worried should the rest of the world be?

To answer that question, it is necessary to look behind the show. China is rather prone to having fits, or at least at seeming to have them. But in fact Chinese officials would not have been in the least surprised by Mr Obama's decision to sell these weapons to Taiwan. American officials have long insisted, for public consumption at least, that they do not consult China about such sales. Nonetheless James Jones, Mr Obama's national security adviser, said on the same day as the announcement that America would consult China "in a transparent way" on the issue. Officials later clarified that he had meant notify, rather than consult. But since big elements of the package had been agreed on

by Mr Bush (and delayed by political wrangling in Taiwan and haggling between Taiwan and America), China has had plenty of time to brace itself and plan its response.

Though they naturally did not say so, the Chinese were no doubt pleased that Mr Bush's unfulfilled offer to equip Taiwan with submarines was not taken up by Mr Obama. The package did include 60 Black Hawk helicopters, which Mr Bush had not approved, but these will hardly intimidate China. Taiwan did not get the new F-16 fighter planes it has long requested. The last time America agreed to sell Taiwan F-16s (a less advanced version than Taiwan is now angling for) was in 1992 when the first George Bush was president. That did enrage China, but its reaction then was tempered by a sense of vulnerability after the collapse of communism in Europe. Now, in response to a less threatening list of weapons, it is feeling less restrained.

Even so, its reaction this time has not alarmed the China-watchers in Washington, DC—not so far, at least. A senior administration official said the response had been "pretty much as expected" and consistent with previous episodes. China commonly responds to American arms sales to Taiwan by suspending military dialogue. After the F-16 sale, it also withdrew from UN talks on arms control. But the importance of preserving its relationship with America has always been paramount. China knew when it established diplomatic ties with America in 1979 that arms sales would continue.

In effect it acknowledged this in a joint communiqué issued in 1982 under Ronald Reagan, in which America pledged non-committally "gradually to reduce its sale of ►►

► arms to Taiwan, leading, over a period of time, to a final resolution." Both countries promised to make efforts to create conditions "conducive" to this. As officials in America and Taiwan see it, China's massive deployment of missiles and other offensive weaponry on its coast facing Taiwan since the late 1990s is far from conducive to an end to American arms sales. China's arms build-up has continued since the inauguration in May 2008 of a more China-friendly president in Taiwan, Ma Ying-jeou, and despite a rapid improvement in cross-strait political ties.

As Chinese officials see it, however, the world has dramatically changed since the early 1990s when the first President Bush sold the F-16s, and again since 2001 when his son first offered Taiwan another huge array of weapons, including the submarines. America's weaknesses, they feel, have become particularly apparent since the outbreak of the financial crisis in 2007. China, they believe, has continued to grow stronger. The global balance of power, argue many Chinese scholars, is shifting in China's favour. China can afford to flex more of the muscle amassed by its double-digit annual increase in defence spending over most of the past two decades.

All the same, China is hardly likely now to stage a repeat of the sabre-rattling, including unarmed missile firings close to Taiwan, that brought it perilously close to war with Taiwan and America in the mid-1990s. That crisis was fuelled by what China saw as separatist statements by Taiwan's president, Lee Teng-hui, including those he uttered on a private visit to America in 1995. China was unnerved too by the approach of Taiwan's first direct presidential elections in 1996, and wanted to deter voters from supporting Mr Lee or other China-sceptical candidates. The health of Deng Xiaoping, China's semi-retired elder statesman, was failing and his successor, Jiang Zemin, wanted to prove himself.

China's relations with Taiwan have thawed massively after a dozen years of frostiness following the standoff. Having seen the strength of American resolve in 1996, with the sending of two aircraft-carrier battle groups close to Taiwan, it is probably not anxious to test it again—even though its own deployment of missiles and submarines could make American carriers more wary.

Was Obama "pushing back"?

If China's fit of indignation was largely for show, what was Mr Obama's motivation in announcing the Taiwan arms sales right now? One school of thought has it that the American president, beset by domestic troubles, decided at last to "push back" against a China that had been insufficiently responsive and on occasions downright hostile to his first-year charm offensive.

The Americans certainly feel they have

cause for complaint and concern. The strength of China's rhetoric over Taiwan suggests that relations are changing in what could prove a worrisome way. In recent months China's leaders have become more prickly in their dealings with the outside world. Signs of this have included sending a relatively junior official to negotiate with Mr Obama during the climate-change summit in Copenhagen; the sentencing of a prominent dissident to an unusually lengthy jail term in December; the execution that month of a supposedly mentally ill British drug-dealer despite appeals from the British prime minister; China's more robust position in territorial disputes with its neighbours, and an unwillingness to back sanctions on Iran.

For all that, there is scant evidence that Mr Obama intended to use the Taiwanese



weapons sale as a means of showing a tougher face to China. The transfer had to be announced at some time, and this, said a senior official, was "one of those issues where the timing is never right".

Indeed, one way to read the timing is that it was intended to minimise friction. It would have been far more provocative if America had announced the sale on the eve of Mr Obama's visit last November or immediately afterwards—just before the Copenhagen summit. With President Hu Jintao expected to visit the United States later this year, this was not a bad time to get unpleasant business out of the way. American officials scoff at the idea that Mr Obama would let some of the "rude" personal behaviour he encountered from some Chinese officials in Copenhagen influence strategic decisions. And if he was in a mood for lashing out at China, why did this not show in the Defence Department's latest Quadrennial Defence Review, released on February 1st?

Compared with the last such document

issued in 2006 under the Bush administration, this one (see page 35) dwells far less on the danger posed by China's rise. Four years ago the review said that, among major and emerging powers, China had the "greatest potential to compete militarily" with America. The pace and scope of China's military build-up, it said, had already put regional military balances "at risk".

The latest report repeated the last one's concerns about the secrecy of China's military build-up. But it also said that China's developing military capabilities could enable it to play "a more substantial and constructive role in international affairs". In 2006 the Defence Department noted China's large investment in cyber-warfare as well as counter-space and missile systems. America, it said, would "seek to ensure that no foreign power can dictate the terms of regional or global security." This time it stressed the need for China and America to "sustain open channels of communication to discuss disagreements" in order to reduce the risk of conflict.

The internet's role

All in all, the evidence suggests that neither the American arms package nor China's reaction to it was intended to disturb a relationship that is often fraught but in which both sides have made a big investment. That said, it would be wrong to suggest that the two countries see eye-to-eye on all or even most big issues, or to rule out a dangerous falling-out in the future. Some dangers seem to be increasing. One big change, says Doug Paal, a senior China adviser to previous American presidents and now at the Carnegie Endowment in Washington, DC, is that the growth of the internet generation in China nowadays requires its government to heed the strong nationalist sentiment of its own people.

Newspapers in China say as much to themselves. The *Global Times*, a Communist Party-linked newspaper in Beijing, argued that China's "stronger than expected response" to the Taiwan sales was in part a reflection of changing public opinion. In recent years, it said, public sentiment had been "increasingly shaping China's foreign policy strategies" and driving the Chinese government to respond more strongly to American "provocation".

That, admittedly, is only one side of popular Chinese attitudes to America. The newspaper did not discuss the enormous attraction that American culture still exerts in China. The Hollywood blockbuster "Avatar" has recently been a colossal hit, provoking much speculation among Chinese about how the authorities might be reacting to its anti-authoritarian overtones. Google's recent battle with the Chinese authorities has also been widely applauded by people inside China. But the web cuts both ways. The past decade has seen periodic upsurges of anti-Western sentiment, ►►

► magnified by the freedom internet users enjoy to air such views without interference from the usually heavy hand of China's online censorship.

That is why there is likely to be both popular and government outrage against Mr Obama later this month if, as many expect, he decides to meet the Dalai Lama during the Tibetan spiritual leader's visit to America. The White House said this week that the Dalai Lama was "an internationally respected religious and cultural leader" and that, although America considered Tibet a part of China, Mr Obama would meet him in that capacity. China responded that any meeting would "seriously undermine the political foundation of Sino-US relations." Tibet touches a raw nerve (see page 27). The riots in Lhasa of March 2008 and subsequent unrest across the Tibetan plateau triggered an anti-Western backlash online and in the media.

Such feelings were tamed by the West's sympathetic response to an earthquake in Sichuan Province in May 2008 that killed 70,000 people, and by the decision of Western leaders (Mr Bush especially) to attend the Olympic games in Beijing in August that year. But they have not gone away. Chinese officials, though wary of confrontation with America, also fret that popular nationalism could turn against the Communist Party itself if the party is seen as caving in to the West.

This might explain why officials are now threatening to impose trade sanctions on American companies involved in weapons sales in Taiwan (an idea that gained a lot of online support even before the announcement from Washington). China is unlikely to follow this through in more than a token manner. Some of the American firms involved do little or no business there. But Boeing, which makes the Harpoon anti-ship missiles, has also produced more than half of China's commercial jets and ensures they stay airworthy with spare parts. The Chinese are well aware that Boeing has operations in many American states and that Congress would react strongly if sanctions went ahead.

Still, these are tense and unpredictable times in trade relations between the two countries. On February 1st China's Ministry of Commerce issued a statement saying that trade protectionism had been on the rise in America since the outbreak of the financial crisis, and that China had been the "biggest victim" of America's "misuse" of trade-remedy measures. Both countries have imposed anti-dumping tariffs on some of each other's products in recent months. American impatience with China's reluctance to let its currency appreciate has also been growing. Chinese bitterness over arms sales could complicate efforts to resolve such spats.

Having restored top-level military contacts with America just last year (last sev-

ered in 2008 after the Bush administration announced arms sales to Taiwan), China is likely to shun the Pentagon again at least for a few months. A planned trip by America's defence secretary, Robert Gates, to Beijing may be one casualty. But it is less likely that Mr Hu will abandon his plans for a trip to Washington this year. China's leaders have long felt they have more to gain politically at home by showing off the diplomatic respect they receive from Americans than they have by shunning them.

The Iran conundrum

Once the quarrel over the Taiwanese weapons dies down, the next big collision in geopolitics is likely to be over Iran. Indeed, one reading of the timing of the Taiwan deal is that America intended to show its annoyance over China's reluctance to join the rest of the members of the UN Security Council and Germany in imposing new economic sanctions on Iran. Now that the deadline Mr Obama set for talking round the ayatollahs has expired, Iran is certainly one of America's main foreign-policy worries. But the notion that America was punishing China by way of Taiwan looks wide of the mark. If anything, the administration appears to have been eager to avoid forging any linkage between Iran and Taiwan in Chinese eyes.

It is true that China is now the odd man out on Iran in the Security Council. But that, says Nina Hachigian of the Centre for American Progress, a think-tank close to the Obama administration, is because Russia has become more alarmed by Iran and co-operative with the West, rather than because China has changed its own stance. More to the point, America may not yet have given up on the possibility of China playing a constructive role in dissuading Iran from seeking nuclear weapons.

In a speech in Paris on the day of the Taiwan announcement, Hillary Clinton,

America's secretary of state, said she understood why China hesitated to impose sanctions on one of its main energy providers, but urged it to think about the destabilising "longer-term implications" of a nuclear-armed Iran. Given how much oil the Chinese import from Iran, and their appetite for investment in Iran's energy riches, China is not expected to support strong sanctions. But nor will it necessarily do more than abstain when the Security Council votes—and, with careful handling, it may co-operate on other points.

In some ways, the new friction in relations between America and China is remarkable only for taking so long to make itself felt. Kenneth Lieberthal, director of the Brookings Institution's China Centre in Washington, says that Chinese-American relations are typically prone to be testy in the first year of a new administration, as the two countries gauge each other's mettle. Mr Obama's conscious decision to postpone inevitable irritants such as differences over Taiwan, the Dalai Lama and Iran made for some cordiality, but still disputes occurred. The coming year, Mr Lieberthal says, will be a trying one.

Beyond that, nothing is certain. American officials keep saying that they are keen to build a more "mature" and "strategic" relationship with China, one better able to withstand the inevitable periodic fallings-out. But the relative balance of power between America and China is changing in some nerve-jangling ways—as are the internal politics of China itself. After a decade in power, Mr Hu will step down as party chief in 2012 and as president the following year. Succession uncertainties, as the Taiwan Strait crisis of 1996 demonstrated, can lead to unpredictable behaviour among Chinese leaders. If China misjudges its own strength and underestimates America's, such unpredictability could become especially dangerous. ■



Malaysian politics

There they go again

BANGKOK

The opposition leader treads a familiar path into the dock

SLINGING mud at opponents is a staple of most democracies, even if voters might prefer a more sensible debate. In Malaysia, a prudish, majority-Muslim country, it seems that nothing succeeds quite like below-the-belt personal attacks. For Anwar Ibrahim, the opposition leader and former deputy prime minister, who went on trial this week accused of sodomising a young male aide, the tactic is wearily familiar. In 1998 he was charged with the same crime, found guilty and jailed. Exonerated and freed, he has staged a comeback that another conviction might jeopardise.

Much has changed in Malaysia since Mr Anwar last took the stand. His nemesis, the country's longest-serving prime minister, Mahathir Mohamad, who presided over his downfall, has retired, if not exactly gracefully or quietly. The once-mighty United Malays National Organisation (UMNO), which leads a 13-party multiracial governing coalition, looks increasingly vulnerable at a future election. A judiciary that was seen as beholden to its political masters has begun to assert its independence, and has sided with free-speech plaintiffs in prickly faith-related cases.

That independence will be put to the test in "Sodomy 2.0", as Malaysia's press has taken to calling Mr Anwar's trial. His lawyers have pressed for the disclosure of prosecution evidence, including medical reports of the accuser, Saiful Bukhari. He told the court on February 3rd that Mr Anwar coerced him into having sex, which would be illegal in Malaysia and punishable by up to 20 years in jail. Mr Saiful worked briefly for Mr Anwar in 2008, when he was 23. During the same period, he was seen with aides of Najib Razak, then deputy prime minister and prime minister since last April. Mr Anwar accuses Mr Najib and his wife of a conspiracy to frame him and says they should testify. Mr Najib insists he has nothing to do with the case.

UMNO has been scheming to weaken the opposition, which won five out of 13 states in March 2008 elections that stunned the ruling coalition. Last year it seized back one of those states, Perak, by luring defectors. Then it tried, in vain, to peel off an Islamic party in Mr Anwar's alliance. An anti-corruption agency has been mobilised to dig opposition dirt, with disastrous results in the case of Teoh Beng Hock, a political aide who died last July after falling out of a window while



Anwar knows the way

in the agency's custody.

