From: Office of Terje Rod-Larsen
Sent: Wed 8/22/2012 12:28:35 AM
Subject: August 20 update

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Article 1.

The Washington Post

Egypt's new leaders must accept reality

Dennis Ross

August 20 -- A new reality and an alternative reality are shaping up in Egypt. President Mohamed Morsi and the Muslim Brotherhood appear firmly in control . Morsi seized on the killing of 16 Egyptian soldiers in the Sinai early this month — an embarrassment for the military and particularly the Supreme Council of the Armed Forces (SCAF) — to remove the most senior military leaders from office. He also unilaterally amended the March 2011 constitution declaration and gave his office executive and legislative powers. In short, with no hint of resistance from the military, Morsi has imposed civilian leadership on Egypt.

Many see Morsi's move to control the SCAF — he sacked Field Marshal Mohammed Hussein Tantawi; military chief of staff Sami Anan; and the heads of Egypt's army, navy and air force — as finally giving Egypt's revolution the chance to remove key remnants of the Mubarak regime and fulfill its promise. Others, particularly non-Islamists, are more prone to see recent actions as the Muslim Brotherhood removing any checks on its power.

Given some of the other moves that Morsi and those around him have made, there is reason to be concerned. Morsi has appointed a new minister of information, Salah Abdul Maqsud; he, too, comes from the Muslim Brotherhood and actively supports the move to replace 50 leading editors and journalists. Charges have been filed against the editor of the independent opposition newspaperal-Dustour for insulting the president. It is probably no accident that the state media's tone has changed markedly in the past week — and is far more favorable toward Morsi.

None of this means that Egypt's path of change is foreordained. It does mean that the president, who has largely surrounded himself with members of the Muslim Brotherhood or sympathizers, dominates all of Egypt's institutions of power. He and the Brotherhood will find it hard to escape responsibility for whatever happens in Egypt. The country faces daunting economic challenges; it will need significant outside assistance and private investment. Morsi and the Brotherhood are seeking outside support for their "renaissance plan" to revitalize the economy; after they resisted the conditions for an International Monetary Fund agreement when they were not in power, Morsi and the Brotherhood now appear eager to not only gain the loan but also to borrow more than the $3.2 billion that the IMF was prepared to offer conditionally.

In this respect, Morsi and the Brotherhood seem to recognize reality. But in another important regard, they appear determined to deny it. Consider that Morsi denied sending Israeli President Shimon Peres a response to a note that Peres had written him after news of the correspondence provoked a backlash in the Brotherhood over Morsi having any such contact with Israel. What makes this particularly noteworthy is that Peres's office did not release Morsi's letter publicly until after checking with the Egyptians to make sure it was okay to do so. The outrage among the Brotherhood led Egypt's president to publicly deny a fact. Similarly, consider that the Brotherhood immediately blamed the Mossad, Israel's intelligence organization, for the Sinai attack that killed the Egyptian soldiers — something that the Brotherhood knew to be untrue.

What conclusions should be drawn about an organization that cannot admit the truth? That insists on living in its own reality? If nothing else, it's clear that the group the Brotherhood is wedded to its ideology and cannot admit anything that might call its basic philosophy into question. But the United States and others should not accommodate the Brotherhood's alternative reality. This is not to say that we have to agree on everything. Policy differences are understandable — but it is not acceptable to deny reality and foster a narrative and policies based on untruths and fictions.

Morsi and the Muslim Brotherhood should know this. Egypt's president and people should also know that we are prepared to mobilize the international community, and global financial institutions, to help Egypt — but that we will only do so if Egypt's government is prepared to play by a set of rules grounded in reality and key principles. They must respect the rights of minorities and women; they must accept political pluralism and the space for open political competition; and they must respect their international obligations, including the terms of Egypt's peace treaty with Israel.

The record to date is not good: News reports suggest that more than 100,000 Coptic Christians have left Egypt ; there have been new efforts to intimidate the media, and Morsi has moved armored forces into the Sinai without first notifying the Israelis — a requirement of the peace treaty. The administration's position needs to be clear: If this behavior continues, U.S. support, which will be essential for gaining international economic aid and fostering investment, will not be forthcoming. Softening or fuzzing our response at this point might be good for the Muslim Brotherhood, but it won't be good for Egypt.

Article 2.

National Review

Egypt's Military and the Arab Spring

Andrew C. McCarthy

August 18, 2012 -- Earlier this week, I wrote about Abdel-Fattah el-Sissi. He is a Muslim Brotherhood adherent who rose to the rank of general in Egypt's military — the armed forces he has just been tapped to command by Mohammed Morsi, the Muslim

Brotherhood eminence who was elected president of Egypt a few weeks back. My column was prompted by the Wall Street Journal's coverage of Sissi's appointment, which strained to put a positive spin on an unfolding catastrophe.

The Journal has been all in on the "Arab Spring" fairy tale from the get-go, joining the bipartisan Beltway chorus in presenting the rise of Islamist totalitarianism as a spontaneous eruption of freedom fervor. Even so, it was jarring to find the paper burying General Sissi's Brotherhood sympathies at the bottom of a lengthy profile. The thud came only after paragraph upon sunny paragraph of the conceit that Sissi's decades of exposure to American military counterparts and his high standing in the eyes of Obama-administration officials boded well for future American-Egyptian relations and Israeli security.

The mainstream media, it seems, have their template: We've spent 30 years and about $45 billion cultivating the Egyptian military, so rest assured it is not going to stand by and let Egypt fall under the yoke of Islamist rule. Pretty soon, though, they'll have to fire up Story Line B: Islamist rule is actually quite moderate and perfectly compatible with democracy . . . On Friday, the New York Times reported on yet another key Islamist military appointment in the Brotherhood's new Egypt: General Sedky Sobhi, who was just named army chief of staff.

Sobhi, it turns out, is the author of an academic paper that sharply rebukes American foreign policy as both insufficiently deferential to sharia (Islamic law) and too one-sided in favor of Israel. He's on record calling for "the permanent withdrawal of United States military forces from the Middle East and the Gulf."

Feel better now?

To its credit, the Times does not repeat the Journal's sleight of hand. Rather than being obscured, General Sobhi's sympathies are, for the most part, put up front. We quickly learn that he has forcefully argued against our military presence in the region, claiming that the U.S. has itself to blame for being (as the Times phrases it) "mir[ed] . . . in an unwinnable global war with Islamist militants."

