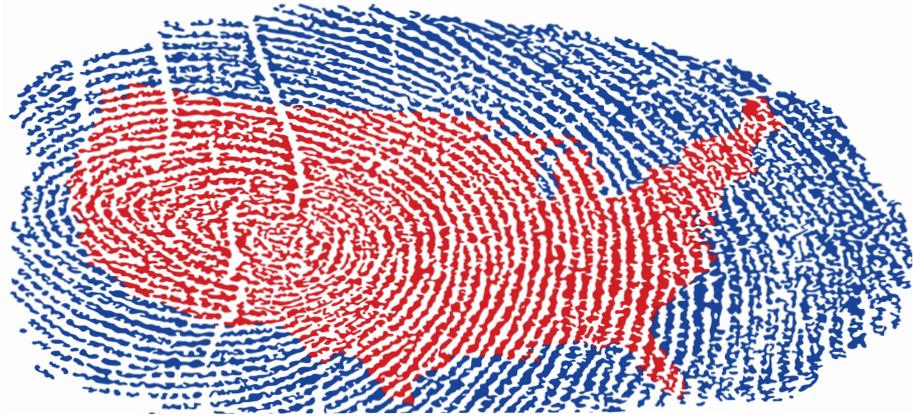


# American Security Quarterly

Vision, Strategy, Dialogue

July 2012



**Gary Hart:** TIME TO TAKE A FRESH  
LOOK AT SECURITY

**Mitchell Shivers:** A WAR LESSON TO LEARN,  
STILL

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## INTRODUCTION

I often get asked how the American Security Project picks its topics to study. From our inception, our board of directors was interested in a candid, honest dialogue about issues that impact our national security but rarely were put into that context.

This started initially with climate change and energy security. Those two issues had many intersections – for example, various forms of energy generation are huge pollutants, hence contributing immensely to climate change. And climate change is having an impact on immigration, water supply, and many other factors that made us link it to terrorism and nuclear security. Of course all those topics were also linked to American competitiveness.

We continued to expand our studies and have since added on public diplomacy, among others.

In this issue you will find a compendium of articles written by our staff, adjunct fellows, and interns. They are all worth reading.

The authors have been to the NATO Summit; they have been to Afghanistan; they have been to the National Ignition Facility. They are knowledgeable and articulate about a wide variety of subjects. ASP is proud of them and their work. Please understand that while they have an association with ASP, their writings and opinions are their own. We publish them hoping that you can draw your own conclusions about the impact on national security that each of their subjects has.

We all come at this from a non-partisan perspective – our primary interest is the national security of the United States.

ASP has significantly expanded its writing and web presence. We now have a following numbering in the thousands – and we'd like to include you. Please visit our website and see what we have to offer.

**BGen Stephen A. Cheney USMC (Ret.)**

CEO American Security Project

*American Security Quarterly was produced with assistance from Zachary Miller*

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# NATIONAL SECURITY STRATEGY



## Time for a Fresh Take on Security

Gary Hart

The Hill

June 5, 2012

Fragile and possibly failed states, nuclear developments in Iran and North Korea, friction and conflict between non-state actors, private wars in Mexico, pirates off Somalia's coast, civil war in Syria, and the threat of weapons of mass destruction in the hands of terrorist groups all will characterize the next presidential term.

For the first time since World War II, however, the commander in chief will not have the luxury of preparing for every contingency. Serious budget constraints will require defense budgets to conform to a degree of discipline that will make it impossible to "pay any price, bear any burden" that the Cold War and beyond made us accustomed to. Fortunately, the changing nature of conflict and the transformation of the most likely warfare will make this transition both more acceptable and more necessary.

The likelihood of nation-state wars in the 21st century — at least those involving the United States — is declining, largely due to the advent of weapons of mass destruction and the integration of global economies. Wars cost too much and they are too destructive to justify traditional all-out warfare. Such threats as we do face will require smaller, more specialized combat units with tactical weapons and instant mobility.

Technology, in the form of drones, robots and sophisticated detection, will provide a U.S. advantage. Otherwise, 21st century warfare will look very much like the elimination of Osama bin Laden and the 11th century age of the Assassins.

The exception, of course, is the terrorists' possession of weapons of mass destruction. Here all the nuclear aircraft carriers, long-range bomber wings and big army divisions will not protect us. The national and international security formulas will remain: detection, prevention and response. Stop the evil-doers before they arrive on our shores, but be prepared to contain the impact if that fails. Ironically, the greatest security asset in the years to come will probably be the lone informant.