Mr Anwar's trial is a much more potent weapon for UMNO, both as a blot on the opposition leader's image and a distraction from his politicking. UMNO-owned media will harp on the sordid details, just as they did in the first trial when a semen-stained mattress was hauled into court. The blogosphere, however, where young Malaysians get their news, may not be easily impressed. Nor, it seems, will foreign investors, whom Mr Najib is desperate to attract with promises of a more open and less UMNO-dominated economy. His government's image is already dented by corruption scandals, including a multi-billion dollar project at Port Klang that has been dogged by accusations of mismanagement and cronyism. Some Malaysians may be wondering why such matters seem to generate less heat than Mr Anwar's alleged transgressions.

Sri Lanka's post-election crack-down

Sore winners

How not to celebrate a victory

OPTIMISTS hoped that, after Mahinda Rajapaksa's stunning victory in Sri Lanka's presidential election on January 26th, he might be magnanimous to his opponents and reassure citizens worried about the erosion of their civil liberties. He defeated his main opponent, Sarath Fonseka, the former commander of his army by the huge margin of 17 percentage points. With the war against the Tamil Tigers behind him, and seven more years of presidency ahead, Mr Rajapaksa could afford to be generous. But instead, his government has launched a sweeping crackdown, suggesting it remains paranoid about dissent, and fretful about a possible military coup.

At least 20 former members of an elite army commando unit and ten army deserters, all supporters of Mr Fonseka, have been arrested. Accusing the defeated candidate of a plot to assassinate Mr Rajapaksa and his family, the police also raided Mr Fonseka's office in Colombo and detained some of his staff. A brigadier who served as military assistant to Mr Fonseka when he was army commander was arrested, and several other officers transferred within the army. Twelve senior officers, including three major-generals, were then asked to retire at once, accused of having engaged in political work.

Mr Fonseka, who says he will continue in politics, has appealed for international help to uphold democracy in Sri Lanka. He protests that his supporters have been harassed, his computers and some motor cycles seized, that the police will not take complaints from him and that he has constantly been followed. At a press conference this week he also denied speculation that he was planning a coup.

The post-election crackdown has also hit the press, prompting the country's six main journalists' unions to urge Mr Rajapaksa to stop what they said was a deterioration of media freedom and "dangerous trends" faced by reporters. The visa of Karin Wenger, a Delhi-based Swiss radio-correspondent, was cancelled after she asked a "sensitive" question at a press conference. The decision was later revoked by Mr Rajapaksa. The government's media minister, Anura Priyadarshana Yapa, has denied that there is any threat to the press, and said that no news organisation had complained to him.

However, the government shut down the printing press of *Lanka*, a newspaper, and detained its editor. The press was un-



North Korea's regime trips up

Market forces 1, brute force, 0

SEOUL AND TOKYO

An embarrassing climb-down puts Kim Jong Il in a difficult position

HOWEVER loathsome his neighbours find Kim Jong Il, the nuclear-armed North Korean dictator, most admit that beneath the big hair lurks the mind of a tactical genius with a flair for survival. At home North Koreans are smothered by his ruthless personality cult. Abroad, he is an adept blackmailer: act mad enough to be dangerous; then conciliate for cash.

Recently, however, he has made tactical mistakes on both counts. Diplomats think none is so serious as to endanger his regime. But the blunders give heart to those who believe they can eventually push North Korea back to talks about dismantling its nuclear arsenal. And they reaffirm the benefits of what Americans call "strategic patience": waiting until North Korea is desperate enough to offer concessions.

Even the regime appears, in its own odd way, to have admitted the most recent blunder. News reports suggest North Korea has reversed some elements of a crack-down on private enterprise that it unleashed with a cack-handed redenomination of the won on November 30th. In the interim, the currency collapsed, the price of rice surged by as much as 50 times, and much of traders' working capital for buying and selling goods was wiped out. As food distribution seized up, some rare grumbles of protest were heard.

But since early February, regulations on trading in the *jangmadang*, or markets, across North Korea appear to have been lifted. Implausible official prices have been

posted—from 240 won (\$178) for a kilo of rice (a bit less than a pair of socks) to 25 won for a toothbrush.

Meanwhile, the Dear Leader has made a perhaps unprecedented apology to his people for feeding them "broken rice" and not enough white rice, bread and noodles. He was, he said, "heart-broken", and implicitly acknowledged he had violated an oath to his godlike father, Kim Il Sung, to feed the people rice and meat soup.

Adding to the poignancy, experts say the bungled reforms were done in the name of Kim Jong Un, the dictator's third son and potential heir. His involvement may have been part of a strategy to reassert Stalinist-style state control of the enfeebled economy ahead of 2012, the 100th anniversary of grandfather Kim's birth.

It seems unlikely the plan has been abandoned altogether, not least because the small markets that have flourished since the famine of the 1990s pose such a challenge to the state's authority. But the ineptitude must have been glaringly obvious, even in the hermetic state.

"The government has never said sorry to the people, especially on a topic as sensitive as rice," says Andrei Lankov, of Kookmin University in Seoul, a writer on North Korea. "Because of Kim Jong Il's age and the age of those around him, it looks like he may be losing touch with reality."

Mr Lankov has described North Korea's leaders as brilliant Machiavellians. However, he believes there may have been a

similar miscalculation in North Korea's recent behaviour towards America, China, Japan, Russia and South Korea, the countries with which it started spasmodic "six-party talks" on denuclearisation in 2003. Its firing of a long-range missile and explosion of a nuclear bomb last year hardened the resolve of the five to strengthen United Nations sanctions against Pyongyang. However much Mr Kim has cajoled and coaxed since then, he has not yet achieved his usual success in dividing the five.

What's more, diplomats say he seems increasingly open to a return to the six-party talks, which last year he vowed "never" to do. China, which is closest to North Korea and chairs the six-party forum, sent Wang Jiarui, a senior Communist Party official, to meet Mr Kim this week and invite him to Beijing. Mr Kim made no public commitment on the six-party talks, but his nuclear negotiator returned with Mr Wang to the Chinese capital.

Lee Myung-bak, South Korea's president, surprised his countrymen by saying he, too, hoped to meet Mr Kim "within this year". The timing was odd. His statement came as North Korea was lobbing artillery shells threateningly into the Yellow Sea. But it revealed what officials say is a twin-track process in Seoul to engage North Korea, bilaterally as well as in the six-party framework. Wi Sung-lac, South Korea's special representative for peace on the peninsula, thinks the North is "moving in the direction of talks".

Both North Korea and its six-party counterparts have set such tough conditions on coming together that it would be rash to expect too much. North Korea wants UN sanctions lifted, and a peace treaty with America to mark the formal end of the 1950-53 Korean war before restarting talks. America has resisted both. An East Asian diplomat says the other five nations are demanding that North Korea ►

Also in this section

- 27 A planned offensive in Afghanistan
- 28 The perils of dissent in China
- 28 Sri Lankan politics
- 29 India and GM food
- 29 Jailed and tortured in Myanmar
- 30 Banyan: Election season in the Philippines

take "concrete measures" towards denuclearisation before talks and the lifting of sanctions. "We're not giving any carrots."

Underscoring the resolve, humanitarian assistance to North Korea has slowed to a trickle. South Korea sent only \$37m of public aid last year, compared with \$209m in 2007. Officials say Mr Lee is adamant no money will be spent coaxing North Korea to a summit. Talks on cross-border tourism and factories, another means for Pyongyang to extort hard currency from the south, have made no progress.

Mr Kim still has some trump cards up his sleeve. Tensions between China and America over Taiwan and Tibet provide a

thread of disharmony to tug upon. And China has a strategic eye on North Korea's ports and minerals, which some diplomats fear may encourage it to be overly generous to the regime.

But the mere hint of economic fallibility in a regime that demands almost religious devotion from its subjects may turn out to matter more than the diplomatic manoeuvres. It comes at a time when North Koreans, using smuggled DVDs and telephones, have a better idea than ever before of how far their living conditions fall short of their neighbours'. That is a rare point of vulnerability for Mr Kim's interlocutors to exploit. ■

blance of basic governance will matter more than the initial fight. Mr Sedwill believes Marja residents will learn the benefits of better governance, economic opportunities and of living under the rule of law.

Critics say there is nothing especially new about such a strategy. Last year, similar claims about the rolling-out of a comprehensive strategy accompanied Operation Khanjar, a plan to clear areas south of Lashkar Gah. The results are mixed. Progress in the town of Nawa, on the fringe of the fertile, populated area (known as the "Green Zone") is said to very promising. But the operation has also been criticised for focusing scarce resources on thinly populated areas.

NATO says things will be different this time. For one thing there are thought to be about 100,000 people living in the area known as Marja. Much emphasis is being placed on the role of the Afghan security forces, which General McChrystal claims have a leading role in the operation.

Building bigger and better Afghan security forces capable of keeping insurgents out of areas that have been expensively cleared is crucial not just to Marja but also to the West's entire Afghan strategy. But the Afghan National Army (ANA) remains deeply troubled. Attrition rates are high, as large numbers of soldiers are killed or quit. It will struggle to meet its target of growing from around 102,400 at present to 171,600 by October 2011. The police force, long neglected by Western donors, is far worse. The EU's political office in Kabul suggests that almost 10% of policemen were killed in action in 2008.

Also of deep concern is the ANA's ethnic make-up. According to a diplomatic cable written by the American ambassador last November, the low recruitment in the south of Pushtuns is crippling. They are the country's largest ethnic group, whose resentment of the post-2001 political order has done much to fuel the insurgency. With Persian-speaking Tajiks and Hazaras from the north dominating the army's ranks, the risk is that ANA soldiers operating in Pushtun areas like Marja will seem as almost as foreign as NATO forces.

One way around this would be for Afghanistan to reintroduce conscription, as Hamid Karzai suggested this month at a conference in Munich. The idea met with mixed reviews. Some former army generals who served during the conscription years that ended in 1992 welcomed it. Dissenting voices, however, said the government was unlikely to be able to compel people to fight on its behalf in areas, such as Marja, where state control is non-existent and likely to be contested for some time. ■

NATO's planned offensive in Afghanistan Get out of the way

KABUL

NATO tries the power of advertising

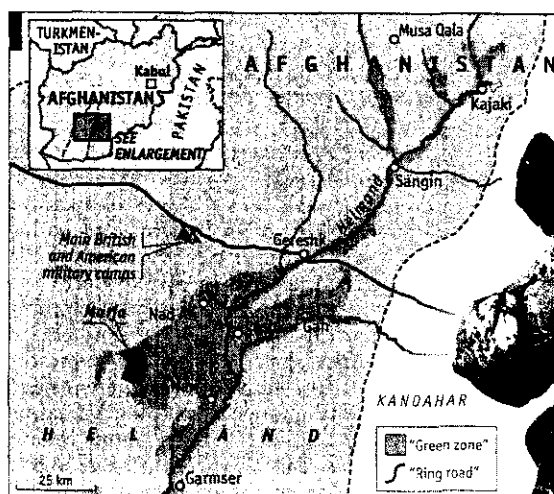
FOR months now United States Marines in Helmand, Afghanistan's bloodiest province, have been sporting t-shirts proclaiming their intention: "Just do Marja". This refers to a cluster of Taliban-controlled villages close to Lashkar Gah, the provincial capital. Marja's lawlessness and the protection it affords to insurgents and drug-traffickers has been frustrating the marines' efforts nearby. The t-shirt wearers are about to get their wish. American forces, led by the marines, are preparing a big operation to clear the area.

Unusually, NATO has made no secret of its plans and for some time has been loudly publicising "Operation Mushtarak" (or "togetherness" in Pushtun). They hope this will encourage civilians to get out of harm's way. They also hope that the mere prospect of NATO and Afghan soldiers massing on Marja will prompt insurgents

to leave via three unsealed exit corridors.

Neither hope has been entirely realised. Since NATO started its publicity drive, thousands of civilians have abandoned their homes and headed for nearby cities and an overcrowded refugee camp on the outskirts of Lashkar Gah. But others say they have been prevented from leaving by the Taliban, who have been digging in to defend their territory, and by the improvised explosive devices with which the insurgents have been seeding the roads. Mark Sedwill, NATO's civilian representative in Afghanistan, advised locals to stay indoors and keep their heads down.

Marja is being billed as an important test and advertisement for the counter-insurgency strategy of Stanley McChrystal, the American and NATO commander in Afghanistan. He says the follow-up work to maintain security and build a sem-



Banyan | Uncrowning Gloria

In the Philippines, politics implies neither policies nor progress



THE lethal carnival that counts for election season in the Philippines began officially on February 9th. It comes to a head in May, when voters choose a new president to replace Gloria Macapagal Arroyo, in office since 2001. With the outcome too hard to call, the only sure thing that can be said is that the Philippines is not poised to start giving Asian democracy a good name.

The gleaming country Mrs Arroyo says she is handing on is hard to spot. A jeepney ride through the capital's snarled streets offers time to reflect on the shortage of political commitment to the public good. Manila's infrastructure is shoddy, and private gated communities exist near public slums. Even in these, the famed Filipino cheerfulness is impressive. But the Philippines now has a higher proportion of extreme poor, ie, those living on \$1 a day or less, than does China or Vietnam. With a wry smile, Filipinos remind visitors that they were once Asia's second-richest country, behind only Japan; and that a perhaps mythical World Bank report half a century ago picked them as Asia's most promising prospects (alongside the Burmese).

Islamist and Communist insurgencies rumble on in parts of the country. Violence is also embedded in a political system run by and for a feudal gentry and businessmen-on-the-make. The massacre in November of 57 journalists, relatives and supporters of a candidate for the governorship of the southern province of Maguindanao is only an extreme example. Before the carnival's end, dozens more will be dead. Few believe the government's promise to disband the country's 130-odd private militias before the elections.

Corruption has flourished on Mrs Arroyo's watch. Yet attempts to impeach her for corruption and vote-rigging, along with a string of attempted coups, have been farcical. Her popularity is at rock-bottom, evidence enough that the country is ready for a change. The presidential candidate who stands most convincingly for clean government is Benigno "Noy" Aquino, son of the blessed Corazon Aquino. Her death in August saw a national outpouring of grief which propelled the senator's candidacy so powerfully that he was soon the easy favourite.

There are problems with Mr Aquino, however. When Banyan characterised him as lacking even a scintilla of charisma, with a legislative record that left scarcely a mark, one of his own close

advisers thought that rather charitable. What is more, honesty, taken too far, is a questionable asset in a system rigged for power and patronage. The notion that a presidential race can be won without money- and vote-gathering allies to whom all sorts of promises are made in return is, to say the least, a novel one.