Still, while one can guess why the general feels this way, the Times is elliptical about his Islamist convictions and rationalizations until we come to the end of the story. Only then do we hear of Sobhi's complaint about (as the Times puts it) U.S. "hostility toward the role of Islamic law" (if only!) and his objection to the American characterization of al-Qaeda and other Islamic militants as "irrational terrorist organizations" (Sobhi's words).

Sobhi was no doubt correct about the latter charge, though not for the reason he offers. The general posited the vapid (albeit commonly voiced) Islamist talking point that America created global terrorism by adopting policies that inevitably resulted in "popular grievances," which al-Qaeda and other militants "tapped into."

Obviously, there has to be a reason U.S. national-security policies gave rise to "popular grievances" in the Muslim Middle East — that's the elephant in the parlor that no one cares to notice. The pursuit of American interests and promotion of American principles are unpopular because they collide with classical sharia doctrine. Yes, as the general says, the jihadists are rational actors, not wanton killers — they are acting on the commands of a coherent doctrine. But that doctrine is also ardently anti-Western. Any policy we would adopt to further our ends is bound to be unpopular in an environment where the presence of a Western army is deemed to trigger a duty to expel that army by violent jihad. Any policy we would adopt to shore up Israel's security is bound to be unpopular in an environment where the Jewish state's destruction is unapologetically proclaimed to be an Islamic duty.

Withal, the Times report is very enlightening. As NR readers know, I've been arguing for the better part of a decade that the Islamic democracy project is a fool's errand because Islamist ideology, far from being an outlier, is the mainstream Islam of the Middle East. I even wrote a book, The Grand Jihad, that both explains Islamic supremacism and illustrates that this ideology's chief proponent — the Muslim Brotherhood, backed by deep Saudi pockets — rightly perceives itself as the avant-garde of a dynamic mass movement. Other than a few appearances on the bestseller list, which I'm sure must have pained the Gray Lady, the book was studiously ignored by the Times. Elsewhere, it was pooh-poohed as Islamophobic tripe. Imagine my surprise, then, to find that my theory, virtually overnight, has gone from an object of ridicule to a truth so undeniable it warrants judicial notice.

Now, the Times tells us:

Samer Shehata, a professor of Arab politics at Georgetown University, said American policy makers would be naïve to think that the positions held by Mr. Morsi and the Brotherhood — including criticisms of the United States and strong support for the Palestinians — represented fringe thinking.

On those issues, "the Brotherhood is the Egyptian Kansas," said Professor Shehata. Their positions on foreign policy "reflect rather than oppose what the Egyptian center is thinking," he said.

Well, I'll be darned. I thought it was hysterical "Islamophobia" to believe that such thinking represented "the Egyptian Kansas."

Also remarkable is the paper's matter-of-fact mention of the source of General Sobhi's anti-American broadside. Turns out he wrote it seven years ago, when he was a student at the United States Army War College in Pennsylvania.

Think about that. As we've illustrated here time and time again, it is delusional to assume the Egyptian military is pro-American and thus a reliable bulwark against the advance of Islamic supremacism. Cairo's armed forces reflect the broader society, whose able-bodied men are required to serve — and, as even the Times now concedes, the Egyptian mainstream is Islamist. Plus, the Egyptian army has always had Islamists (including violent jihadists) in its ranks. Its historical tendency, moreover, has not been to lead; it has been to follow the shifting political programs of whatever dictator happened to be running the show.

Nonetheless, you've spent nearly two years being told not to worry: Bet the farm on these generals we've been training and funding. Yet, now we see that not only is our government well aware of the Egyptian army's Islamist streak (or shall we say swath?); Egyptian officers, who often study in the U.S., actually submit sharia-driven "get out of Dar al-Islam" term papers to their American military professors. And I'm betting Sobhi got an "A."

Finally, the military promotions are not occurring in a vacuum. Things are going very badly in Egypt, and the reporting ought not be so vested in a rose-tinted narrative that it evades this unhappy bottom line. Contemporaneous with ousting the pro-American Mubarak remnants, President Morsi assumed dictatorial powers. He indicated that he would unilaterally oversee the drafting of a new constitution. There is not much mystery about what it will say: During the campaign, he vowed that Egyptian law would be "the sharia, then the sharia, and finally, the sharia."

Meanwhile, dissenters and journalists are already being imprisoned and beaten — if not worse. (There are unconfirmed reports that crucifixion is making a comeback.) Terrorist leaders have been sprung from the prisons. The Sinai has become a jihadist haven. Women are attacked in the street if they fail to don the veil. A fatwa that prohibited eating during Ramadan was issued. Christians are fleeing in droves, their churches torched behind them. And the emirs of Hamas are warmly received as brotherly dignitaries.

No amount of whistling can obscure the graveyard. Things are bad, and they are going to get worse.

Andrew C. McCarthy is the author, most recently, of The Grand Jihad: How Islam and the Left Sabotage America.

Article 3.

The Economist

The Gaza Strip: A building boom

Aug 18th 2012 -- FIVE years after Israel and Egypt closed their gates, the Palestinian strip of land they encircle is rising from the ashes of war and siege. "We're building cities," says a delighted UN engineer, putting the finishing touches to "Saudi City", a public housing estate replete with garages, tiled bathrooms and dishwashers that cost its Saudi sponsors $120m. Built on land where Israel first settled Jews after its 1967 conquest and then removed them in 2005, it is set to open its doors to 11,000 residents in the next few months. Under the baton of the Palestinian Islamist movement, Hamas, thousands more homes, hundreds of schools and half a dozen hospitals are sprouting. Circumventing Israeli and Egyptian restrictions above ground, Gaza's tunnel complex under the border with Egypt is also facilitating a private construction boom, consisting of around 550 tower blocks.

In the face of Western and regional opposition, Hamas's plans for making its desert bloom with parks, playgrounds and mosques involve some hiccups. Egypt temporarily closed its borders with Gaza after allegations that militants who killed 16 of its soldiers on August 5th had passed through the tunnels. Israel and Hamas's Palestinian rivals in the West Bank egged it on. "800 millionaires and 1,600 near-millionaires control the tunnels at the expense of both Egyptian and Palestinian national interests," fumed the Western-backed Palestinian president, Mahmoud Abbas.