The transformation of our military structures in the age of changing conflict will require the emerging younger officer corps and a new generation of political leaders to gradually transition from the large-scale, Cold War/nation-state warfare legacy systems to the lighter, faster, more mobile and more lethal combat capabilities. Budgets will require it, but even more importantly, so will reality. The commander in chief in the coming four years will find it increasingly necessary to seek cooperation and collaboration with allied intelligence and security services to isolate non-state actors, guarantee global energy distribution systems, constrict nuclear ambitions, protect global cybersystems and prevent the integration of mafias, drug cartels and renegade arms dealers.

A number of the nation's most serious national security experts reached conclusions such as these well before 9/11 and the subsequent Afghanistan and Iraq wars. As the U.S. Commission on National Security/21st Century concluded in 1999: "The type of conflict in which this country will generally engage in the first quarter of the 21st century will require sustainable military capabilities characterized by stealth, speed, range, unprecedented accuracy, lethality, strategic mobility, superior intelligence, and the overall will to prevail."

Even if, as some would have it, the United States wished to police the world unilaterally, budget realities will prevent it and shared security interests will prevail. We will soon find it both convenient and necessary to structure new security alliances for specific security missions and for long-term common interests. The security of the global commons will increasingly characterize defense structures and policies.

It is becoming increasingly obvious that there are shared security interests, such as petroleum distribution systems and international communications systems, that many other nations share. The United States is facing and will continue to face a blunt choice: either demand autonomy and go-it-alone doctrines that commit us to police the world in the common interest — at unacceptable costs — or structure new security alliances that are project-specific — for example, cybersecurity — or that are inclusive and require long-term integration of multinational security assets in the manner of NATO to protect the global commons.

Once again, the U.S. Commission on National Security forewarned in 1999: “The national security of all advanced states will be increasingly affected by the vulnerabilities of the evolving global economic infrastructure.” Traditional national security is giving way to international security.

Thinking as usual will represent the greatest hazard in the next few years. The 21st century is already as different from the 20th as the 20th century was from the 19th. Traditional, conventional thinking will increase our vulnerability. Anticipation, imagination, flexibility and experimentation are required to make us secure in an age of profound revolutionary change.

## A War Lesson To Learn, Still

Mitchell Shivers

Forbes

April 18, 2012

Back in November of 2007, then Secretary of Defense, Robert M. Gates, delivered a landmark speech on national defense at Kansas State University. At the time, the Secretary’s Landon Lecture was noteworthy for his call to more adequately fund our State Department’s so-called “soft power” capabilities. During the current debate over the future of America’s national security budget, it’s worth noting his call once more.

Traditionally, Defense and State, sometimes called “Mars” and “Venus” by Washington foreign policy insiders, have been rivals for congressional funding. Gates made the case that both agencies would need adequate resources to deal with national security challenges emanating from failed and failing states around

the globe. Dealing with asymmetric wars, Secretary Gates understood the need to use both guns and butter.

Well, has his clarion call been heeded? No.

The projection of America’s abundant soft power is still wholly inadequate. Tally the scorecard in Afghanistan — you’ll see the consequence of our inadequacy in misspent treasure and tragic human sacrifice. When we fail with our soft power, we rely more heavily on hard power to achieve our goals, placing an undue, and unfair, burden on our armed forces.

As a nation, we dare not face our global national security challenges without the latest hi-tech armaments — and we’ll readily commit to making multi-hundred-billion dollar, multi-year commitments.

But why is it, when the stakes are so high, that we still can’t tap into our vast, abundant reservoirs of national soft power resources? Where’s our sense of urgency on this?

Our private sector’s prowess is the envy of the world. But relatively little was done to harness that power to our benefit in Iraq and Afghanistan — and certainly not on a scale that might have made a decisive difference. Our soft power possibilities have been mired in government red-tape, bound by well-intentioned but counter-productive congressional mandates and limited by plenty of protected self-interests.

The little we’ve done to address our soft power weaknesses is timid and ever-protective of bureaucratic sensitivities. Reforms, so far, have been incidental — lacking the heft needed to totally re-cast the delivery of this crucial ingredient to prevailing in asymmetric warfare.

Currently our attempt at soft power is often just money tossed down the drain. We’re still using a centrally planned methodology to apply our foreign aid and our State Department aid overseers are no more effective at pulling this off than yesterday’s repudiated Soviet commissars. This model is just not any good at quickly mobilizing a failed or failing state’s economy.