Indeed, Mr Aquino's tide may have turned. In recent weeks his chief rival, Senator Manuel "Manny" Villar, has closed the gap. A construction magnate from a poor family, his rags-to-riches story appeals to many. His deep pockets allow him to outspend all rivals. He denies allegations that, in the Senate, he has tailored laws to suit his business interests. The accusation does not, as yet, seem likely to derail his campaign. Lagging behind are Gilberto Teodoro, the ruling-party candidate, and Joseph Estrada, a film star adored in slumland despite disgrace as a former president.

Both main candidates are pro-business. In theory a convincing victory might at least produce a governing mandate rather than gridlock. The issue is how that mandate might be used. On campaign platforms, policy is nearly absent, though the country's problems are clear. Much physical infrastructure is creaky, and the country is again suffering the "brownouts" for which it was famous until President Fidel Ramos put the lights on in the 1990s. Private investment is low. Small and medium-sized businesses perform poorly compared with those in Indonesia, Malaysia or Thailand. Distorted fiscal incentives, along with rampant tax evasion, mean weak national finances. The state takes in less than 14% of GDP in taxes. Social programmes are inadequate and ill-directed; the chief victims are the very poor.

Bright spots exist. One is the outsourcing of back-office services by overseas companies. Thanks to high English fluency and (for once) decent telecoms infrastructure, the \$7 billion business is growing by nearly a fifth a year and employs more than 400,000 Filipinos (ie, roughly as many as does prostitution).

But the brightest spot is the Philippines' best export, its people. Some 9m, one in ten of the population, work abroad. In the first 11 months of last year they sent home nearly \$16 billion, equivalent to more than a tenth of GDP and up over 5% from a year earlier. The money is driving a boom in consumption and housing.

Though Filipinos on Dubai construction sites and at casinos in Macau have lost their jobs, the global crunch is not hurting overseas workers as much as feared. Starting with America, growing numbers of Filipinos work in white-collar jobs such as accounting and finance, and are still in demand. Filipino seamen are the cream of the world's merchant fleets, and some lines are using the shipping recession to replace higher-paid Western crews with Filipinos. As for hard-suffering Filipina domestic helpers, spoilt employers have come to depend on them.

Wanted: overseas people power

No doubt these émigrés are a force for good back home. Apart from the sheer spending power of their remittances, the money pays for education and entrepreneurial activity, from jeepneys in Manila to small businesses in the countryside. But it also offers a cop-out for the politicians. As money flows in and people flow out, they can more easily keep snouts in the trough rather than address the national good. The people power of Filipinos abroad—who after all may vote—could be a vocal force for good. Now, if a decent candidate found a way to harness such power, that would be a presidential campaign with a difference. ■

Private armies in the Philippines

The warlords' way

SHARIFF AGUAK

After the massacre, the show goes on

IN THE Philippines politics is always local and often thuggish. Small-time politicians aspire to be warlords, using hired muscle to deter rivals and rustle up votes. But few could boast the wealth, firepower and sheer audacity of the Ampatuans, the dominant clan in the southern province of Maguindanao. The massacre of 58 people there last November, allegedly ordered by the clan's patriarch—and former governor of the province—Andal Ampatuan senior, shocked the nation and brought the declaration of martial law in the province. On February 9th prosecutors charged 197 suspects, including Mr Ampatuan senior, with multiple counts of conspiracy to murder. Charges of rebellion, over the clan's maintenance of a militia, are pending.

But it would be premature to write off the Ampatuans. The reach of "the old man" is too strong, says a local businessman, who predicts an eventual comeback. Ordinary people are careful to toe the line. "The Ampatuans are our political leaders. We're not afraid of them," says Noriah Dalamba, a village official, with a sideways glance. Indeed, the Ampatuans have not gone away. At least 50 candidates standing in local elections on May 10th are clansmen, 23 of them directly related to the old man himself, who is running for vice-governor from his jail cell—common Philippine practice. Several other candidates hail from the rival Mangudadatu clan, whose womenfolk were among those massacred in November. Such deadly rivalries make for a nervous campaign.

National politicians are watching carefully. This semi-autonomous, Muslim-majority part of Mindanao is notorious for its inflated voter rolls and improbable majorities, which warlords like the Ampatuans can deliver to the right candidate. In a tight race Maguindanao's 300,000 or so votes could be crucial, as they were to President Gloria Arroyo's re-election in 2004. In the Ampatuans' districts she received a helpful 99% of votes. In some towns her rival, who elsewhere was a close contender, secured precisely no votes. Suspicions of fraud intensified with the leak of taped phone calls between an election commissioner and what sounded like Mrs Arroyo's voice, discussing vote-rigging. She denied any wrongdoing.

The Ampatuans have enjoyed Mrs Arroyo's indulgence as they expanded their private army and acquired a fearsome arsenal. The army looked on in envy at the state-of-the-art firearms wielded by their 2,400 militiamen, weapons handy for extortion as well as for keeping rivals at bay. But any warlord worth his salt also knows how to plunder official booty. The Ampatuans carved their fief into bite-sized pieces. Between 1995 and 2009, Maguindanao went from having 18 municipalities to 36, nearly every one headed by an Ampatuan. This meant more jobs for the boys and more grants from Manila, to be recycled into ever more guns.

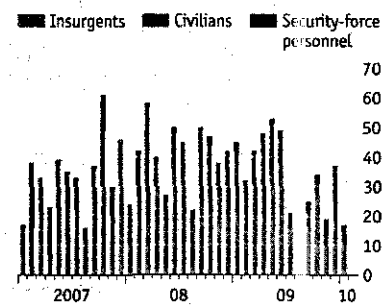
On a hill overlooking Shariff Aguak, the provincial capital, sits the newly minted town of "Datu Unsay", bearing the nickname of Andal Ampatuan junior, the prime suspect in November's killings. The town's namesake, a scowling, gun-toting, high-school drop-out, is adored by his father. "What Unsay wants, Unsay gets," says a security official. The massacre's victims were driven to a clearing nearby, where they were shot dead and heaped into pits. The Ampatuans are suspected of scores of other killings, but relatives of the

missing tend to be reluctant to speak up.

The rival clan's leader, Esmail Mangudadatu, should benefit from the detention of his rivals as he campaigns for provincial governor, and perhaps also from public sympathy. It was his wife and relatives who were waylaid en route to Shariff Aguak. Whether his election might bring change to Maguindanao is unclear, though he appears a more benign sort of boss. A bigger question is how far the national government is prepared to go to disarm all the warlords' armies, as it has promised. Whoever triumphs at the polls in Maguindanao will have to watch his back. ■

Hold your fire

Insurgency-related deaths in Manipur, number



Source: South Asia Terrorism Portal

Manipur

State of concern

IMPHAL

A wretched, forsaken corner of the world's biggest democracy

SURROUNDED by troops, the suspected militant saw the vehicle already waiting to take his corpse to the morgue. He expected to die, like many others, in an "encounter" with the security forces. In jail he told a human-rights activist—himself held on charges of waging war against the state and tortured with electric shocks—that he probably owed his life to a piece of journalism: the publication last year in *Tehelka*, a weekly magazine, of pictures of police killing a former militant in broad daylight.

The pictures triggered public outrage—and a crippling four-month strike—over a steep rise in extrajudicial killings. They may have also slowed the rate of killing (see chart). Otherwise, not much appears to have changed. Judged by the relentless violence and impunity, this might be next-door, army-ruled Myanmar. But it is the Indian state of Manipur.

In this green and hilly region in India's north-east, some 1,700km (1,060 miles) from Delhi, the Indian army and underground armed groups seeking independence have been locked in battle for more ►



Every warlord should have them

than 30 years. The armed factions (38 at the latest count, roughly one for each ethnic group), have varied and shifting goals. More than 10,000 people have died in the insurgency. There is one security officer for every 40 of the 2.6m population.

Apart from Arunachal Pradesh, mostly claimed by China, Manipur is the only state where foreigners need a special permit to visit. It is almost never granted, and movement beyond the valley including the capital, Imphal, is banned altogether. Even strife-torn Kashmir is, by contrast, open to all comers. Hidden from public view, Manipur has become a virtual police-state. Human-rights groups say that 444 people were killed in armed violence in 2009, about two-thirds of them in "encounters". In most cases, these take place in remote places and the security forces suffer no casualties. Locals say that the money the dead are carrying goes unaccounted for, too.

Since 2004 the army has delegated the fight against insurgents largely to the police. Critics say that, seeking promotion and fearing no prosecution, the poorly paid force has become trigger-happy. It scooped India's gallantry awards in 2009, when its medal count tripled over the previous year to 74 (the rest of the country got 138). Almost all of these awards were for "encounters" with suspected insurgents.

In the Imphal valley even illiterate villagers can spell out the initials of what for many has become the symbol of oppression: the Armed Forces Special Powers Act (AFSPA), the emergency law that serves as the legal umbrella for impunity. Countless human-rights advocates have called for the repeal of the AFSPA. Even the prime minister, Manmohan Singh, has argued it should be replaced with "a more humane law". But the army is fiercely opposed to any changes, and the government is in fact strengthening the security forces in the north-east, to cope with a perceived Chinese build-up, and the smuggling of arms and drugs from Myanmar. Against this background, the prospects of lifting the emergency laws appear bleak.

Other emergencies are likely to persist,

too. HIV/AIDS was once confined to injecting drug-users—and opium production in the insurgency-ridden areas along Myanmar's borders has been climbing again. But it has spread to the general population. At 1.7% in 2006, estimated adult HIV-prevalence is the highest in India. The economy is stillborn. There are some 600,000 registered unemployed young people, nearly a quarter of the population. Once self-sufficient in food, Manipur now depends on

imported rice from Punjab. Extortion is the state's single-biggest industry. A retired teacher says an armed group demanded \$20,000 from him.

"India is the largest democracy, but we do not see its democratic face here," says Oinam Bhogendra, chairman of Human Rights Alert Imphal, a local NGO. "All people here want," he says, "is to live in dignity." For those on the edge of Indian democracy, that day may still be far off. ■

Repression in Myanmar

Captive nation

BANGKOK

A token release from a growing gulag

THE generals who rule Myanmar do not care much for outside scrutiny. So the country is hardly fertile ground for Tomas Ojea Quintana, a United Nations envoy for human rights, who arrived on February 15th for a five-day visit to check on political prisoners and their beleaguered colleagues on the outside.

On the eve of his trip the junta freed one prominent detainee after seven years of house arrest. Tin Oo, a former army chief and co-founder of the opposition National League for Democracy, now aged 82, was detained in 2003 along with the League's leader, Aung San Suu Kyi, after a pro-junta mob attacked their convoy, ending a political thaw.

Might Miss Suu Kyi's release be next? Much hinges on the timing and scope of Myanmar's long-awaited election, the first since an annulled 1990 vote won by the League. The junta has promised to hold polls in 2010 and return the country to semi-civilian rule. But there is still no election date and no rules laid down for political parties who want to contest. Some observers are predicting polls by October, one month before Miss Suu Kyi's current term of house arrest ends. Her party is divided over whether to compete in the election.

As quickly as it empties, Myanmar's gulag fills. On February 10th Kyaw Zaw Lwin, a naturalised American citizen, was sentenced to three years in jail for fraud, a ruling that the State Department criticised as politically motivated. Indeed, the gulag may be larger than had been previously thought. Exiled activists have identified over 2,400 political prisoners in Myanmar's jails, a number commonly cited by international agencies. But Benjamin Zawacki, a researcher for Amnesty International, a human-rights watchdog, reckons that the number is probably much higher. Ethnic minorities locked up in remote areas often go uncounted.

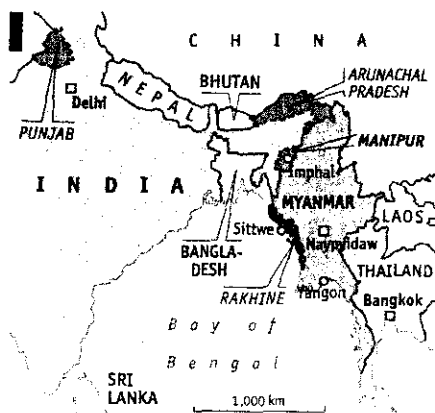
In a new report Amnesty found that activists in minority areas face predict-



Tin Oo gives thanks where it is due

ably harsh retaliation from the authorities, including torture, arbitrary detention and extrajudicial killings. These violations are in addition to those meted out to civilians accused of sympathies to ethnic armed groups, such as the Karen National Union, fighting along the Thai-Myanmar border.

By focusing on the war of attrition between Miss Suu Kyi and the junta, it is easy to overlook the role of ethnic minorities in opposition politics, says Mr Zawacki. Some pay a heavy price for their activism. Amnesty found cases of minorities punished merely for talking to exiled journalists. During his visit, Mr Quintana travelled to Rakhine state in western Myanmar to investigate alleged abuses, including of Rohingya Muslims. It was there, in the town of Sittwe, that 300 Buddhist monks marched in August 2007 in protest over fuel prices. It was the first act of defiance in what became the failed Saffron Revolution.





Tackling Japan's bureaucracy

Floundering in the foggy fortress

TOKYO

The DPJ is finding that it needs to befriend its bureaucrats, as well as bash them

YOSUKE KONDO, 44, is one of those Young Turks in Japan's five-month-old government who took office eager to rein in Tokyo's illustriously educated cadre of senior civil servants. What distinguishes Mr Kondo, however, is that he seems poised to succeed in this goal. So far the rest of the government has seemed more inclined to work with the bureaucracy than against it.

For Mr Kondo's first target, he aimed high. He took on a man he refers to as "the Last Samurai", Kazuhiko Takeshima. Mr Takeshima is the epitome of the well-rounded establishment figure. An economics graduate from the prestigious University of Tokyo, he has headed the tax agency and since 2002 has run Japan's Fair Trade Commission. Mr Takeshima has made a good name for himself as a trust-buster. But for years he has resisted efforts to allow firms to appeal in court against punishments for antitrust violations. In effect, the commission acts as prosecutor and judge. As Mr Kondo notes wryly: "It's an antitrust authority, but it keeps all the authority to itself."

Within a few months, Mr Kondo had won cabinet support for changing the antitrust law and curbing Mr Takeshima's power. He hopes an amended law will be approved in the current session of the Diet,

or parliament. This would make it one of the rare cases where the ruling Democratic Party of Japan (DPJ) has fulfilled its popular manifesto pledge to bring powerful elements of the bureaucracy to heel. As a fringe benefit for the DPJ, which tends to back Japan's trade unions, it also wins the party friends in business.

Nonetheless, Mr Kondo, a former business journalist who once wrote a book on bureaucrats, has realised how valuable his own mandarins can be. As a deputy minister in the Ministry of Economy, Trade and Industry (METI), he has six policy areas to oversee, which range from global warming to the troubles of Toyota, the carmaker. In addition, he helped draw up the government's ten-year economic-growth strategy, released in December.