Early hopes that Egypt's new president, Muhammad Morsi, might put the Hamas genie back in its bottle have subsided. Under his predecessor, Hosni Mubarak, donors meeting in Sharm el-Sheikh in March 2009 committed $5 billion to repair damage from Israel's Gaza war in 2006 and promised to end the siege, but tied the money to Mr Abbas resuming control. But Hamas's parent organisation, the Muslim Brotherhood, has triumphed over Mr Mubarak's henchmen in Egypt's elections, and the new president, Mr Morsi, has eased travel restrictions on Palestinians, and met Hamas and its Gaza leaders for the first time.

Tired of waiting for the bickering Palestinians to agree and doubtful that Mr Abbas's Palestinian Authority (PA) can resolve the Israeli-Palestinian conflict, Gulf states are diverting funding to Gaza. The largest single donor, the Saudi-led Islamic Development Bank, is spending $247m, and expects to double that sum by 2014. The UN's reconstruction programme, much of it Gulf-funded, is bringing $200m into Gaza. Turkey is investing large sums too, including $40m for a teaching hospital for Hamas's Islamic University which has obligingly added Turkish to its curriculum. Even Israel has lent a helping hand, letting 20,000 tonnes of gravel cross without the usual verification checks that it says are designed to stop Hamas from building military bunkers.

The impact on Gaza is tangible. For the first time in years, Gazans are taking Egyptian package holidays. Hani al-Asi, one of Gaza's largest furniture manufacturers, says his workforce has grown by 50% over pre-siege levels. So many hospitals are under construction, says Jawdat al-Khudari, who has built two of them, that within five years Gaza will attract visitors for medical treatment. Qatari support could help to pay for three new motorways running the length of the strip—40km (25 miles). The Hamas dream of "Dubai on the Med" now looks a touch less fanciful. "We are not going to live in a prison," says Mahmoud Zahar, a veteran Hamas power broker.

But while growth rates have been extraordinarily high and unemployment has dropped to its lowest in a decade, Hamas is not altogether free of the siege. Mr Morsi has yet to assent to Hamas's offer to formalise trade ties and establish a commercial zone on its border in return for closing the tunnels. Power cuts from Gaza's diesel-powered generator last half the day, slowing the pace of construction. The new wing of Gaza's main hospital looks impressive, but it will open without air-conditioning because of electrical outages.

Article 4.

NYT

Don't Fear All Islamists, Fear Salafis

Robin Wright

August 19, 2012 -- THIS spring, I traveled to the cradle of the Arab uprisings — a forlorn street corner in Sidi Bouzid, Tunisia, where a street vendor, drenched in paint thinner, struck a match in December 2010 that ignited the entire Middle East. "We have far more freedoms," one peddler hawking fruit in the same square lamented, "but far fewer jobs." Another noted that

Mohamed Bouazizi, the vendor who set himself on fire, did so not to vote in a democratic election but because harassment by local officials had cost him his livelihood. As the peddlers vented, prayers ended at the whitewashed mosque across the street. Among the faithful were Salafis, ultraconservative Sunni Muslims vying to define the new order according to seventh-century religious traditions rather than earthly realities. For years, many Salafis — "salaf" means predecessors — had avoided politics and embraced autocrats as long as they were Muslims. But over the past eight months, clusters of worshipers across the Middle East have morphed into powerful Salafi movements that are tapping into the disillusionment and disorder of transitions. A new Salafi Crescent, radiating from the Persian Gulf sheikdoms into the Levant and North Africa, is one of the most underappreciated and disturbing byproducts of the Arab revolts. In varying degrees, these populist puritans are moving into the political space once occupied by jihadi militants, who are now less in vogue. Both are fundamentalists who favor a new order modeled on early Islam. Salafis are not necessarily fighters, however. Many disavow violence. In Tunisia, Salafis started the Reform Front party in May and led protests, including in Sidi Bouzid. This summer, they've repeatedly attacked symbols of the new freedom of speech, ransacking an art gallery and blocking Sufi musicians and political comedians from performing. In Egypt, Salafis emerged last year from obscurity, hastily formed parties, and in January won 25 percent of the seats in parliament — second only to the 84-year-old Muslim Brotherhood. Salafis are a growing influence in Syria's rebellion. And they have parties or factions in Algeria, Bahrain, Kuwait, Libya, Yemen and among Palestinians. Salafis are only one slice of a rapidly evolving

Islamist spectrum. The variety of Islamists in the early 21st century recalls socialism's many shades in the 20th. Now, as then, some Islamists are more hazardous to Western interests and values than others. The Salafis are most averse to minority and women's rights. A common denominator among disparate Salafi groups is inspiration and support from Wahhabis, a puritanical strain of Sunni Islam from Saudi Arabia. Not all Saudis are Wahhabis. Not all Salafis are Wahhabis, either. But Wahhabis are basically all Salafis. And many Arabs, particularly outside the sparsely populated Gulf, suspect that Wahhabis are trying to seize the future by aiding and abetting the region's newly politicized Salafis — as they did 30 years ago by funding the South Asian madrassas that produced Afghanistan's Taliban. Salafis go much further in restricting political and personal life than the larger and more modern Islamist parties that have won electoral pluralities in Egypt, Tunisia and Morocco since October. For most Arabs, the rallying cry is justice, both economic and political. For Salafis, it is also about a virtue that is inflexible and enforceable. "You have two choices: heaven or hellfire," Sheikh Muhammad el-Kurdi instructed me after his election to Egypt's parliament as a member of Al Nour, a Salafi party. It favors gender segregation in schools and offices, he told me, so that men can concentrate. "It's O.K. for you to be in the room," he explained. "You are our guest, and we know why you're here. But you are one woman and we are three men — and we all want to marry you." Marriage may have been a euphemism.

Other more modern Islamists fear the Salafi factor. "The Salafis try to push us," said Rachid al-Ghannouchi, founder of Ennahda, the ruling Islamist party in Tunisia. The two Islamist groups there are now rivals. "Salafis are against drafting a constitution. They think it is the Koran," grumbled Merhézia Labidi, the vice chairwoman of Tunisia's Constituent Assembly and a member of Ennahda.