I’m not suggesting we intervene all around the world to fix everyone else’s problems. We should have limits on our willingness to help other countries. But, when it’s in our self-interest to help another nation, we should be able to do just that — help. Not squander our riches on well-intentioned, but hapless, aid

programs that actually do little to move the ball down the field.

As a start, our government must expand its circle of soft power reformers. Engage and exploit the best of our private sector to help develop new soft power methodologies. Unleash its brain power and love of country. If need be, damn the bureaucracy – this, after all, is about prevailing in war.

It's time to re-think development risk taking in a chaotic wartime environment – no doubt some clever hedge fund managers might be able to shed some welcome light on a diversified portfolio of investments with uncorrelated risks – all aimed at lessening the disruption to overall progress caused by the chaos of war.

Diversification, and decentralization of decision making, both the antithesis of central planning, hold great promise in improving aid outcomes during war. Our current, centrally planned method of aid dispersal, concentrates risk – that's foolish in war.

Secretary Gates was right. We need to seriously invest in correcting this critical shortfall in our national security capabilities. Soft power needs to become a whole-of-nation effort. This is a skill set we'll surely need for the rest of this century.

Mitchell Shivers is a former senior policy official at the Department of Defense in the George W. Bush Administration and the former senior advisor for economics and finance to US ambassadors Zalmay Khalilzad and Ronald Neumann at the U.S. Embassy in Kabul. He is currently an Adjunct Senior Fellow at the American Security Project in Washington, D.C..

## **NATO's Many Challenges**

Joshua Foust

The Atlantic

May 31st, 2012

I had the privilege of attending the Young Atlanticist Summit, sponsored by The Atlantic Council, during the NATO Summit last week in Chicago. It was a fascinating experience, getting to hear NATO

officials discuss their plans with an oftentimes skeptical crowd. NATO tried to sell the summit as a watershed moment for the alliance – announcing new milestones in missile defense, “Smart” defense and the war in Afghanistan. But the impression it made was quite the opposite: the alliance appeared to be in strategic drift, unsure of how to proceed with dramatically curtailed resources.

Probably the biggest accomplishment NATO announced at the summit was the “interim operational capability” of its fledgling ballistic missile defense system. In English, it means that NATO now has the capacity to defend itself from a missile attack.

The big problem, however, with a missile defense capability is that Russia hates the idea. “We need to communicate to Russia that missile defense is not aimed at them,” Ellen Tauscher, special envoy for strategic stability and missile defense at the State Department, told a panel. Tauscher has a sharp eye for these things: she served in the Obama administration during the New START negotiations and still has missile defense issues at the top of her portfolio. The challenge, Tauscher noted, is that Russia still thinks missile defense is aimed its way.

That poses a serious challenge for NATO's missile defense plans. The idea behind the system is to secure Europe from attack by Iran or some other hostile power. It's not meant to pose a strategic threat to Russia – that is, it's not designed to counter Russia's nuclear arsenal. Moscow, however, has never believed that, and has responded to NATO's expansion of its missile defense capabilities by packing Kaliningrad, a tiny sliver of land it owns nestled between Poland and Lithuania, with its own battery of missiles to threaten this new system.

NATO must work past this impasse with Russia if it wants missile defense to secure Europe, rather than destabilize it.

Smart Defense is another concept that many NATO officials discussed at length last week. The concept is based on the “pooling and sharing” of resources, as well as specialization: some countries share weapons and facilities, and others choose to specialize in narrow types of warfare. Officials underscored how European countries could save a substantial amount of money by reducing redundancy.

However, the concept is shot full of holes. NATO Secretary General Anders Fogh Rasmussen admitted in his opening remarks that NATO has yet to find solutions for some of the problems that can arise from this pooling-and-sharing strategy, like how to resolve a dispute if only one country wants to use equipment shared with another. During the Libyan campaign, both Germany and Turkey refused to participate in the bombing mission – as a consequence, the U.S. had to provide aerial refueling aircraft for European aircraft to fly their missions.

Without addressing some very basic shortcomings in Smart Defense, NATO runs the risk of only ever being able to take action with the unwavering, unanimous consent and participation of each of the 28 member states – a virtual impossibility.

Lastly, there was much happy talk on Afghanistan. I asked a senior official in an off-the-record session how they plan to pay for Afghanistan's security forces, which amounts to billions of dollars a year in subsidies, for at least a decade. The recent Strategic Partnership Agreement brokered at the beginning of May obligates the U.S. and NATO to fund Afghanistan's military, but it does not specify how. Whoever is president in 2013 will have to ask Congress for funding every year – and the same is true for each NATO member state.