He says his workload (from 7am to 11pm, he groans) is made heavier by the shortage of DPJ politicians appointed to government posts: atop a civil service of 290,000, there are just 63 DPJ officials in central-government positions. It is so easy to get bogged down in day-to-day administrative work that there is little time for strategic policymaking. This is especially true when the Diet is sitting; government officials have to attend every day.

Mr Kondo's experience will resonate in other corners of Kasumigaseki, Japan's

Whitehall in central Tokyo that is the seat of the Japanese bureaucracy and whose name literally describes how many Japanese think of it—a Fortress of Fog.

The DPJ came to power in September promising to break the disreputable triangle linking the Liberal Democratic Party (LDP), the bureaucracy and big business. This triangle helped keep the LDP in power for almost 55 years. In its crassest form, in the booming 1980s, the model plumbed the depths of corruption and bad governance. Business lobbied for contracts and support by pouring money into the party's coffers and the mandarins' pockets. The cash won the party elections and feathered the bureaucrats' nests. With the LDP's blessing, the mandarins made policy, to be rubber-stamped by the cabinet. Hence, the civil service wielded enormous power. However, it also squandered much of the prestige it had enjoyed for upholding a spirit of public service that dated all the way back to the glory days of the samurai era in the 17th-19th centuries.

The DPJ's pledge on taking office was to make policy decisions itself and ensure bureaucrats acted on those. In policymaking ministries such as METI, the Ministry of Finance and the Ministry of Foreign Affairs, civil servants say that by and large the transition has occurred smoothly and information has flowed easily between elected and non-elected officials.

Things are different, however, in parts of government closely associated with the LDP's former largesse, such as the agriculture, transport, and construction ministries. When Seiji Maehara, the transport minister, forced Japan Airlines (JAL), the national flag-carrier, into a court-administered bankruptcy, he reportedly had to ►►

Also in this section

- 30 India's Naxalite insurgency
- 31 Western aims in Afghanistan
- 32 Migrant workers in Thailand
- 34 Chinese democracy in action
- 34 Animal welfare in China
- 36 Banyan: North Korea, the mother of all dictatorships

flout the wishes of his senior civil servants. He has also confounded them with his attempts to rethink the loss-making airport system. Japan has a staggering 97 airports, some planned on the basis of fanciful traffic assumptions made by bureaucrats who wanted a retirement sinecure. They got their golden parachute, or *amakudari* (descent from heaven). JAL, forced to fly to their white elephants, got deeper into debt.

As Japan heads towards upper-house elections in July, some expect the DPJ to make a more public spectacle of bureaucrat-bashing. Support for the government has tumbled because of financial scandals surrounding Yukio Hatoyama, the prime minister, and Ichiro Ozawa, the DPJ's secretary-general. A candidate backed by the party suffered a stinging defeat in an election for governor of the southwestern prefecture of Nagasaki on February 21st. On the same day it lost heavily in a mayoral election in the Tokyo district of Machida City, home to many salaried workers who were considered a mainstay of DPJ support in last August's general election.

I'm a bureaucrat, get me outta here

Administrative reform may not sound like a vote-winner ahead of this summer's elections. But one of the DPJ's few triumphs in its first months in office was to do so in a way that suited Japanese tastes—as television drama. According to opinion polls, the public delighted in the spectacle last November of DPJ officials hauling civil servants into a Tokyo gym to justify, under the glare of TV spotlights, their requests for budget allocations.

Earlier this month Mr Hatoyama appointed Yukio Edano, who helped lead these waste-busting efforts, as his new administrative-reform chief. He will shortly lead a similarly high-profile drive to tackle excessive spending in state-owned firms, another bureaucratic bunker. What is more, Mr Edano is a well-known critic of Mr Ozawa, the scandal-scarred secretary-general. The higher his profile, the more it may help offset the electoral liability that Mr Ozawa has become for the DPJ.

But to solve Japan's most pressing problems, such as debt and deflation, political reality-TV is not enough. It needs joined-up policymaking, and Japan's bureaucrats and politicians are both still hopelessly short on remedies. The finance ministry blames the Bank of Japan for failing to tackle deflation. The central bank blames lax fiscal policy for the country's debt.

As one frustrated civil servant puts it, the DPJ has yet to find a way to outsource most of the "busy work" to bureaucrats, so it can focus on such big-picture issues. "After all, bureaucrats now have plenty more time on their hands," he says. The DPJ may finally have seized power. For Japan's sake, it now has to learn the delicate art of delegation. ■

India's Naxalite insurgency

Not a dinner party

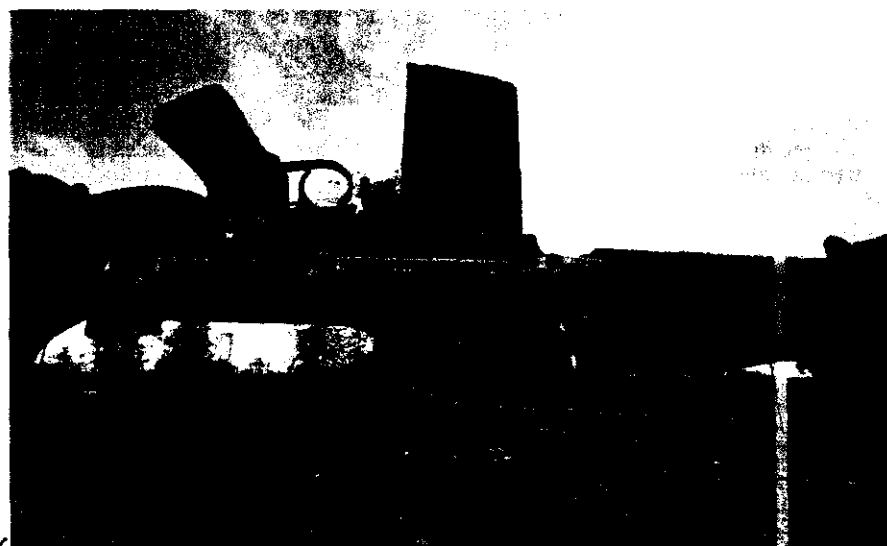
PHULWARI

India's Maoist guerrillas carry out two slaughters, then offer a truce

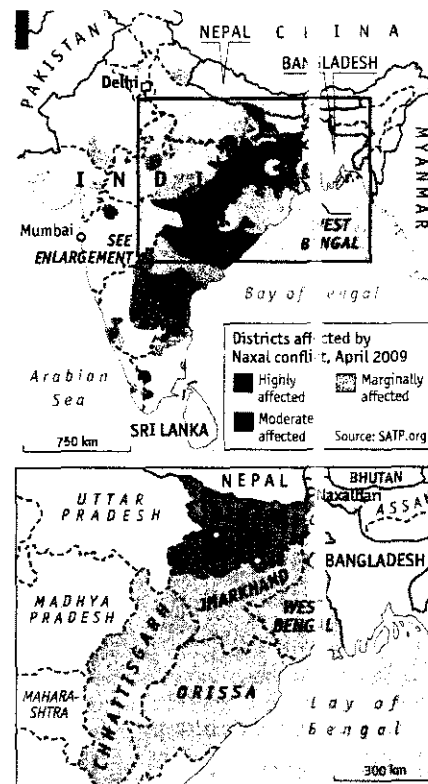
SHORTLY before midnight on February 17th residents of Phulwari, a village in India's northern state of Bihar, were roused by gunfire, explosions and a shrieking mob. It was led by a few of the Maoist guerrillas encamped on a wooded ridge outside the village. Wearing camouflage-green uniforms, they carried assault rifles and explosives. Around 100 rival villagers, of the locals' own Kora tribe, came with them, with bows and arrows and a few small children.

Peeping from his mud hut, Kashi, a middle-aged tribal, considered loosing off a few retaliatory arrows, dipped in poison. "But there were too many," he recalled this week, standing beside the heap of fine, grey ashes that was his home. His aunt and nephew were incinerated inside it. Kashi's brother—their husband and father—was shot dead while trying to flee with him. In all, 12 villagers were killed that night and around 30 houses destroyed.

The destruction was selective. Most of Phulwari's mud-and-thatch dwellings are untouched. Scattered patches of ash show where some families were singled out. Why is unclear. The villagers, most of whom have now left Phulwari, say they had angered the Maoists by refusing to donate a man or woman per household to them. But there is a rumour that, maybe after the guerrillas raped a woman, some villagers killed eight Maoists with their arrows. Kashi says he was among them; then retracts. "We are very scared," he says.



What power grows out of



That is understandable. The guerrillas are believed to have moved into Jharkhand state, across the wooded ridge, but may return. The state police, 30 of whom have been deployed to Phulwari, are little deterrent. A nervous-looking lot, they are no match for Maoist marauders toting weapons stolen from (or sold by) their peers. Constable Arvind Kumar, pot-bellied and with an inveterate slouch to show for his 18 years in uniform, says he has practised firing his rifle on only three occasions.

Nor is this force likely to remain in Phulwari long. With 50,000 policemen for a population of around 100m or 50 per ▶▶

► That message was battered on February 21st, when NATO air strikes killed as many as 27 civilians, who were travelling in vehicles on the northern edge of Uruzgan province, one of Helmand's neighbours. The government in Kabul described the attack as "unjustifiable". General McChrystal went on national television to make an abject apology to the "great people of Afghanistan". Few Afghans were in a forgiving mood, however, having already heard so many foreign generals promise to stop killing civilians.

It was in Uruzgan, too, that high-minded theories of counter-insurgency bumped against hard reality in another

way this week. The Dutch government collapsed on February 20th, after finding itself unable to agree on an answer to NATO's request that it reconsider plans to withdraw its troops from Uruzgan in August. The role of those 2,000 Dutch soldiers could be filled by some of the 30,000-strong surge of American troops ordered by President Barack Obama. But it would be a serious setback were one of the more active of America's NATO allies to quit Afghanistan. And the Dutch row could add to the popular pressure on other European governments to pull out their soldiers. So, too, could the outcry if another round of national voting descends into chaos. ■



Migrant workers in Thailand

Inhospitality

BANGKOK

Life gets harder for Thailand's guest-workers

THEY sew bras, peel shrimps, build blocks of flats and haul fishing-nets. In return, migrant workers in Thailand are paid poorly, if at all, and face exploitation and abuse at the hands of employers and the security forces. Up to 3m migrants, many undocumented and mostly from Myanmar, fall into this category. So a scheme to start registering this workforce and bring it into the legal fold sounds like a step forward. Migrants have been ordered to apply to their home countries for special passports so that they can work legally in Thailand and, in theory, enjoy access to public services, such as health care.

But the plan has run into practical and political difficulties, mostly among workers from Myanmar, who rightly fear their awful government and do not want to return home, even temporarily. Many are un-

aware of the registration drive. So the first applicants have come mostly from migrants from Laos and Cambodia, where the authorities are more willing to help.

The Thai government says 400,000 Myanmar nationals have so far joined the process. Under pressure, the Thai government has reportedly modified its original deadline of February 28th for filing papers. Now that is the deadline only for migrants to fill in a form agreeing to go through the "nationality verification" process. They have until the end of March to submit forms to their home government.

But Thailand has not lifted its threat to arrest and deport migrants who do not comply by the new deadline. The government apparently believes that unregistered foreigners are a security threat. This raises the spectre of mass expulsions on a

scale not seen since the 1990s. Juge Bustamante, a United Nations official in Geneva dealing with migrant rights, has said that this would breach Thailand's human-rights obligations, since workers might also be asylum-seekers.

This argument is unlikely to sway a government that shows increasing contempt for refugees. In December it expelled more than 4,000 Hmong to Laos, including 158 refugees recognised as such by the UN. Most were packed off to a remote camp. A Thai-government spokesman has claimed that the 158 refugees were happy to be in Laos. Foreign diplomats in Bangkok, still fuming over the expulsion, doubt it.

Kicking out millions of migrants who do dirty, low-paid jobs would be unpopular with Thai companies. Too few locals are willing to take their place. Garment factories in Thai-Myanmar border towns such as Mae Sot would probably go bankrupt if they had to offer decent wages and benefits. Fisheries and plantations also depend on imported labour. The government, however, believes that deported workers would soon be replaced by others eager to escape misery in Myanmar.

Not all foreign workers are under the radar; over 1.3m migrants registered in 2009 for work permits under the old system. These are the workers whose nationality Thailand wants to verify first, before tackling the rest. But being a legal migrant in Thailand confers few benefits. Workers are still at the mercy of employers who can cheat them of their wages and dismiss them summarily. Complaining can be futile or worse. Workers face extortion, rape and even murder by the very officials supposed to be protecting them, according to Human Rights Watch (HRW), a watchdog that this week released a report on the abuses suffered by migrants. It noted that officials treat them like "walking ATMs".

There is little reason to believe that holding a special passport would protect migrants from rapacious cops and stingy employers, says HRW's Phil Robertson. Migrants will still be unable to travel freely or organise into unions. In some provinces it is illegal for them to use mobile phones. Labour inspectors pay little heed.

Employers have the upper hand and can keep down labour costs, but at a price to Thailand's competitiveness. Surveys of Thai workers show a steady decline in their productivity, says Pracha Vasuprasat, an expert on migration at the International Labour Organisation. An abundance of poorly paid migrants means less incentive to upgrade to a more skilled workforce. Thailand's is not the only Asian economy hooked on cheap labour. Neighbouring Malaysia also depends on millions of guest-workers. So much so that its home minister, Hishammuddin Hussein, has suggested that, to lessen the dependence, political refugees be allowed to work. ■

Banyan | The mother of all dictatorships

To understand North Korea, look not to Confucius or the Soviet Union, but to fascist 1930s Japan



THE face that North Korea presents to the world is widely held to be unreal. Kim Jong Il once told Madeleine Albright, Bill Clinton's secretary of state, that the bombast in honour of himself and his late, great father, Kim Il Sung, was so much nonsense. Bruce Cumings, an historian, wonders what Mr Kim can be thinking, "standing there in his pear-shaped polyester pantsuit, pointy-toed elevator shoes, oversize sunglasses of malevolent tint, an arrogant curl to his feminine lip...and a perpetual bad-hair day? He is thinking, *get me out of here.*"

The notion that North Korea does not always believe what it is doing colours even diplomacy, which may soon start up again after months of tantrums on the part of the North. The aim is to get North Korea to give up its nuclear programmes as a prelude to normalising relations on the Korean peninsula. Many policy-makers in America believe—against the evidence—that Mr Kim can be persuaded to do a deal. Some think that behind his antagonism lurks a desire for accommodation—and even an alliance.