Salafis are deepening the divide between Sunni and Shiite Muslims and challenging the "Shiite Crescent," a term coined by Jordan's King Abdullah in 2004, during the Iraq war, to describe an arc of influence from Shiite-dominated Iran to its allies in Iraq, Syria and Lebanon. Today, these rival crescents risk turning countries in transition into battlefields over the region's future. The Salafis represent a painful long-term conundrum for the West. Their goals are the most anti-Western of any Islamist parties. They are trying to push both secularists and other Islamists into the not-always-virtuous past. American policy recently had its own awakening after 60 years of support for autocratic rulers. The United States opted to embrace people power and electoral change in Tunisia, Egypt, Libya, Morocco and Yemen. Yet Washington still embraces authoritarian Gulf monarchies like Saudi Arabia, tolerating their vague promises of reform and even pledging the United States' might to protect them. Foreign policy should be nuanced, whether because of oil needs or to counter threats from Iran. But there is something dreadfully wrong with tying America's future position in the region to the birthplace and bastion of Salafism and its warped vision of a new order.

Robin Wright, the author of "Rock the Casbah: Rage and Rebellion Across the Islamic World," is a fellow at the United States Institute of Peace and the Woodrow Wilson International Center for Scholars.

Article 5.

The Diplomat

How fiscal austerity will push the United States towards nuclear arms and cyber-warfare

Jan Kallberg & Adam Lowther

August 20, 2012 -- With the prospect of sequestration looming, the United States may find itself increasingly relying on nuclear and cyber deterrence as an affordable means of guaranteeing national sovereignty and preventing major conflict between the U.S. and potential adversaries in the Asia-Pacific. While earlier defense planning and acquisition were based on economic conditions that no longer exist, Congress's options to balance the budget by cutting defense spending are politically palatable because far fewer American are "defense voters" relative to "social welfare voters," according to a number of recent public opinion surveys.

The simple fact is China's rise has yet to present a clear danger to American interests in the minds of most Americans.

The first steps in this process are already underway and exemplified by the administration's new strategy – published in January 2012. When the official requirement that the Department of Defense (DoD) be able to fight two major wars simultaneously disappeared, an opportunity to downsize the armed forces presented itself. From Congress's viewpoint, the budget crisis must be solved without unseating its members. Ironically, austerity may cause Americans to stop worrying about a hypothetical rogue detonation and learn to love the bomb. Dr. Strangelove may return with a vengeance, but this time with a cyber doomsday device under one arm and its nuclear counterpart under the other. After all, dollar for dollar, nuclear weapons—in particular—provide American taxpayers the greatest level of security and stability of any weapon the nation has ever fielded. The fact that at an estimated $30 billion per year—5% of the defense budget—the nuclear arsenal is cheap, may spur Congress to take a pragmatic position toward the nation's most powerful military capabilities (as the federal budget is increasingly engulfed by social welfare programs) and support an effective nuclear deterrent along with the development of devastating cyber capabilities.

It is important to keep in mind that both areas—nuclear and cyber—are a primary focus of Chinese military developments. Failing to maintain an advantage in both may prove unwise for the United States.

Some in the scientific community argue that this perspective is unrealistic. Politics, being what they are, is all about getting elected; complex strategic calculations in the Asia-Pacific offer little comfort during a tough reelection fight that is focused on the domestic economy. With Congress having a number of incumbents whose constituencies loathe the thought of cuts to Medicare, Medicaid, Veterans' benefits, and Social Security, taking greater risks in national security is a more tangible option. As the nation borrows over $1 trillion per year, the quest to balance the budget is impossible without dramatic spending cuts given the unacceptability of tax increases.

The nation's deficit crisis may soon turn the United States' geopolitical posture from one that is ideologically based on global interventionism—popular with both Republicans and Democrats—to one more akin to defense non-intervention. While international trade will continue and expand, the United States may cease to be a shining city upon a hill and the global policeman. It is somewhat paradoxical that after the country demonstrated overwhelming conventional superiority in the last two wars—Afghanistan and Iraq—the cost of that capability may lead to a renaissance of nuclear deterrence and the development of cyber deterrence as a strategic policy, a move that may be more useful in an "Asia-Pacific century" than many realize. In comparison to large conventional forces and the decades of veteran's benefits that follow, the nuclear arsenal is far more affordable over the long term. Cyber is also more cost effective when it comes to R&D and expensive acquisition programs.

With a per-unit price estimated at about $4 billion, a new Ohio-class-replacing nuclear ballistic missile submarine (SSBN-X) can produce strategic deterrence for less than an army division of 10,000 career soldiers whose compensation—with pensions and benefits—continues for an additional 40 years after these soldiers have served. A key policy driver in coming years may prove to be the limited costs of upgrading and maintaining existing nuclear weapons when a cash-strapped federal government seeks to reduce the deficit. Maintaining and upgrading existing nuclear weapon systems is inexpensive by comparison. Even if nuclear weapons are bound—as Kenneth N. Waltz states—to make people uneasy because of their immense destructive power, nuclear arms may prove to be a budgetary emergency exit.

For many Americans, Peter Sellers's portrayal of nuclear deterrence policies in the 1950s and 1960s remains a reality. While Dr. Strangelove (1964) is an iconic film, its black comedy addressed the dangers of nuclear weapons, doomsday devices, missile gaps, and the intricate webs of deterrence and geopolitics of a bygone era where the world was still coming to grips with the destructive power of "the bomb." In one scene, Dr. Strangelove carefully explains for the president deterrence and the doomsday device saying, "Mr. President, it is not only possible, it is essential. That is the whole idea of this machine, you know. Deterrence is the art of producing in the mind of the enemy the fear to attack."

Admittedly, this psychological aspect has not changed, but technology and operational experience have made nuclear weapons a safe and secure means of deterring conventional and nuclear attack, which may prove critically important in deterring an increasingly assertive China. It is cyber deterrence that is in a similar position to where nuclear deterrence was at the time of Dr. Strangelove.