The official responded, rather glibly, that they planned for that. That was it. The official didn't say what that plan was, or how they intended to convince two dozen countries with shrinking federal budgets to spend a huge amount of money on a country they had already withdrawn from. It was stunning to see a senior figure so publicly engage in magical thinking about such a critical issue.

NATO has played a hugely important role in the world – first as a bulwark against Soviet aggression in Europe and later in assisting the Eastern bloc transition to more open societies. In the 21st century, NATO has played a huge role in coordinating interventions in Afghanistan and Libya – one reason many protestors took to the streets of Chicago to protest the summit.

In the post-Afghanistan world, however, NATO seems adrift. Its budgets are shrinking – even the U.S. is facing steep defense cuts over the next few years. But NATO's ambitions are bigger than ever, with

new forms of collaborating, a thirst for more “cheap” interventions outside of Europe, and grand ideas of building a missile shield. The lofty goals on display in Chicago are bound to come crashing into the reality of a greatly reduced budget sooner or later. The big question after the summit is: how long can NATO's self-delusions last?

## Limitations of Hard Power in the Pacific

Zachary Miller

Flashpoint Blog

June 26, 2012

Earlier this year, the Obama administration outlined a strategy for military rebalancing in Asia in order to provide a strategic military presence and enhanced cooperation with regional allies. The Pentagon has begun to shift naval forces to the Pacific and has provided reassurances in order to strengthen an implicit notion of collective security. In June, Leon Panetta visited regional partners to demonstrate the Pentagon's commitment, and asserted the importance of regional agreements pertaining to areas of increased tension such as the South China Sea.

The administration's Asia pivot was conceived as a hedge against a rapidly developing Chinese military and to strengthen security commitments with regional allies who have seen escalating tensions with China. The rebalancing justification hinges upon the notion of an increasing likelihood of military conflict in the Pacific, and that Washington has ignored commitments to regional partners for too long. Deputy Secretary for Defense, Ashton B. Carter, explained the military rebalancing from a historical perspective and that security in Asia was “reinforced by the pivotal military power of the United States in that region.”

Will Military Rebalancing be Effective?

The military rebalance in Asia, however, is not only a geopolitical strategic maneuver, but is also a foreign policy choice which provides a justification for a new military concept: Air-Sea Battle. In February of 2010, the Pentagon released its Quadrennial Defense Review which outlined the Navy and Air Force's desire for enhanced military cooperation known as Air-Sea Battle. Air-Sea Battle is a rather ambiguous opera-

tional concept which provides enhanced cooperation for cross-domain operations. Cross-domain operations essentially involve coordination among military departments in different “domains” such as air, land, sea, and cyberspace to achieve a favorable operational outcome.

The Air-Sea Battle conceptual framework is justified as a means to challenge the growth of anti-access and area-denial strategies which are allegedly being employed by China in the Pacific. Anti-access threats involve the exclusion of the U.S. from a particular region by reducing political and economic influence or even logistical capabilities in a particular region. Area-denial methods are lethal tools which may physically prevent the enemy from entering a particular territory and will inflict operational difficulties in achieving objectives. CSIS has provided a comprehensive analysis of anti-access/area-denial strategies.

The difficulties in the South China Sea are indicative of this struggle as China has asserted the South China Sea to be a national interest and has demanded that the United States stay out of the issue: clearly asserting greater influence and desiring less political and economic presence by the United States (anti-access).

The Air-Sea Battle concept is designed as a military strategy to provide security against an assertive Chinese government which clearly wishes to limit U.S. intervention on this critical issue. Air-Sea Battle’s cross domain approach is supposed to confront the anti-access/area-denial methods of any enemy, but has clearly found its strategic rationale as the administration shifts focus to Asia.

While the Air-Sea Battle operational concept is logical for conventional military operations, it should not be viewed as the primary leverage of the United States in the Pacific. The United States desires stability, diplomacy, economic integration, and cooperation with Asian countries. It is unlikely that only a military strategy on cooperation issues will create a desired outcome with China. The doctrine still remains to be a conventional military approach to a foreign policy dilemma in Asia that is multi-faceted. Deploying military force could involve the United States in various contingencies and may only embolden China’s rivals such as Vietnam in the South China Sea.