A new book*, by Brian Myers at South Korea's Dongseo University, shows just how wishful such thinking is. Dismissing what the North Korean regime tells the outside world, the author looks instead at North Korea's domestic propaganda, the Kim family cult and the country's official myths. From these he pieces together what North Koreans are supposed to believe. He concludes that Mr Kim's power is based not just on surveillance and repression. Nor can its survival be ascribed simply to the effective brainwashing of the population. Rather, the personality cult proceeds from powerful myths about race and history.

Ideas of racial purity lie at the heart of North Koreans' self-image. Since the regime's founding, they have been taught to think that they are a unique race, incapable of evil. Virtue, in turn, has made Koreans as vulnerable as children. Korea's history, the regime insists, is the history of a child-race abused by adults—Chinese, Japanese and American. Pure, spontaneous and naive, Koreans need a caring, protective leader. The upshot is the Kims' peculiar cult, of state-sponsored infantilism.

You see no chin-thrusting depictions of father or son on the monumental streets of Pyongyang. In art as in life, both Kims are effeminate and podgy. Warnings against fleeing to China are conveyed as directed at a squirrel who wanders too far. In paintings,

Kim Il Sung tucks children into bed. The nation lies at the "breast" of Kim Jong Il and his party. As commander-in-chief of the armed forces, Mr Kim is even called "Mother General".

There is a precedent for this weirdly hermaphroditic parent figure: Emperor Hirohito in fascist, imperial Japan. Then Hirohito was depicted as the heart of a pure nation, which was ready to die for him because emperor and people were one. When Japan ruled Korea from 1905-45, racist ideologues said that the two countries shared the same bloodline. They were both members of the winning racial team.

After the second world war, Mr Myers recounts, Kim Il Sung kicked the Japanese off the team and pinched all their ideas. Former propagandists for the Japanese were set to work manufacturing North Korean myths. Mount Paektu was endowed with Fuji-like sacred status. Kim was painted atop a white charger, like one Hirohito used to ride. And, like Hirohito until Japan's surrender, Kim Jong Il, like his father before him, was not heard speaking by his people in public broadcasts. To an extent, such fascism has worked. Many North Koreans see the mass robotic gymnastics of the Arirang games (which bore Kim Jong Il rigid) not as a grim Stalinist display but as a celebration of pure blood and homogeneity.

The counterpart to a childish state at home is a hostile world outside. For this Japan and, especially, imperialist America are essential. Mr Myers conveys well the intensity of race-hatred directed at America. Americans are chillingly scorned as miscegenated "bastards", in contrast to pure-blooded Koreans. Again, myths are recycled from militarist Japan. Christian missionaries are said to inject innocent Korean children with fatal bacilli. The author valuably describes how propagandists depict diplomatic overtures by South Korea and America as quaking capitulations. Aid becomes tribute, so aid-bags stamped with the stars-and-stripes are tolerated when turned into use as holdalls. All this has a bearing as the diplomatic merry-go-round cranks up again.

End games

Mr Myers wonders why Mr Kim would ever give up confrontation with America when his legitimacy rests upon it. After a deadly famine in the mid-1990s and, in recent weeks, a bungled currency confiscation, he has no interest in claiming to stand for material prosperity. Anyway, South Korea wins that competition hands-down. Rather, nuclear crises since 1994—and the detonation of a first nuclear device in 2006—allow him to present himself as the nation's defender against aggression. In 2009 the country's "military-first" policy, making the armed forces the nation's highest priority, was even enshrined in the constitution. Fascism is Mr Kim's last refuge. Giving up nuclear weapons would spell the end. So he negotiates with America not to end tensions, but to manage them: neither all-out war nor all-out peace.

What would bring the regime down, then? Thanks to the advancing creep of knowledge, North Koreans know that the South is richer by far. But the propaganda state has found a way around that. South Koreans may be rich, but they are desperately unhappy because they are under the thumb of the despised Yankees. Harder to deal with, by far, would be to find out that South Koreans are content in their republic. ■

*The Cleanest Race: How North Koreans See Themselves—And Why It Matters. By B.R. Myers. Melville House; 200 pages; \$24.95



Sanctions on Iran

And the price of nuclear power?

Also in this section

59 A survey on trust

America is rallying its friends to concentrate minds in the Islamic Republic

SURELY it is clear by now, many people feel, that Iran would rather go on enriching uranium than talk to America or anyone else about its suspect nuclear activities. If efforts to tempt it round have failed, could a tight economic squeeze lead the regime to think again about the costs of its defiance?

A new sanctions resolution will soon be up for discussion at the United Nations Security Council. But suppose the UN cannot get Iran to halt its work to process uranium and plutonium—for use in as yet unbuilt civilian nuclear-power reactors, Iran says, though others suspect they are for bomb-building. In that case, a lot more governments may have to be induced to impose eye-watering economic pain so as to get the regime's attention.

Veto-wielding Russia and China have eviscerated three previous sets of UN sanctions, and gained commercially from doing so. Now Russia may be having second thoughts. A report to be discussed by the 35-nation board of the International Atomic Energy Agency (IAEA), the UN's nuclear guardian, on March 1st shows why.

Last year Iran was found building a hitherto secret uranium-enrichment plant

on a military compound outside Qom. That deepened fears that it indeed had a covert military programme. In 2007 America concluded, controversially, that Iran had been developing a nuclear warhead for a missile, but had stopped in 2003. In its latest report, the IAEA talks of possible "current undisclosed activities", suggesting such work continues.

Russia had previously dismissed such evidence as unproven. But it has been galled by two Iranian actions. The Islamic Republic turned down a deal put together last year by America, Russia, France and the IAEA that would have bought time for talks by taking much of Iran's low-enriched (3.5%) uranium out of the country, returning it later as higher-enriched (about 20%) rods to provide new fuel for a small Tehran-based research reactor.

Then, adding injury to insult, as the latest inspectors' report documents, earlier this month Iran started 20% enrichment itself, at its main plant at Natanz, rejecting calls for it to wait until inspectors were on hand and extra surveillance in place. Sufficient stocks of 20% enriched uranium would dramatically cut the time it takes to get to the 90% grade needed for a bomb.

If Russia now backs tougher Security Council sanctions, China may be reluctant to be the only permanent member of the council to block new measures. But whether the two vote yes, or merely abstain, they will work to keep UN sanctions narrowly targeted on the individuals, companies and banks most directly involved in Iran's nuclear and missile programmes.

Other measures—much harder to shrug off—could be a ban on weapons sales to Iran (previous sanctions already block it from exporting its own arms) or a bar on new investment in its oil and gas industries. But Russia now sells Iran weapons (although it has held back a delivery of advanced S-300 anti-aircraft missiles), and China's firms have snapped up energy contracts that others have been encouraged by their governments to drop.

Late last year America quietly started informal meetings with a group made up of the G7 club of rich economies plus Australia, South Korea, Saudi Arabia and the United Arab Emirates (UAE). This initiative is intended to create a fallback, should UN sanctions fail, or prove too mild.

Ideas for new measures abound at America's Treasury Department, which re- ▶▶

alised the strength of financial sanctions in 2005, when it designated a Macau-based bank, Banco Delta Asia, as a money-laundering concern because of its banking services to dodgy North Korean individuals and firms and later cut it off from any dealing with American banks. That forced other banks to choose between dealing with North Korea or keeping access to the American banking system. America has pulled a similar trick with Iran. A string of Iranian banks are now barred from transferring money to or from the United States and more than 80 foreign banks have cut ties with Iran or are doing so. Last December Credit Suisse was fined \$536m for helping Iran hide financial transactions.

This forces Iranian merchants and businesses into more circuitous and thus costly ways of financing their trade. Meanwhile, America has sanctioned more than 100 people and entities for supporting Iran's nuclear and missile programmes and is encouraging other governments to follow suit, freezing bank accounts and other assets. It has designated Iran's Revolutionary Guard, increasingly seen as an economic power in the country through its ownership of everything from mines and mobile phones to construction firms and a port, as a proliferation-supporting enterprise. It has told foreigners that they could unwittingly put themselves on the wrong side of American law by dealing with Guard-owned enterprises or subsidiaries.

Export credits for Iran have been rapidly drying up, including those from Germany, until very recently one of its keenest trading partners. Governments from Austria to Australia have been combing more carefully through export licences.

Other ideas being canvassed include extending the penalties now applied to banks to insurance and reinsurance companies too; Lloyd's of London recently told the *Financial Times* that it would cut its cover for refined petroleum shipments to Iran if America's Congress carries through its plans to enact sanctions on such trade. There could also be curbs on Iran's ships.

The more governments America can persuade to join in, the harder the pinch. The European Union, which has so far stuck closely to UN-designated sanctions (though individual members such as Britain have gone further, especially with financial measures), is reported to be considering harsh new proposals. But enlisting countries such as Saudi Arabia and the UAE would have huge symbolic and political effect—especially if it included Dubai, which normally does a roaring trade with Iran and was the hub of the illicit nuclear network of Abdul Qadeer Khan, who helped Iran and others with their secret nuclear work. It could even influence Turkey and Brazil, both of which have been reluctant to see new sanctions and have claimed to take their lead from the

(previously less critical) IAEA. Now the IAEA is changing tune, will they do so too?

Thus far Iran's leaders claim to be unmoved by sanctions threats. If anything, they say, sanctions strengthen the nation. And in truth, it is economic mismanagement by Iran's president, Mahmoud Ahmadinejad, that is doing most damage. His spendthrift policies have all but depleted the country's reserves, which ought to be brimming with past windfall profits from oil and gas. Unemployment is rife. Inflation is well into double digits, and could spike dangerously if the planned lifting of budget-crippling subsidies on fuel and other basic goods is mishandled.

Well before the protests that followed what many see as last June's stolen presidential election, Mr Ahmadinejad was under criticism both in parliament and from the *bazaaris*, Iran's merchant class, for needlessly provocative behaviour that

was driving up the cost of doing business and crimping Iran's trade.

Iran's economy is now more vulnerable. Oil and gas, its greatest strength, may also be a weak spot. Iran's oil and gas industries badly need foreign money and know-how. A recent report by the research centre of the Majlis, Iran's parliament, reportedly said that without substantial investment, Iran would be importing oil in 16 years at best, in eight at worst.

Some energy deals are still being done, but few are being completed. Among America's group of like-minded friends are several—Japan and South Korea in Asia and some countries in Europe—that still buy quite a lot of their oil from Iran. Would they be ready to look elsewhere instead? Would Saudi Arabia and others be prepared to keep their oil flowing if they did? If sanctions on Iran are ever to work, the time to try them is now. ■

A poll on trust

What's good for General Motors

A new pattern in opinions about bureaucrats, business and charity

UNTIL recently, opinions about the public and private sectors tended to move in mirror image. Some societies mistrusted the state but expected a lot from private firms. In others the state was revered and the reputation of firms was in doubt. And in countries like China where respect for the state ran deep, people were also sceptical of private efforts to do good.

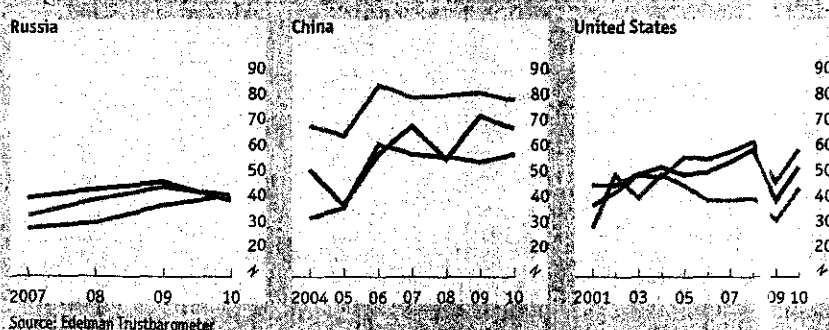
Over the past year, patterns have shifted. The latest in a series of annual polls of the "informed public"—successful, educated people who follow the news—in 22 countries shows that in most, trust in government and the private sector is moving in step, either up or down. In Russia confidence on both fronts is down. In Germany the latest year showed a modest rise (from 35% to 41%) in trust in government and an equal

climb (from 33% to 39%) in the number who had high hopes of business. Britain was an outlier. There, trust in the state fell (from 41% to 35%), whereas trust in the private sector inched up, from 45% to 47%.

Laurence Evans, who oversaw the poll for Edelman, a consultancy, said it reflected "the age of sovereign risk". People doubt that firms can thrive if the state ails, and vice versa. And in most countries (including China), trust in NGOs rose, prolonging a decade-old trend. As Kerry Brown, a China-watcher, points out, that does not mean the Chinese state is losing confidence, in both senses. In some fields, such as the environment, it has ceded ground to voluntary efforts, but it retains a tight grip on sensitive areas like minority rights. Still, where the state is revered, people do not want it to monopolise the scene.

When feelings fluctuate

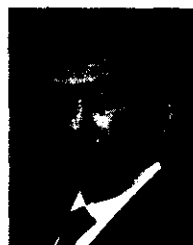
Trust in institutions, % polled



A Pacific Squall

The Japan-U.S. alliance is still strong.

BY TAKASHI YOKOTA



IN THE RUN-UP TO the 50th anniversary of the security alliance between Tokyo and Washington last week, the conventional wisdom was that the U.S.-Japan relationship was in a downward spiral. Since taking power in September, Japan's Prime Minister Yukio Hatoyama has insisted on revising a 2006 military realignment agreement that would relocate a controversial Marine air base on Okinawa known as Futenma from a densely populated residential area to an offshore site of another base on the island. That prompted fear in Washington that the entire deal would unravel and undermine its military realignment plans. Pundits speculated the alliance was adrift, particularly as U.S. officials seemed miffed about their new partners in Tokyo.

Yet the relationship between the U.S. and Japan is not nearly as bad as it seems. Yes, there is disagreement on one issue. But the fate of a small air base on Okinawa is not the only thing that matters. On North Korea, cooperation between Japan and the U.S. is better than ever. A key part of the Obama administration's North Korea policy is to reestablish its cooperation with Tokyo, after the Bush administration hastily pursued a nuclear deal with Pyongyang in 2008 at the expense of Japan's dearest issue: the North's 1970s abductions of Japanese citizens, who have yet to be accounted for. Despite

Pyongyang's attempts to lure the U.S. into talks, Washington is treading cautiously so that the North will be unable to drive a wedge between the U.S. and its allies, as it has done before. Moreover, there is little, if any, difference between Tokyo and Washington on global issues like nuclear nonproliferation, climate change, and terrorism. In November, Hatoyama and Obama agreed to cooperate closely on nonproliferation efforts and clean-energy development. Despite Japan's decision to withdraw its refueling ships from the Indian Ocean, it has pledged \$5 billion in aid to Afghanistan, a commitment Washington welcomed.