After a generation of neglect, deterrence, in its broadest meaning, is experiencing an overdue renaissance among scholars and policy wonks. For those advocates of nuclear zero who thought conventional precision attack would serve as a panacea for the nation's security challenges, the past twenty years were a disappointment. They failed to deter a number of adversaries America has fought over the last two decades. Most importantly, they have proven all too expensive and are not deterring a rising China, a resurgent Russia, or an unpredictable North Korea.

Budgetary Realities

Despite disengaging from Iraq and the start of reductions in Afghanistan, the federal budget has a trillion dollar plus deficit. And with the 2012 defense and national security budgets equaling 63% of discretionary spending, cuts are likely to come to defense many times in the future. Cuts of 25% or more have an historical precedent and the examples that exist where the warfare and welfare state collide are inevitably won by the welfare state

Dwindling Conventional Forces

Policymakers are realizing there is a limited return on investment when using a counterinsurgency (COIN) military strategy to occupy foreign countries. Two schools of thought in national security have been vying for preeminence in the post-Vietnam era. The First, as embodied by the Weinberger Doctrine, suggests that the U.S. should only employ military force in conflicts with: an expected outcome, a given duration, public support, and where vital national interests are at stake. In short, realism is seeking to reassert itself. In such a way of thinking, there are no proverbial land wars in Asia. The second and, at least within the Beltway, more dominant view advocates employing economic and military power to accelerate the inevitable expansion of democracy. President Bill Clinton's globalization and President George W. Bush's doctrine of preemption are two sides of the same coin.

This latter school of thought gave Americans Somalia, Bosnia, and Kosovo during the 1990s and Afghanistan and Iraq in the 2000s. While the nation's military took an "acquisition holiday" during the 1990s, the 2000s saw defense spending increase dramatically in an effort to fight two wars. And while the Iraq war is over and Afghanistan is winding down, the bill for replacing the nation's worn-out aircraft and ships is leaving Congress with sticker shock.

Personnel are also an expensive asset. With the largest number of personnel, the Army represents a third of defense costs. It is likely that the nation's occupation force will be the prime target for reduction in size and capability and rightfully so. It was the Army that grew by almost 20% to meet the demands of Iraq, and it is the Army that should shrink in its aftermath. This is not an issue of inter-service rivalry, but a question of shifting strategic threats. The Marine Corps also grew during the 2000s and must also return to pre-conflict levels. For the Navy and the Air Force, the past decade was a hard time because acquisition dollars went to fight the wars in Afghanistan and Iraq instead. Absent the services and the DoD finding a way to bring down acquisition costs, this decade may prove even tougher as defense spending is increasingly squeezed by entitlement growth.

With all of the previous doom and gloom assessments, realist advocates of the nuclear arsenal have an opportunity to offer a different and more cost effective vision for national security, but it must include cyber. First, and most importantly, they must overcome Washington's predilection toward costly action and offer a compelling case for restraint on a grand scale. By in large, China has given the United States a model for such restraint—thus far. Second, they must move beyond nuclear deterrence and offer a full spectrum of deterrence options, with cyber deterrence the central addition.

Cyber Deterrence

Had Dr. Strangelove been an advisor and scientist in today's Department of Defense, it is certain that cyber deterrence would play a central role in his deterrence thinking. With cyberspace all the rage within the national security community, it should come as no surprise that cyber deterrence is a rapidly developing area of opportunity. While cyber weapons lack digital lethality (so far), the ability to kill other systems and create havoc in an adversary's society—with significant human suffering as a side effect— creates the potential to deter an adversary. Deterrence is built on the certainty that a response to one's actions will outweigh the potential gains of taking those actions.

While it is true that cyber weapons have yet presented a visible threat of mass destruction—as nuclear and conventional arms have—this is changing. It is important to understand both the options embedded in cyber deterrence and the actions that are feasible. Cyber weapons have global reach at a limited cost, but questions remain about their actual lethality and attribution.

After the Stuxnet attack in which malicious code entered the computer networks of the Iranian nuclear program and physically destroyed equipment by manipulating operating speeds, the legal community started a review of cyber weapons. According to some international legal theorists, there was no control over where, how, and when Stuxnet proliferated in computer systems. Therefore, it was assumed that it could create civilian harm and in doing so would become illegal by international law standards. A combination of the absence of destructive power and the soon-established precedence that cyber weapons are not precise military targets and, therefore, in conflict with international law, erode the opportunity of replacing conventional deterrence with cyber deterrence preparing the way for further reliance on nuclear deterrence. Thus, cyber deterrence is in need of significant development. This is particularly important because of the vast penetration of American private and public sector networks originating from China. Thus far, the United States has found no effective way to deter such attacks.

Nuclear Deterrence

In the coming decades, nuclear arms can play a greater role in comparison to the last two decades. They are the only weapons that project power from Montana to Macau simultaneously, without moving military hardware or personnel. Political theorist Kenneth N. Waltz argued that the power of nuclear arms lies in not what you do with them, but what you can do; an argument he was not alone in making. Under severe budgetary pressures, nuclear arms maintain the nation as a great power regardless of economic, cultural, or other influence—a point the Chinese, North Koreans, and Russians understand well. This reasoning also led the United Kingdom to make building nuclear-capable submarines a priority, even after the deepest defense cuts since the post-World War II drawdown.

Reliance on nuclear arms to maintain geopolitical equilibrium is visible in Siberia and Russia's Far East, where a resource-rich wilderness borders a resource-craving China. Russia's ability to defend and uphold the territorial sovereignty of its Far East relies heavily on nuclear arms. Nuclear arms are returning as a tool of power—even if incrementally.

Boom Time for Boomers, Bombers, and Ballistic Missiles

Austerity and extensive defense budget cuts are triggering renewed interest in the nuclear triad. While the price of boomers, bombers, and intercontinental ballistic missiles (ICBM) may seem relatively high, at less than 10% of the defense budget, both figuratively and literally they offer the greatest bang for the buck. Nuclear submarines project awe-inspiring and stealthy power beyond the force any armored division or army corps can ever achieve. Bombers allow the president to signal adversaries in a way submarines and missiles cannot. ICBMs increase the threshold for launching an attack against the United States by forcing an adversary to attack the homeland should they seek to destroy our ability to return fire. While the triad may, at first glance, have appeared expensive and outdated after the Cold War, a fiscally constrained military that seeks to maintain stability across the globe requires a robust arsenal as means to preventing great powers from beginning and/or escalating conflicts that could go nuclear. In short, they deter and limit great power conflicts, which have proven costly for the United States.