Alternative Approaches: Engagement Through Inter-

national Norms

In a time of fiscal uncertainty for the Defense Department, the United States must utilize all other forms of instruments to achieve favorable outcomes in Asia. Diplomatic initiatives which include China in the international system will be critical.

An important step will be for the United States to ratify the Law of the Sea which provides international rules and laws governing the use of oceans and maritime resources. This would provide the U.S. with an international legal framework to influence China through inclusion and demand their cooperation on issues such as the South China Sea. The Obama administration has already taken note of the advantages in the treaty for Chinese relations.

The inclusion of China into the WTO, for example, was an effective way for the United States to positively engage China and incorporate them into the international community on issues of trade. The Law of the Sea has similar potential and will be an important diplomatic and legal framework.

While the military rebalance and development of an Air-Sea Battle Concept are significant for the military pivot towards Asia, it is critical that the United States utilizes international agreements as legal justifications for influence, stability, and to gain greater cooperation from China on issues.

The United States must recognize the projections of military power in the current fiscal climate may not be viable as long-term strategy. Binding nations to international agreements will be important in achieving cooperation and legitimacy for those nations who wish to curb Chinese influence in the Pacific.

## **A Russian Reset...Again?**

Zachary Miller

Flashpoint Blog

June 14, 2012

The domestic situation in Russia has continued to deteriorate in recent weeks as thousands of protesters, resilient as ever, have taken to the streets in Mos-

cow to protest Putin's government. Economic decline and a decrease in oil prices have also contributed to a mounting frustration, and so far the Kremlin's response has varied. Police raids, increased fines for protest activity, and the seizure of computers have categorized some responses by authorities.

The Kremlin has remained relatively silent, however, on the protests. Some experts have argued that the lack of dialogue will likely only increase the likelihood of a prolonged conflict, and has exacerbated tensions between Putin and the protestors.

The result of the turbulence in Moscow may be contributing to an insecure Putin government, and has directed his focus towards foreign policy. Despite his rather precarious domestic political situation, Putin has been traveling a great deal to confront a variety of global issues that the international community has pressed for Russian cooperation. Last week, Putin visited Beijing in an attempt to posture for a new strategic partnership with China, and has recently been visiting foreign leaders to develop a compromise on Iranian nuclear proliferation and the brutal conflict in Syria.

Recent news has focused on Secretary Clinton's remarks regarding the possibility of Russia engaging in a proxy war by providing military attack helicopters to Syria. This assertion remains questionable and has been unconfirmed by the Department of Defense. As the acute crisis in Syria continues to grow and reports of the violence are as terrible as ever, the focus remains on Syria. Provocative rhetoric, however, is unlikely to produce cooperation from Putin and only further entrenches his Administration.

Russia, as the primary military supplier of Assad, may not actually desire a proxy war. What remains clear is that Russia still wishes to be a relevant actor in international affairs, retain a toehold in the Mediterranean, and assert influence where NATO has shown leadership for over a decade. Putin's original popularity was partially on the basis of Russia's soaring economic growth and its return as a global power, and he may be attempting to restore this popularity through foreign policy achievements.

The Obama administration's Russian reset has been unsuccessful in recent years, and has failed to produce the cooperation the U.S. desires on several important

issues. Yet the U.S. has also failed to develop a strategic plan for engaging the Russian public and communicating U.S. policy effectively to the Russian people. While the protests may or not result in long-term political change, they should remind people that there is an element to Russia that remains untapped.

What about a reset with the Russian people?

There has generally always been a relative mistrust of U.S. intentions by Russian leaders, but what about the Russian people? Thousands of protestors in Moscow are feeling frustrated with Putin and speaking openly. Though public diplomacy is a long-term strategy, this is a prime opportunity for engagement with the Russian people.

Engaging the Russian people through a productive dialogue will be important in determining their foreign policy preferences to create effective foreign policy toward Russia. Most evidence indicates that the protests in Russia have been about domestic politics and the economic downturn. Russian geopolitical strategy has little to do with the frustrations in Moscow, and engaging the Russian people will be a critical step for U.S. policymakers in determining their next step on how to achieve greater Russian cooperation in the future.

The response to the precarious situation in Russia should be measured and cautionary, as a provocative strategy may cause further mistrust between the Putin government and the United States. Instead of incendiary rhetoric towards the Kremlin, the U.S. should utilize soft power and strategic language to engage the Russian people while respecting traditional diplomatic discourse.