Both sides also agree on the fundamentals of the security alliance. Despite the squabbling over the Futenma base, Tokyo and Washington agree on the importance of having American troops in Japan. They

also agree that the burden on Okinawa—which hosts 75 percent of U.S. military bases in the nation—must be mitigated. For all the ranting by the Hatoyama administration's coalition partners—namely the Social Democrats—key cabinet members have no intentions of weakening the alliance. As Katsuya

Okada said in one of his first news conferences as foreign minister, he wants to address the Okinawa problem to make the bilateral relationship sustainable “for the next 30, 50 years.”

So why the gloom and doom? Obviously it's tempting to make headlines out of a rare spat between steadfast allies. In particular, the Japanese media establishment perpetuated the angst, as it is accustomed to viewing the relationship

as a cozy friendship between pro-American conservatives in Tokyo and so-called Japan hands in the U.S. Truth be told, the commotion was more about inexperienced governments than fundamental differences. Having won a historic election in August, an elated Hatoyama government got carried away by its promise to carve out a “more equal” partnership with the U.S. and insisted on the Futenma issue in a way that made it look like it was taking the relationship for granted. Washington overreacted by allowing the frustrations of the Pentagon to dominate its posture. “Both capitals have lost sight of the fact that the bilateral relationship is not about house-keeping issues like the length and shape of a runway in Okinawa,” says Evans Revere, an Asia expert formerly at the State Department.

Now officials on both sides of the Pacific are refocusing their attention on the big issue: how the countries can meet the challenges in a changing regional-security environment. At their meeting in Honolulu earlier this month, Secretary of State Hillary Clinton said Washington is “respectful” of Tokyo's decision-making process, and Okada made it clear that Tokyo is not ruling out the current agreement—which Washington wants implemented—he just wants to explore the options. Hatoyama later said Japan should be “thankful” for the security alliance with the U.S. Next month both capitals will start talks to “deepen” that alliance. As for Futenma, expect more headlines from the Japanese press, as Hatoyama tries to craft a palatable compromise plan by May. But don't believe any hype about a crisis.

YOKOTA is NEWSWEEK's contributing correspondent in Tokyo.

The Fight Over 'Allah'

Malaysia's delicate balance is at risk.

BY IOANNIS GATSIOUNIS



THE INTERETHNIC chaos Malaysia has long feared moved closer to reality this month when 10 churches were attacked around the country. The attacks followed a civil-court

ruling on New Year's Eve declaring that a law prohibiting non-Muslims from using the word "Allah" to describe their God was unconstitutional. Strangely, though, Christians have been using "Allah" for "God" in East Malaysia since the 1920s without much controversy. So why the sudden spate of violence in a nation long viewed as a model of tolerance in the Muslim world?

The answer is that beneath Malaysia's outward glow of progressive moderation, racial and religious consciousness has risen steadily among Muslim Malays, who make up 60 percent of the population. That creeping conservatism has been fanned by the United Malays National Organization (UMNO), seeking to revive support that is slipping amid rampant corruption and other forms of misrule. Rather than trying to quell misgivings among Malays who felt that the use of "Allah" to describe the Christian God would sow confusion, the government appealed the decision, saying that Muslim sensitivities must be respected to protect the fragile ethnic balance. Then UMNO leaders, including Prime Minister Najib Razak, said the government could not stop planned protests against the ruling, though he has often opposed the exercise of free speech in the past. Critics charge the government with institutionalizing racism and emboldening Muslim hardliners. Whatever the case, the church attacks are the clearest

sign yet that Malaysia's racial-religious compact is unraveling.

During the 1980s and 1990s Malaysia transformed itself from an agrarian-based economy to a manufacturing one. More recently it has struggled to shed its low-value-added, low-wage structure. Private investment, now at 11 percent of GDP, is down more than two thirds since the late 1990s at least in part because of investor concern about the social tension. Efforts to create a high-tech innovation economy have been set back by the flight of talent: opposition leader Lim Kit Siang says 300,000 "top brains" have fled to Singapore since the last general election. Now Malaysia's reputation for stability is under threat, and investors are jittery amid reports that Malaysia saw the biggest foreign-exchange outflows in Asia last year. Though some analysts give Najib high marks as a liberalizing economic reformer, sectarian unrest won't help, and could well thwart the country's aim of becoming a fully developed nation by 2020.

The church attacks also threaten regional stability. Indonesia's Muslim leaders have cautioned Muslims there not to take their cue from Malaysia. The U.S. government issued a travel advisory warning that the court ruling could trigger criminal or terrorist attacks on foreigners in Malaysia's eastern Sabah province, which borders the southern Philippines, home to the Qaeda-linked Abu Sayyaf. And so it is that in a few short weeks Malaysia has gone from pointing the way for Muslims in neigh-

boring countries to joining the list of regional hot spots.

Last week the government took a step to undo the damage, saying Christians may use "Allah" in the states of Penang, Sarawak, and Sabah, and in the Federal Territory, which includes Kuala Lumpur. That, along with Malaysians' tendency to avoid racial confrontation, may stave off wider violence. But it hardly addresses the festering racial resentments that precipitated the attacks.

Almost 40 years ago the government introduced a policy of positive discrimination for Malays, a move that helped reduce income disparities between the

Malay majority and the big Chinese and Indian minorities. But it also heightened communal identification, restricted educational and economic opportunities for non-Malays, and bred dependency among the Malays. Until now, all that was hidden by political sloganeering, tightly controlled

media, and billions spent on eye-catching infrastructure projects intended to make Malaysia appear both modern and progressive. But the attacks have blown the cover off the myth of racial harmony. Now Malaysia must get down to the nitty-gritty of building a truly pluralistic society. As the church bombings make clear, it can't afford not to.

GATSIOUNIS is a Malaysia-based journalist and author, most recently, of Velvet & Cinder Blocks, a story collection detailing a planned attack on a Christian landmark in Malaysia.

The church attacks and religious tension have blown the cover off Malaysia's face-saving myth of racial harmony.



ENOUGH

WHY WE CAN NO LONGER REMAIN ON THE

BY RICHARD N. HAASS

TWO SCHOOLS OF THOUGHT HAVE traditionally competed to determine how America should approach the world. Realists believe we should care most about what states do beyond their borders—that influencing their foreign policy ought to be Washington's priority. Neoconservatives often contend the opposite: they argue that what matters most is the nature of other countries, what happens inside their borders. The neocons believe this both for moral reasons and because democracies (at least mature ones) treat their neighbors better than do authoritarian regimes.

I am a card-carrying realist on the grounds that ousting regimes and replacing them with something better is easier said than done. I also believe that Washington, in most cases, doesn't have the luxury of trying. The United States must, for example, work with undemocratic China to rein in North Korea and with autocratic Russia to reduce each side's nuclear arsenal. This debate is anything but academic. It's at the core of what is likely to be the most compelling international story of 2010: Iran.

In the wake of 9/11, the Bush administration judged incorrectly that Iran was on the verge of revolution and decided that dealing directly with Tehran would provide a lifeline to an evil government soon to be swept away by history's tide. A valuable opportunity to limit Iran's nuclear program may have been lost as a result. The incoming Obama administration reversed this approach and expressed a willingness to talk to Iran

without preconditions. This president (like George H.W. Bush, whose emissaries met with Chinese leaders soon after Tiananmen Square) is cut more from the realist cloth. Diplomacy and negotiations are seen not as favors to bestow but as tools to employ. The other options—using military force against Iranian nuclear facilities or living with an Iranian nuclear bomb—were judged to be tremendously unattractive. And if diplomacy failed, Obama reasoned, it would be easier to build domestic and international support for more robust sanctions. At the time, I agreed with him.

I've changed my mind. The nuclear talks are going nowhere. The Iranians appear intent on developing the means to produce a nuclear weapon; there is no other explanation for the secret uranium-enrichment facility discovered near the holy city of Qum. Fortunately, their nuclear program appears to have hit some technical snags, which puts off the need to decide whether to launch a preventive strike. Instead we should be focusing on another fact: Iran may be closer to profound political change than at any time since the revolution that ousted the shah 30 years ago.

The authorities overreached in their blatant manipulation of last June's presidential election, and then made matters worse by brutally repressing those who protested. Supreme Leader Ayatollah Ali Khamenei has lost much of his legitimacy, as has the "elected" president, Mahmoud Ahmadinejad. The opposition Green Movement has grown larger

THIS IS ENOUGH

THE SIDELINES IN THE STRUGGLE FOR REGIME CHANGE IN IRAN.

and stronger than many predicted.

The United States, European governments, and others should shift their Iran policy toward increasing the prospects for political change. Leaders should speak out for the Iranian people and their rights. President Obama did this on Dec. 28 after several protesters were

killed on the Shia holy day of Ashura, and he should do so again. So should congressional and world leaders. Iran's Revolutionary Guards should be singled out for sanctions. Lists of their extensive financial holdings can be published on the Internet. The United States should press the European Union and others not to trade or provide financing to selected entities

controlled by the Guards. Just to cite one example: the Revolutionary Guards now own a majority share of Iran's principal telecommunications firm; no company should furnish it the technology to deny or monitor Internet use.

New funding for the project housed at Yale University that documents human-rights abuses in Iran is warranted. If the U.S. government won't reverse its decision not to provide the money, then a foundation or wealthy individuals should step in. Such a registry might deter some members of the Guards or the million-strong Basij militia it controls from attacking or torturing members of the opposition. And even if not,

the gesture will signal to Iranians that the world is taking note of their struggle.

It is essential to bolster what people in Iran know. Outsiders can help to provide access to the Internet, the medium that may be the most important means for getting information into Iran and

THE UNITED STATES SHOULD ACT TO STRENGTHEN THE OPPOSITION AND TO DEEPEN RIFTS AMONG THE RULERS.

facilitating communication among the opposition. The opposition also needs financial support from the Iranian diaspora so that dissidents can stay politically active once they have lost their jobs.

Just as important as what to do is what to avoid. Congressmen and senior administration figures should avoid meeting with the regime. Any and all help for Iran's opposition should be nonviolent. Iran's opposition should be supported by Western governments, not led. In this vein, outsiders should refrain from articulating specific political objectives other than support for democracy and an end to violence and unlawful detention. Sanctions on Iran's gasoline imports and refin-

ing, currently being debated in Congress, should be pursued at the United Nations so international focus does not switch from the illegality of Iran's behavior to the legality of unilateral American sanctions. Working-level negotiations on the nuclear question should continue. But if there is an

unexpected breakthrough, Iran's reward should be limited. Full normalization of relations should be linked to meaningful reform of Iran's politics and an end to Tehran's support of terrorism.

Critics will say promoting regime change will encourage Iranian authorities to tar the opposition as pawns of the West. But the regime is already doing so. Outsiders should act to strengthen the opposition and to deepen

rifts among the rulers. This process is underway, and while it will take time, it promises the first good chance in decades to bring about an

Iran that, even if less than a model country, would nonetheless act considerably better at home and abroad. Even a realist should recognize that it's an opportunity not to be missed.

HAASS, *president of the Council on Foreign Relations, is author of War of Necessity, War of Choice: A Memoir of Two Iraq Wars.*

NEXT ►

STRANGE BEDFELLOWS

Chinese activists and the fight for Internet freedom in Iran.

BY JESSICA RAMIREZ

UP IN SMOKE
CHINA'S IMAGE
HAS TAKEN A
BEATING.



HOW DO YOU MAKE A HABITUAL FREE rider pay his fair share? It is the challenge the West now faces in dealing with China. Ever since China reemerged as a great power in the last decade, many in the West have hoped that a China with a stake in the existing international order would behave constructively to sustain it. Senior officials from the United States and Europe cajoled, flattered, and schmoozed with their counterparts in China. Unfortunately, the West has little to show for its efforts. Political engagement has failed to transform China into a more democratic regime. Google's fight with Beijing over Internet censorship is but the latest example of the ineffectiveness of the West's soft approach. Nice words may sooth Chinese egos, but they have not made Beijing behave like a genuinely responsible global stakeholder.

Consider the following.

At the United Nations' Copenhagen conference on climate change in December, China's opposition to mandatory emissions targets helped eviscerate an international agreement that could have become a milestone in the world's efforts to address the climate-change challenge.

As the world slowly climbs from economic recession, China's exchange-rate policy has become an obstacle to the rebalancing of the global economy, yet Beijing has refused to budge despite ceaseless Western exhortations that it revalue its currency. This beggar-thy-neighbor policy is now threatening not

CHINA: THE BIG FREE RIDER

BY MINXIN PEI

only the fragile recovery in the West but also the global free-trading system.

On sanctions against Iran, one of China's key energy suppliers, Beijing has repeatedly rebuffed the West's call for tougher measures. China appears to be far more worried about its economic interests in Iran than the potential catastrophic consequences of a military conflict over Tehran's nuclear program or nuclear proliferation in the Middle East.

A popular explanation for China's reluctance to pay its fair share for maintaining peace and prosperity in the world is that, despite its torrid economic growth, China remains a relatively poor country on a per capita basis. Unfortunately, the argument does not hold water. A government that spent more than \$45 billion on hosting

the Olympics to burnish its image can hardly plead poverty.

It is more likely that the Chinese government's reluctance to assume greater burden sharing has deeper political roots. Even though Beijing believes that its national interests have been well-served by a global security order policed by American hegemony and a free-trading system supported by the West, Chinese elites hardly identify with the values embodied in this order. The West's commitment to democracy and human rights is something the Chinese Communist Party openly rejects. American hegemony, the cornerstone of global security, is viewed by Chinese elites as a geopolitical reality but is accorded little legitimacy. That is why Beijing has been promoting, at least rhetorically, the emergence of a "multipolar world."

Chinese leaders see little political upside in making China a more active contributor to the international public good. Only those who pander to a domestic (and increasingly nationalistic) audience have fared well in Beijing, and most Chinese officials don't want to be seen as lackeys of the West. As a result, Chinese rhetoric and behavior reflect a split personality: China enjoys the practical benefits of the current world order but refuses to share its costs.

The days when China can have it both ways—freeloading on global public goods and basking in international respect—are about to be over. Disillusionment is clearly setting. Even multinational corporations, resentful of China's undervalued currency and protectionist streaks are voicing their displeasures. Western governments have levied anti-dumping charges against Chinese exports and are contemplating other retaliatory measures if Beijing keeps its current exchange-rate policy. Pressures on the human-rights front could build up, as well. China's image has taken a beating because of its lack cooperation on climate change. Beijing had better take notice.

PEI is a professor of government at Claremont McKenna College.