Affordable Deterrence

The United States has no other option than to seek innovative ways to decrease defense costs without losing deterrent power and risking national security. Henry Kissinger once argued that "The absence of alternatives clears the mind marvelously." The future of American deterrence will be connected to affordability. After the era of endless money, as Robert Gates calls the years after 9/11, there are tough decisions to make at the start of the Asia-Pacific century. Even if defense cuts are imminent, there are several advantages for the U.S. that can be exploited to achieve affordable defense; the nuclear arsenal being the most important one.

Despite advances in technology the U.S. still enjoys geopolitical advantages. For example, the Pacific and Atlantic oceans protect the country from a variety of conventional military threats. In comparison to other nations, the country is safe geopolitically. The cost to defend the homeland is far less than conducting large-scale, counterinsurgency operations in remote countries—invade, occupy, and rebuild. In general, neighbors to both north and south are friendly.

From a long-term financial viewpoint, defense focused on the American homeland requires a smaller land force in comparison to the present one. With deterrence, intelligence, and the ability to intercept incoming aircraft or missiles enabled by systems that are capital intensive and sophisticated, fewer personnel are required to defend the homeland and protect American interests in Asia.

According to Waltz, deterrence is what you can do, not what you will do. Throughout history, adversaries have taken steps toward each other that escalated quickly because they underestimated the options and determination of the other based on the presence of resources of war at hand. Because of this, it is important that America is clear about its intentions and capability.

The United States is the only nation that has used nuclear arms at war when it eradicated two Japanese cities at the end of World War II. None have yet to employ the nuclear option—an all-out attack, in cyberspace. America is, after all, the only nation that has used nuclear weapons—credibility that should not be frittered away. For any potential adversary, it is a lethal fact. America are likely able in near time to create disproportional digital exploitation responses (DDER) to any power that crosses the line and challenge U.S. cyber supremacy with significant destabilizing effect on the targeted society. It might not color the minds of the current American leadership, but it influences foreign leaders. Deterrence relies upon will and capability. If the United States can no longer deter with conventional forces; international sanctions are ineffective; and coalition building is beyond others' financial reach; nuclear deterrence becomes the primary upholder of strategic deterrence. When austerity removes other strategically deterring options and the United States is left with nuclear deterrence, Dr. Strangelove and his doomsday machines (cyber and nuclear) can make their triumphal return.

America's ability and willingness to wage all-out war is validated by strategic deterrent patrols, bombers sitting on alert, launch-ready missiles, and an offensive cyber-Armageddon capability. With these assets ready to reach global targets, deterrence can be successful. No matter whether we want it, believe it, like it, or imagine it, federal austerity will force radical change in the nation's defense posture, which is likely to lead to a greater reliance on nuclear and cyber arms. Succeeding in Asia will depend upon the United States realizing its position sooner rather than later.

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Article 6.

The Daily Beast

Obama's Gotta Go

Niall Ferguson

August 19, 2012 -- I was a good loser four years ago. "In the grand scheme of history," I wrote the day after Barack Obama's election as president, "four decades is not an especially long time. Yet in that brief period America has gone from the assassination of Martin Luther King Jr. to the apotheosis of Barack Obama. You would not be human if you failed to acknowledge this as a cause for great rejoicing."

Despite having been—full disclosure—an adviser to John McCain, I acknowledged his opponent's remarkable qualities: his soaring oratory, his cool, hard-to-ruffle temperament, and his near faultless campaign organization.

Yet the question confronting the country nearly four years later is not who was the better candidate four years ago. It is whether the winner has delivered on his promises. And the sad truth is that he has not.

In his inaugural address, Obama promised "not only to create new jobs, but to lay a new foundation for growth." He promised to "build the roads and bridges, the electric grids, and digital lines that feed our commerce and bind us together." He promised to "restore science to its rightful place and wield technology's wonders to raise health care's quality and lower its cost." And he promised to "transform our schools and colleges and universities to meet the demands of a new age." Unfortunately the president's scorecard on every single one of those bold pledges is pitiful.

In an unguarded moment earlier this year, the president commented that the private sector of the economy was "doing fine." Certainly, the stock market is well up (by 74 percent) relative to the close on Inauguration Day 2009. But the total number of private-sector jobs is still 4.3 million below the January 2008 peak. Meanwhile, since 2008, a staggering 3.6 million Americans have been added to Social Security's disability insurance program. This is one of many ways unemployment is being concealed.

In his fiscal year 2010 budget—the first he presented—the president envisaged growth of 3.2 percent in 2010, 4.0 percent in 2011, 4.6 percent in 2012. The actual numbers were 2.4 percent in 2010 and 1.8 percent in 2011; few forecasters now expect it to be much above 2.3 percent this year.

Unemployment was supposed to be 6 percent by now. It has averaged 8.2 percent this year so far. Meanwhile real median annual household income has dropped more than 5 percent since June 2009. Nearly 110 million individuals received a welfare benefit in 2011, mostly Medicaid or food stamps.

Welcome to Obama's America: nearly half the population is not represented on a taxable return—almost exactly the same proportion that lives in a household where at least one member receives some type of government benefit. We are becoming the 50–50 nation—half of us paying the taxes, the other half receiving the benefits.

And all this despite a far bigger hike in the federal debt than we were promised. According to the 2010 budget, the debt in public hands was supposed to fall in relation to GDP from 67 percent in 2010 to less than 66 percent this year. If only. By the end of this year, according to the Congressional Budget Office (CBO), it will reach 70 percent of GDP. These figures significantly understate the debt problem, however. The ratio that matters is debt to revenue. That number has leapt upward from 165 percent in 2008 to 262 percent this year, according to figures from the International Monetary Fund. Among developed economies, only Ireland and Spain have seen a bigger deterioration.

Not only did the initial fiscal stimulus fade after the sugar rush of 2009, but the president has done absolutely nothing to close the long-term gap between spending and revenue.