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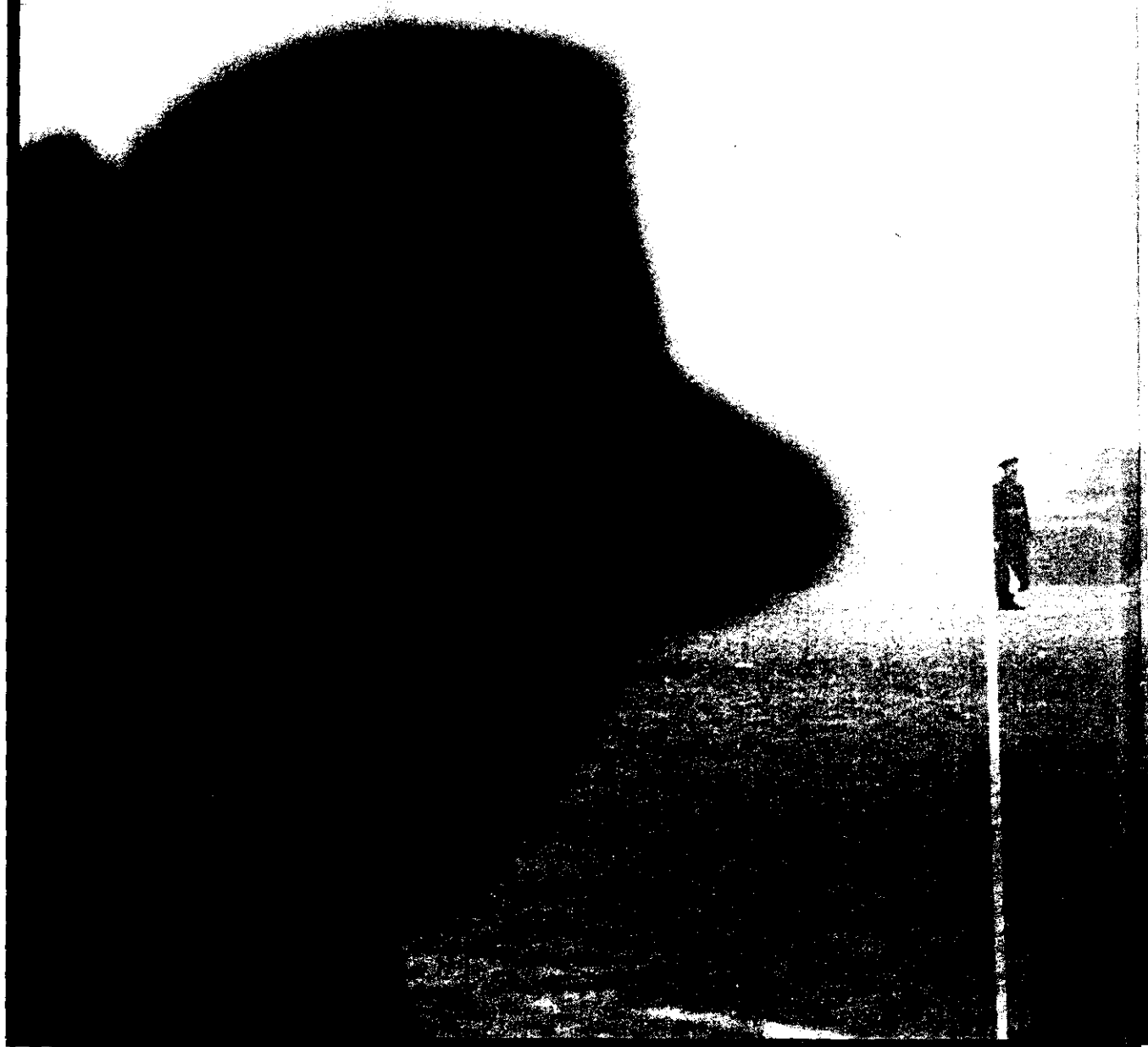
POWER

POLITICS

END OF THE ROGUE

THE WORLD THAT CREATED 'ROGUE STATES' IS GONE, AND THE
SOONER WASHINGTON RECOGNIZES IT, THE BETTER.

BY NADER MOUSAVIZADEH





BURMA
RIOT POLICE
IN 2007

A YEAR AFTER BARACK OBAMA relaunched America's relations with the world's rogue states, the verdict is in: from Burma to North Korea, Venezuela to Iran, the outstretched hand has been met with the clenched fist. Aung San Suu Kyi remains under house arrest in Rangoon, Pyongyang is testing missiles, Caracas rails against gringo imperialism, and Tehran has dismissed a year-end deadline to do a deal on its nuclear program. Engagement has failed and Obama is now poised to deliver on threats of tougher sanctions, as surely he must. Right? Well, not necessarily.

What Washington has failed to fully recognize is that the world that created "rogue states" is gone. The term became popular in the 1980s, mainly in the United States, to describe minor dictatorships threatening to the Cold War order. Then, after the Soviet Union collapsed in 1991, the main challenge to American dominance came from those states unwilling to accommodate themselves to the "end of history" and conform to U.S. values. The idea of "the rogue state" assumed the existence of an international community, united behind supposedly universal Western values

and interests, that could agree on who the renegades are and how to deal with them. By the late 1990s this community was already dissolving, with the rise of China, the revival of Russia, and the emergence of India, Brazil, and Turkey as real powers, all with their own interests and values. Today it's clear that the "international community" defined by Western values is a fiction, and that for many states the term "rogue" might just as well apply to the United States as to the renegades it seeks to isolate.

The answer to those states challenging the established global order will not come in the form of carrots or sticks from Washington alone. Confronting the threats of nuclear proliferation, terror, and regional instability posed by state and nonstate actors alike will require coalitions that are genuinely willing—not forged under U.S. pressure. It is no longer possible for the U.S.—even with Obama as president—to rally international support for an American, or even a Western, agenda. What the world seeks from America is more engagement, not less, but based on partnership, not U.S. primacy. Conventional American leadership, it is now

evident, is as unwelcome in the person of Barack Obama as in George W. Bush.

In the absence of a newly forged international community, a U.S.-led crackdown on the old rogues is bound to backfire. Already Western efforts have driven rogue states into each other's arms—Burma is trading military hardware and perhaps nuclear secrets with North Korea; Iran is forging closer ties to Syria; Venezuela is supporting Cuba more lavishly. Worse than these warming relations among relatively weak troublemakers is their growing support from legitimate rising powers. Brazil, Turkey, Russia, China—all are making no secret of their resistance to America's anti-rogue diplomacy.

Obama came into office thinking that a more responsive diplomacy could rally global support for the old Western agenda, but that's not enough. What's needed, more than a change in tone or a U.S. policy review, is a new set of baseline global interests—neither purely Western nor Eastern—defined in concert with rising powers who have real influence in capitals like Rangoon, Pyongyang, and Tehran. This requires a painful reconsideration of America's



NORTH KOREA
DICTATOR KIM
JONG IL ON TV.

place in the world. But it promises real help from rising powers in shouldering the financial and military burden of addressing global threats.

Today countries large and small, well behaved and not, are looking for partners, not patrons. Where Washington looks to punish rogues, seeking immediate changes in behavior, rival powers are stepping in with investment and defense contracts, and offering a relationship based on dignity and respect. This is the story of China in Burma, Russia in Iran, Brazil in Cuba, and so on down the line. And given that the core institutions of global governance—the U.N. Security Council, the World Bank, and the IMF—are unwilling to grant the new powers a seat at the decision-making table, it's not surprising that they feel no obligation to back sanctions they've had no say in formulating.

Far from being coy about their newfound independence, the rising powers are asserting their status with increasing strength. During a recent state visit, Brazilian President Luiz Inácio Lula da Silva stood beside President Mahmoud Ahmadinejad of Iran and declared bluntly: "We don't have the right to

think other people should think like us." These words resonate more deeply outside the Western world than new calls for unity against the rogues. Days earlier, Ahmadinejad had been hosted by Turkey's Prime Minister Recep Tayyip Erdogan, who had embraced his neighbor at a summit of Islamic nations and insisted that Iran's nuclear program was "peaceful." Predictably, the Western press attacked both Lula and Erdogan for betraying democratic values and solidarity, missing the point entirely. Established democrats like Lula and Erdogan are not siding with Ahmadinejad, supporting his government's violent crackdown on protesters or its covert nuclear programs. Rather, they are demonstrating their intention—and, more important, their ability—to have a say in who the rogues are and how they should be dealt with.

The perils of the West's old thinking about rogue states are laid bare in a corner of Asia that is fast becoming a geopolitical battleground with no Western presence to speak of. Iran, with its nuclear program, may be the most acute rogue-state security challenge today; Sudan, with its record of a genocide

overlooked, the most morally troubling; Zimbabwe, with its spectacle of a society's systematic self-destruction, the most maddening. But Burma presents perhaps the starkest and most advanced case of the failure of Western strategies aimed solely at cutting off repressive regimes. The two-decade-old policy of isolating Burma now looks like a carefully constructed attempt to weaken Western influence and open the door to China, while devastating Burma's legitimate economy and doing nothing to improve its people's human rights.

Rangoon today is a city in a time warp, with battered cars from the '50s driving down unpaved roads alongside rickshaws, and barefoot children selling Chinese-made trinkets to the few tourists walking among the dilapidated, abandoned villas of the city's faded colonial glory. Virtually no aspect of Western policy here has worked: the military junta is as firmly in control as ever; the democratic opposition is in disarray; and where Western policy toward Burma used to be primarily concerned with the regime's domestic behavior, it now must contend with the generals' suspected ties



VENEZUELA
A CHE
BILLBOARD IN
CARACAS.

to North Korea, including in the area of nuclear cooperation.

This is not to say that the sanctions haven't had an impact—only that they have been entirely counterproductive. In a series of recent conversations with civil-society leaders, businessmen, and foreign diplomats in Rangoon, a grim picture emerged: a middle class decimated and forced into exile; an educational system entirely unable to develop the country's human capital; a private sector hollowed out, with only the junta's cronies able to profit from trade in the country's natural resources. One Burmese businessman I spoke with put it best. "We are twice sanctioned," he lamented. "First by the regime and second by the West." Hillary Clinton recognized as much recently, stating that "the path we have taken in imposing sanctions hasn't influenced the Burmese junta." She added, with considerably less evidence, that "reaching out and trying to engage them hasn't influenced them either." Now tentative signs of a thaw in U.S.-Burma relations suggest that engagement may well have an impact—just not one that satisfies the short-term needs of Western policymakers and their demands for dramatic concessions.

For the rogues, the rising powers provide both diplomatic cover and alternative political and economic models. In Burma, Western sanctions have provided an opportunity for China and India to gain unchallenged economic and political influence within a country they consider of strategic significance. In Iran, Western pressure has simply taught officials to become masters in the arts of forging alternative alliances—with Russia, China, and others—and of dodging sanctions. While sanctions have slowed the development of Iran's energy sector and stifled economic growth, the regime has become adept at shipping banned goods through third countries, funding its activities in currencies other than the U.S. dollar, and inviting non-Western entities to step in on commercially attractive terms in key sectors of the economy such as infrastructure, energy, and telecommunications. If the purpose of sanctions has been to halt Iran's nuclear-enrichment program and its ability to project power through regional proxies like Hizbullah and Hamas, they can only be said to have failed.

Initially, the Obama administration

had the honesty—with itself and the world—to recognize the limits of sanctions, and to explore instead whether a policy of engagement addressing Iran's legitimate security interests could help persuade the regime to halt the weaponization of its nuclear program. Now, however, with a year-end deadline for progress lapsed, Obama is expected to pursue a package of "smarter" sanctions on the energy, transportation, and financial sectors, including on insurance and reinsurance on trade with Iran. The aim is nothing less than choking the Iranian economy—extracting a price even this regime will ostensibly be unable to bear. For an embargo to work, however, the rising powers will have to be on board. And that's where the problem lies.

From the outset, the Obama administration assumed that even if a U.S. offer of engagement didn't sway Tehran, its very reasonableness would bring Russia and China on board in implementing "crippling" U.N. sanctions. Now, it may be that Beijing and Moscow prefer a less trigger-happy White House (leaving aside for the moment the equally likely possibility that the two would like nothing more than to see the



IRAN
PRESIDENT
MAHMOUD
AHMADINEJAD.

United States bogged down for decades in yet another costly Middle East conflict). But it has never been explained why a more conciliatory U.S. administration would alter the rival interests of Russia and China. Moscow wants a commercial relationship with Tehran, China wants oil and gas, and both want a strategic foothold in the Persian Gulf to balance U.S. dominance. As the U.S. narrows its view of Iran to focus exclusively on nukes, the rising powers see the nuclear issue as only one facet of their relationship with Iran. In Burma and Iran—no less than among the other rogues states—decades of Western sanctions have achieved a perfect storm of deprivation for the people, wealth and job security for their rulers, and strategic influence for those countries unmoved by complaints about human-rights abuses. Indeed, in isolating repressive regimes, the West often hands them an excuse to block the forces of reform most likely to undermine their rule, and even to rally their people behind a hated government in the name of opposing foreign intervention. A new strategy is needed.

Nothing would more dramatically

disrupt this status quo than to provide rogue leaders with what they fear most: a complete end to broad economic sanctions, open and unfettered trade with the traditional commercial classes, educational exchanges for their students, and less restrictive travel policies on the broad population—even as arms embargoes and visa restrictions on the ruling elite are kept in place. Such a policy would stand a far greater chance of gaining support among rising and rival powers—as well as the peoples of the rogue states—and set in motion a chain of events more likely to result in greater security and accountable government.

A policy change of this magnitude would, of course, face its greatest opposition in Washington. For Obama's opponents on the right, it would be proof positive of his "appeasement" of the Axis of Evil. For his allies on the activist left, it would constitute a betrayal of their human-rights agenda. The truth—as he, better than any other U.S. leader, can explain—is that the American policy of isolating rogues has been a manifest failure, and that a new and

genuine partnership with the powers that matter today stands a far better chance of promoting both security and human dignity among the rogues.

Will this approach quickly temper Hugo Chávez's rhetoric or Robert Mugabe's obstinacy, reduce Kim Jong Il's paranoia, or undermine Ahmadinejad's brutal grip on power? Unlikely. But it can begin to shape a global environment less conducive to their rhetoric of resistance and more vulnerable to the charge of illegitimacy

—at home and abroad—that over time is the true Achilles' heel of any

regime. Last, but not least, it would give Obama's policy of engagement meaning beyond mere words—and begin to position America as a 21st-century power leading by example, and not force.

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NEXT ►

SELLING SOUTH KOREA

President Lee plans to put his country at the center of the world.

BY B.J. LEE

TERROR BEGINS AT HOME

FEARMONGERING POLITICIANS ARE SCORING CHEAP POLITICAL POINTS AT THE EXPENSE OF THE AMERICAN PEOPLE.

BY DANIEL KLAIDMAN

JOSTLING BEFORE THE MIDTERMS HAS begun, and so too has the GOP's ritualistic hazing of Democrats on national security. At every turn Republicans are hammering the Obama administration for "capitulating" in the fight against terrorism. But their macho rhetoric actually sends a message of weakness: we can't try Khalid Sheikh Mohammed in the same civilian courts that have convicted dozens of other international terrorists because Al Qaeda might attack New York. (When since 9/11 has New York not been a target of Al Qaeda?) Our criminal-justice system can't deal with a failed underwear bomber. The GOP assault may be smart politics, but in the long run it damages U.S. security by undermining our confidence and resiliency in the face of certain attacks to come.

By contrast, much of the current administration's antiterror policy seems aimed at strengthening the American spirit in the face of a diffuse but determined enemy. After Nigerian Umar Farouk Abdulmutallab attempted to bring down Northwest Flight 253 on Christmas Day, President Obama waited 72 hours before appearing in front of the cameras to make a statement. Rep. Peter King (R-N.Y.) immediately cruised the cable circuit lambasting Obama for his lapse in "leadership" in the wake of what he claimed could have been "one of the greatest tragedies in the history of our country." The president should have stepped forward "to give a sense of confidence to the country." But it was precisely the president's deliberate restraint that conveyed confidence, not King's hysterical overreaction. When Obama did address the public, his response was measured and proportionate. "This inci-

dent," he said, "demonstrates that an alert and courageous citizenry are far more resilient than an isolated extremist."

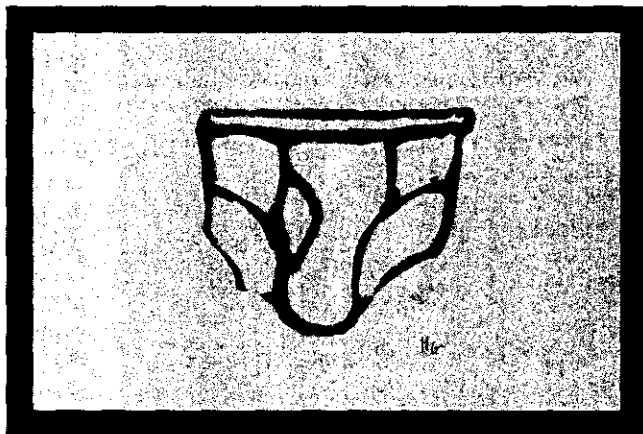
Those words may have been dismissed as boilerplate, but Obama aides tell me they reflected a core conviction of the president's. In fact, Homeland Security Secretary Janet Napolitano has also made encouraging "resiliency"—in

our spirit. Had America rebuilt the Twin Towers in the first years after 9/11, they would be standing tall today as symbols of defiance. Instead, when I drive by Ground Zero, still a gaping pit, I wonder how we would react if New York were hit again.

Even the administration's emphasis on resiliency isn't enough on its own, says homeland-security expert Stephen Flynn, who has done more than anyone to promote the concept. "The hard part is converting the rhetoric into reality," he says, complaining that the White House has not put forward the necessary funds to train ordinary citizens to handle disasters and terror attacks.

Americans are historically a tough lot. But the policies and rhetoric of the Bush-Cheney years, which set the tone for the current GOP attacks, are infantilizing: be very afraid, we're told, and let the government take care of you. The tough-guy

bluster has led to a permanent state of anxiety—and a slew of counterproductive policies, from harsh visa restrictions to waterboarding. Our politicians rail about apocalyptic threats while TSA officers pat down toddlers at the airport. The irony is that many potentially lethal terror attacks—from United Flight 93 to Richard Reid to the underwear bomber—have been foiled by regular citizens. The aim of terrorists is to make people feel powerless and afraid. Unfortunately, not every plot will be foiled. But if that's the standard we and our leaders set for ourselves, we are doomed to perpetuate dumb policies that flow from irrational fears. Just what the terrorists want.



government institutions as well as people—a priority. In surprisingly blunt language, the recently released Quadrennial Homeland Security Review says Americans will need to be "psychologically prepared to withstand" terrorism and other disasters, "and grow stronger over time."

The next time a prophet of doom warns of impending disaster, think how our behavior compares with that of other countries that have been attacked since 9/11. After the 7/7 attack on the London Underground, which killed 52 people, Londoners, recalling their pluck during the Blitz, gamely showed up en masse the next morning for their daily commute. The Israelis make a point of rebuilding blown-up cafés in a matter of days after an attack; similarly, they return to targeted bus lines the day after a bombing. The message is clear: we're not going to let terrorists break

NEXT ►

TURNING THE TALIBAN
Paying off insurgents won't get them to defect.

BY RON McCREAU AND
SAMI YOUSSEFZAI

Secret Nukes

A Cold War deal that allows Europe use of American thermonuclear bombs should end

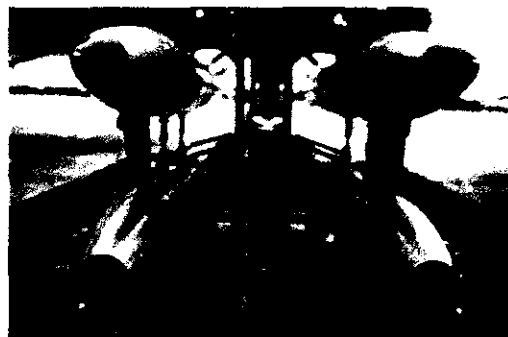
IS ITALY CAPABLE OF DELIVERING A THERMONUCLEAR STRIKE? Could the Belgians and the Dutch drop hydrogen bombs on enemy targets? And what about Germany—a country where fear of *atomkraft* is so great that the last government opposed all civilian nuclear power? Germany's air force couldn't possibly be training to deliver bombs 13 times more powerful than the one that destroyed Hiroshima, could it?

It is Europe's dirty secret that the list of nuclear-capable countries extends beyond those—Britain, France and Russia—that have built their own weapons. The truth is, Belgium, Germany, Italy and the Netherlands store nuclear bombs on their air-force bases and have planes capable of delivering them. There are an estimated 200 B-61 thermonuclear gravity bombs scattered across these four countries. Under a NATO agreement struck during the Cold War, the bombs, which are owned by the U.S., can be transferred to the control of a host nation's air force in times of conflict. Twenty years after the fall of the Berlin Wall, Dutch, Belgian, Italian and German pilots remain ready to engage in nuclear war.

These weapons are more than a historical oddity. They are a violation of the spirit of the Nuclear Non-Proliferation Treaty (NPT)—the 1968 agreement governing nuclear weapons that provides a legal restraint on the nuclear ambitions of rogue states. Because “nuclear burden-sharing,” as the dispersion of B-61s in Europe is called, was set up before the NPT came into force, it is technically legal. But as signatories to the NPT, the four European countries and the U.S. have pledged “not to receive the transfer ... of nuclear weapons or control over such weapons

directly, or indirectly.” That, of course, is precisely what the long-standing NATO arrangement entails.

While burden-sharing was tolerated during the Cold War, it has become an irritant at NPT review conferences, where some countries have used it as an example of the U.S.'s failure to take serious steps toward nuclear disarmament—part of its obligation under the treaty. Last year a U.S. Air Force report found that



Bombs away Some 200 American B-61s are stored in Europe

the European bases storing the weapons were failing to meet security requirements to safeguard the weapons. These revelations cemented the unpopularity of the agreement. Belgium's Parliament had already unanimously requested that NATO withdraw the weapons, while a 2006 poll found that almost 70% of people in the four countries want the U.S. nukes withdrawn. In October, German Foreign Minister Guido Westerwelle declared that President Barack Obama's speech in Prague in April, in which the President called for countries to renew the vision of a world free of nuclear weapons, had “opened the door” to a nuclear-weapons-free Europe.

But elements in the NATO military structure are protective of the weapons. In 2008, a Secretary of Defense Task Force on Nuclear Weapons Management said the bombs were an important guarantee of NATO security and also supported nonproliferation efforts by preventing allied states from developing their own

weapons programs. The report concluded that the presence of B-61s in Europe “remains an essential political and military link between European and North American members of the alliance.”

These justifications infuriate arms-control experts, who point out that NATO countries continue to be protected by hundreds of land- and submarine-based long-range nuclear-tipped missiles. “The nuclear umbrella can be continued by

long-range forces just like it was in the Pacific after [nuclear] weapons were withdrawn from South Korea in 1991,” says Hans Kristensen of the Federation of American Scientists. As for the concern that allied countries might be driven to develop their own weapons, Kristensen is scathing: “How many [European] countries would seriously consider acquiring their own weapons if things changed? Denmark? Iceland? Portugal? Seriously?”

Recent U.S.-Russia bilateral negotiations to reduce long-range weapons did not cover B-61s in Europe. Obama's ongoing “nuclear posture review” and NATO's review of its strategic concept may call for an end to nuclear burden-sharing. But if the issue is not addressed soon, countries may take their own steps to get rid of the weapons. In 2001, when the Greek air force ordered a new fighter jet, it chose a model that could not carry the B-61, forcing the U.S. to withdraw its weapons there. The U.S. still keeps weapons in Turkey, but some experts say the Turkish air force is no longer involved. Germany may soon retire its Tornado fighter jet, opting instead for the Eurofighter, which can't carry B-61s. “NATO countries are currently answering the question backward. We are allowing aircraft selection to determine our posture,” says Heather Conley of the Center for Strategic and International Studies. Given that Europe's hidden nuclear arsenal is unpopular, potentially unsafe and a hindrance to global nonproliferation efforts, it's time for it to go. ■

Europe's dirty secret is that nuclear-capable countries extend beyond those that have built their own weapons

China's Iran Dilemma

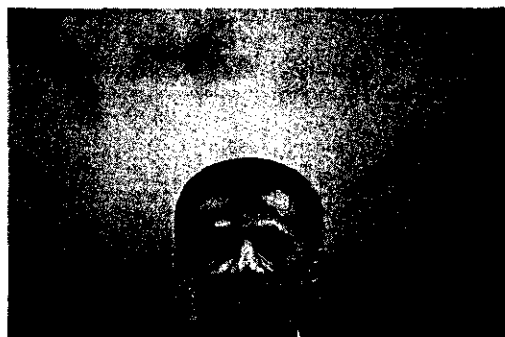
Will Beijing let its economic ties with Tehran trump the world's need for security?

YOU HAVE TO HAND IT THE FOLKS AT China's Foreign Ministry. As well as anyone on the planet, they have learned over the years how to craft sentences that reach the summit of diplomatic obfuscation. So it was on Feb. 6, when the Foreign Minister representing this century's ascendant power addressed a gathering that's a blast from the past: the Munich Security Conference, a 46-year-old annual gabfest that used to be populated by Western Europeans and Americans obsessed with plugging the Fulda Gap. Foreign Minister Yang Jiechi was there this year, and he knew there was no chance he could avoid the single most important issue that leaders in the here and now confront: not Internet censorship in China, not U.S. weapons sales to Taiwan. No, the question of the day is whether the Islamic Republic of Iran will be permitted to develop nuclear weapons while the rest of the world stands around and chats about it. Here's what Yang told the group in Munich: "The parties concerned should, with the overall and long-term interests in mind, step up diplomatic efforts, stay patient and adopt a more flexible, pragmatic and proactive policy. The purpose is to seek a comprehensive, long-term and proper solution through dialogue and negotiations."

The world's nuclear standoff with Iran is ratcheting ever upward. On Feb. 8, Iranian President Mahmoud Ahmadinejad (no diplomat he) matter-of-factly announced that Iran would soon begin enriching uranium for use in a "medical reactor." That means China will have to answer the central question that confronts it, which was embedded within Yang's diplo-speak: What actually is China's long-term interest in Iran?

The Iran issue leaves Beijing in a place it can hardly want to be: isolated on the U.N. Security Council

Beijing has what it used to call "core interests"—issues that stand above and beyond the rest. Taiwan is one. Another—a recent product of its economic surge—is long-term access to the oil, gas and minerals needed to fuel the country's growth for decades to come. Iran, from whom Beijing now buys a tick over 400,000 barrels a day (about 14% of China's total oil imports), is clearly part of that future. But U.S. Secretary of



Nuclear reaction Ahmadinejad has upped the ante

State Hillary Clinton recently called out Beijing in public to get off the fence and sign on to new, tougher sanctions against Tehran at the U.N. In so doing, she used China's dependence on oil from the Persian Gulf as a reason not to appease the mullahs, but to press them: "China will be under a lot of pressure to recognize the destabilizing impact that a nuclear-armed Iran would have in the Gulf, from which they receive a significant percentage of their oil supply."

Beijing has already decided, apparently, that a North Korea with nukes is less destabilizing than a North Korea in chaos, with tens of thousands of impoverished souls pouring across its border into China. But Beijing knows no one is going to attack North Korea—knows that in its heart and soul. It knows no such thing about Iran. Prior to Barack Obama's summit meeting with Hu Jintao last year, two U.S. diplomats quietly slipped into Beijing and, in secret, reinforced the obvious: There's this other country in the

region called Israel and, well, we're just not sure what they might do.

Whether the U.S. shared information about what it knows about possible Israeli planning for a strike against Tehran's nuclear facilities is not known. What's known is that Beijing appeared to be unmoved by what it was told. Yang's speech earlier this month and several public statements by other Chinese officials similar to it still show little appetite in Beijing for U.N.-induced sanctions that might affect Iran's oil and gas industry.

But when Clinton went public in isolating Beijing earlier this month, it was clear the diplomatic game had changed, and not in China's favor. Beijing had always had a partner in pushing back against the West's desire for tough sanctions against Iran: Moscow. The Russians don't need Tehran's oil and gas, but they have significant economic interests in Iran, and Vladimir Putin, much more than Hu Jintao & Co., had very much been in the business of stick-

ing a thumb in the eye of the U.S. whenever he could (the default position of pretty much any ex-KGB officer worth his salt).

But the clear indication now is that the Russians will sign on for a U.S. push toward tougher sanctions—if true, a major dividend for Obama's decision to shelve a missile-defense program in Eastern Europe. On Feb. 9, Nikolai Patrushev, secretary of Russia's Presidential Security Council, said Iran's "actions... raise doubts in other countries and those doubts are quite valid." This might leave Beijing in a place it can hardly want to be: isolated on the Security Council.

At the U.N., the language will be ever so polite, but the message now to Beijing could well be: The only thing that may stand between an eventual Israeli air strike and the resulting chaos in the Persian Gulf is you. If you alone veto sanctions against Iran, God help us all.

So just how does China define its "overall and long-term interests" in Iran? We're about to find out. ■