His much-vaunted health-care reform will not prevent spending on health programs growing from more than 5 percent of GDP today to almost 10 percent in 2037. Add the projected increase in the costs of Social Security and you are looking at a total bill of 16 percent of GDP 25 years from now. That is only slightly less than the average cost of all federal programs and activities, apart from net interest payments, over the past 40 years. Under this president's policies, the debt is on course to approach 200 percent of GDP in 2037—a mountain of debt that is bound to reduce growth even further.

And even that figure understates the real debt burden. The most recent estimate for the difference between the net present value of federal government liabilities and the net present value of future federal revenues—what economist Larry Kotlikoff calls the true "fiscal gap"—is $222 trillion.

The president's supporters will, of course, say that the poor performance of the economy can't be blamed on him. They would rather finger his predecessor, or the economists he picked to advise him, or Wall Street, or Europe—anyone but the man in the White House.

There's some truth in this. It was pretty hard to foresee what was going to happen to the economy in the years after 2008. Yet surely we can legitimately blame the president for the political mistakes of the past four years. After all, it's the president's job to run the executive branch effectively—to lead the nation. And here is where his failure has been greatest.

On paper it looked like an economics dream team: Larry Summers, Christina Romer, and Austan Goolsbee, not to mention Peter Orszag, Tim Geithner, and Paul Volcker. The inside story, however, is that the president was wholly unable to manage the mighty brains—and egos—he had assembled to advise him.

According to Ron Suskind's book Confidence Men, Summers told Orszag over dinner in May 2009: "You know, Peter, we're really home alone ... I mean it. We're home alone. There's no adult in charge. Clinton would never have made these mistakes [of indecisiveness on key economic issues]." On issue after issue, according to Suskind, Summers overruled the president. "You can't just march in and make that argument and then have him make a decision," Summers told Orszag, "because he doesn't know what he's deciding." (I have heard similar things said off the record by key participants in the president's interminable "seminar" on Afghanistan policy.)

This problem extended beyond the White House. After the imperial presidency of the Bush era, there was something more like parliamentary government in the first two years of Obama's administration. The president proposed; Congress disposed. It was Nancy Pelosi and her cohorts who wrote the stimulus bill and made sure it was stuffed full of political pork. And it was the Democrats in Congress—led by Christopher Dodd and Barney Frank—who devised the 2,319-page Wall Street Reform and Consumer Protection Act (Dodd-Frank, for short), a near-perfect example of excessive complexity in regulation. The act requires that regulators create 243 rules, conduct 67 studies, and issue 22 periodic reports. It eliminates one regulator and creates two new ones.

It is five years since the financial crisis began, but the central problems—excessive financial concentration and excessive financial leverage—have not been addressed.

Today a mere 10 too-big-to-fail financial institutions are responsible for three quarters of total financial assets under management in the United States. Yet the country's largest banks are at least $50 billion short of meeting new capital requirements under the new "Basel III" accords governing bank capital adequacy.

And then there was health care. No one seriously doubts that the U.S. system needed to be reformed. But the Patient Protection and Affordable Care Act (ACA) of 2010 did nothing to address the core defects of the system: the long-run explosion of Medicare costs as the baby boomers retire, the "fee for service" model that drives health-care inflation, the link from employment to insurance that explains why so many Americans lack coverage, and the excessive costs of the liability insurance that our doctors need to protect them from our lawyers.

Ironically, the core Obamacare concept of the "individual mandate" (requiring all Americans to buy insurance or face a fine) was something the president himself had opposed when vying with Hillary Clinton for the Democratic nomination. A much more accurate term would be "Pelosicare," since it was she who really forced the bill through Congress.

Pelosicare was not only a political disaster. Polls consistently showed that only a minority of the public liked the ACA, and it was the main reason why Republicans regained control of the House in 2010. It was also another fiscal snafu. The president pledged that health-care reform would not add a cent to the deficit. But the CBO and the Joint Committee on Taxation now estimate that the insurance-coverage provisions of the ACA will have a net cost of close to $1.2 trillion over the 2012–22 period.

The president just kept ducking the fiscal issue. Having set up a bipartisan National Commission on Fiscal Responsibility and Reform, headed by retired Wyoming Republican senator Alan Simpson and former Clinton chief of staff Erskine Bowles, Obama effectively sidelined its recommendations of approximately $3 trillion in cuts and $1 trillion in added revenues over the coming decade. As a result there was no "grand bargain" with the House Republicans—which means that, barring some miracle, the country will hit a fiscal cliff on Jan. 1 as the Bush tax cuts expire and the first of $1.2 trillion of automatic, across-the-board spending cuts are imposed. The CBO estimates the net effect could be a 4 percent reduction in output.

The failures of leadership on economic and fiscal policy over the past four years have had geopolitical consequences. The World Bank expects the U.S. to grow by just 2 percent in 2012. China will grow four times faster than that; India three times faster. By 2017, the International Monetary Fund predicts, the GDP of China will overtake that of the United States.

Meanwhile, the fiscal train wreck has already initiated a process of steep cuts in the defense budget, at a time when it is very far from clear that the world has become a safer place—least of all in the Middle East.

For me the president's greatest failure has been not to think through the implications of these challenges to American power.

Far from developing a coherent strategy, he believed—perhaps encouraged by the premature award of the Nobel Peace Prize—that all he needed to do was to make touchy-feely speeches around the world explaining to foreigners that he was not George W. Bush.

In Tokyo in November 2009, the president gave his boilerplate hug-a-foreigner speech: “In an interconnected world, power does not need to be a zero-sum game, and nations need not fear the success of another ... The United States does not seek to contain China ... On the contrary, the rise of a strong, prosperous China can be a source of strength for the community of nations.” Yet by fall 2011, this approach had been jettisoned in favor of a “pivot” back to the Pacific, including risible deployments of troops to Australia and Singapore. From the vantage point of Beijing, neither approach had credibility.

His Cairo speech of June 4, 2009, was an especially clumsy bid to ingratiate himself on what proved to be the eve of a regional revolution. “I’m also proud to carry with me,” he told Egyptians, “a greeting of peace from Muslim communities in my country: Assalamu alaikum ... I’ve come here ... to seek a new beginning between the United States and Muslims around the world, one based ... upon the truth that America and Islam are not exclusive and need not be in competition.”

Believing it was his role to repudiate neoconservatism, Obama completely missed the revolutionary wave of Middle Eastern democracy—precisely the wave the neocons had hoped to trigger with the overthrow of Saddam Hussein in Iraq. When revolution broke out—first in Iran, then in Tunisia, Egypt, Libya, and Syria—the president faced stark alternatives. He could try to catch the wave by lending his support to the youthful revolutionaries and trying to ride it in a direction advantageous to American interests. Or he could do nothing and let the forces of reaction prevail.

In the case of Iran he did nothing, and the thugs of the Islamic Republic ruthlessly crushed the demonstrations. Ditto Syria. In Libya he was cajoled into intervening. In Egypt he tried to have it both ways, exhorting Egyptian President Hosni Mubarak to leave, then drawing back and recommending an "orderly transition." The result was a foreign-policy debacle. Not only were Egypt's elites appalled by what seemed to them a betrayal, but the victors—the Muslim Brotherhood—had nothing to be grateful for. America's closest Middle Eastern allies—Israel and the Saudis—looked on in amazement.

"This is what happens when you get caught by surprise," an anonymous American official told The New York Times in February 2011. "We've had endless strategy sessions for the past two years on Mideast peace, on containing Iran. And how many of them factored in the possibility that Egypt moves from stability to turmoil? None."

Remarkably the president polls relatively strongly on national security. Yet the public mistakes his administration's astonishingly uninhibited use of political assassination for a coherent strategy. According to the Bureau of Investigative Journalism in London, the civilian proportion of drone casualties was 16 percent last year. Ask yourself how the liberal media would have behaved if George W. Bush had used drones this way. Yet somehow it is only ever Republican secretaries of state who are accused of committing "war crimes."

The real crime is that the assassination program destroys potentially crucial intelligence (as well as antagonizing locals) every time a drone strikes. It symbolizes the administration's decision to abandon counterinsurgency in favor of a narrow counterterrorism. What that means in practice is the abandonment not only of Iraq but soon of Afghanistan too. Understandably, the men and women who have served there wonder what exactly their sacrifice was for, if any notion that we are nation building has been quietly dumped. Only when both countries sink back into civil war will we realize the real price of Obama's foreign policy.

America under this president is a superpower in retreat, if not retirement. Small wonder 46 percent of Americans—and 63 percent of Chinese—believe that China already has replaced the U.S. as the world's leading superpower or eventually will.

It is a sign of just how completely Barack Obama has "lost his narrative" since getting elected that the best case he has yet made for reelection is that Mitt Romney should not be president. In his notorious "you didn't build that" speech, Obama listed what he considers the greatest achievements of big government: the Internet, the GI Bill, the Golden Gate Bridge, the Hoover Dam, the Apollo moon landing, and even (bizarrely) the creation of the middle class. Sadly, he couldn't mention anything comparable that his administration has achieved.

Now Obama is going head-to-head with his nemesis: a politician who believes more in content than in form, more in reform than in rhetoric. In the past days much has been written about Wisconsin Congressman Paul Ryan, Mitt Romney's choice of running mate. I know, like, and admire Paul Ryan. For me, the point about him is simple. He is one of only a handful of politicians in Washington who is truly sincere about addressing this country's fiscal crisis.

Over the past few years Ryan's "Path to Prosperity" has evolved, but the essential points are clear: replace Medicare with a voucher program for those now under 55 (not current or imminent recipients), turn Medicaid and food stamps into block grants for the states, and—crucially—simplify the tax code and lower tax rates to try to inject some supply-side life back into the U.S. private sector. Ryan is not preaching austerity. He is preaching growth. And though Reagan-era veterans like David Stockman may have their doubts, they underestimate Ryan's mastery of this subject. There is literally no one in Washington who understands the challenges of fiscal reform better.

Just as importantly, Ryan has learned that politics is the art of the possible. There are parts of his plan that he is understandably soft-pedaling right now—notably the new source of federal revenue referred to in his 2010 "Roadmap for America's Future" as a "business consumption tax." Stockman needs to remind himself that the real "fairy-tale budget plans" have been the ones produced by the White House since 2009.

I first met Paul Ryan in April 2010. I had been invited to a dinner in Washington where the U.S. fiscal crisis was going to be the topic of discussion. So crucial did this subject seem to me that I expected the dinner to happen in one of the city's biggest hotel ballrooms. It was actually held in the host's home. Three congressmen showed up—a sign of how successful the president's fiscal version of "don't ask, don't tell" (about the debt) had been. Ryan blew me away. I have wanted to see him in the White House ever since.

It remains to be seen if the American public is ready to embrace the radical overhaul of the nation's finances that Ryan proposes. The public mood is deeply ambivalent. The president's approval rating is down to 49 percent. The Gallup Economic Confidence Index is at minus 28 (down from minus 13 in May). But Obama is still narrowly ahead of Romney in the polls as far as the popular vote is concerned (50.8 to 48.2) and comfortably ahead in the Electoral College. The pollsters say that Paul Ryan's nomination is not a game changer; indeed, he is a high-risk choice for Romney because so many people feel nervous about the reforms Ryan proposes.

But one thing is clear. Ryan psychs Obama out. This has been apparent ever since the White House went on the offensive against Ryan in the spring of last year. And the reason he psychs him out is that, unlike Obama, Ryan has a plan—as opposed to a narrative—for this country.

Mitt Romney is not the best candidate for the presidency I can imagine. But he was clearly the best of the Republican contenders for the nomination. He brings to the presidency precisely the kind of experience—both in the business world and in executive office—that Barack Obama manifestly lacked four years ago. (If only Obama had worked at Bain Capital for a few years, instead of as a community organizer in Chicago, he might understand exactly why the private sector is not "doing fine" right now.) And by picking Ryan as his running mate, Romney has given the first real sign that—unlike Obama—he is a courageous leader who will not duck the challenges America faces.

The voters now face a stark choice. They can let Barack Obama's rambling, solipsistic narrative continue until they find themselves living in some American version of Europe, with low growth, high unemployment, even higher debt—and real geopolitical decline.

Or they can opt for real change: the kind of change that will end four years of economic underperformance, stop the terrifying accumulation of debt, and reestablish a secure fiscal foundation for American national security.

I've said it before: it's a choice between les États Unis and the Republic of the Battle Hymn.

I was a good loser four years ago. But this year, fired up by the rise of Ryan, I want badly to win.