The U.S. must seize the domestic turbulence in Moscow for constructive communication with the Russian people. While the protests may indicate a decline in Putin's political popularity as of recent, there is still broad support for his policies in Russia. The U.S. should also understand the preferences of both the people who agree and disagree with his policies. What do Russians think about the crisis in Syria? What do they think of Iranian proliferation? Would they prefer

Moscow to behave differently in foreign policy?

The Russian people are already talking. And while such communication may not produce the response

Washington desires, it will gain Putin's attention. In the long run, it may even influence Russian geopolitical foreign policy with domestic pressure. Fostering trust with Russian leaders has often been difficult, but can be improved over time through focusing on issues of agreement and finding common ground on those of disagreement. The Russian people, however, have largely been ignored in the Russian reset and public diplomacy may be effective in developing desirable cooperative outcomes from the Kremlin.

## Watching the Horizon from Chicago

August Cole

Flashpoint Blog

May 24, 2012

There are times when you step onto Chicago's Lake Michigan beaches with sand at your feet and azure water stretching to the horizon, it doesn't feel like the Midwest.

It is a view reminiscent of the Mediterranean.

Just one of the reasons Chicago was a fitting host for the recent NATO summit. While it's hard for the world's myriad geopolitical problems to compete with the distraction of Wrigley Field, the conference in Chicago tackled crucial questions about the alliance's future. Some questions are existential, such as how committed European countries really are to a common defense that won't come cheap. Others are practical, including how to orchestrate a decisive withdrawal from Afghanistan.

For all the significance the White House made of the U.S. strategic pivot from the Middle East and Central Asia toward the Pacific, the Mediterranean region must be the urgent priority for the U.S.

Found among the nations lining the Mediterranean are historic democratic promise and the seeds of economic calamity.

Consider the democratic political transformation throughout the Mediterranean nations of Northern Africa. Historic elections in Egypt are testing the promise of the Arab Spring. Libya's emerging po-

litical path has been secured, in part, by NATO airpower. NATO offers the U.S. an operational framework for multilateral military operations and humanitarian engagement in a region where American intentions are under constant suspicion. NATO's role in a Syria intervention is up in the air, for now.

Meanwhile, Europe's politicians are girding for Greece's exit from euro. The economic fallout among the world's banks and investors presents a frightening prospect. Just as spooky is the sure-to-follow political chaos that will undercut Europe's collective foreign policy interests. This includes NATO, which counts Greece as a 60-year member. Should Greece bail out on the euro, the move would start a nation-by-nation unraveling of a European political-economic compact connecting northern countries with southern ones in unprecedented ways. Italy and Spain are also at risk. Once lost, the euro's binding elements will be hard to replicate with either a single currency or a unity of purpose.

While the best baseball park in the world and picturesque views from Chicago's lakeshore make the world-class city an excellent venue, the best reason to host the NATO summit there was that it was on President Obama's home turf.

Many of the most pressing issues President Obama faces this year, at what will be either the finale of a single term or the start of a second round as president, are tied to what the U.S. should do after more than 10 years of war. This dynamic is behind myriad questions facing the country's political and military leaders. Among them are figuring out the kinds of fighters the U.S. Air Force should fly to how large America's land forces should be to determining the scope of the U.S. intelligence community's role in conducting military-like operations. The value of NATO is part of that examination, too.

This conference presented a mutual moment to recognize the Mediterranean has deepening strategic fault lines. They are not over the horizon, as in the Pacific. They are immediate and may hobble America's closest allies. These past few days, there was nowhere better for President Obama to see NATO's role in addressing them than from Chicago.

## Wrapping up NATO's Chicago Summit: some success, but questions remain

Ashley Boyle

Flashpoint Blog

May 22, 2012

Heads of state, ministers, diplomats, and top military brass were in attendance at the Chicago summit, where the membership decided on an “irreversible” exit from the conflict in Afghanistan, confirmed the “interim capability” of its European missile defense system, and agreed to twenty different multinational projects considered foundational to the organization’s smart defense initiative, though many logistical questions remain unanswered.

NATO Secretary General Anders Fogh Rasmussen termed the summit an outright success, declaring: “We [NATO] have focused on the future of Afghanistan; we have decided to invest smartly in our defense, even in times of austerity; and we have engaged with our partners around the world to address the challenges we all face in the 21st century.”

The progress achieved by the summit comes at a time when the organization faces an identity crisis and seeks renewed purpose amidst the end of operations in Afghanistan, dwindling financial resources, and a shift in US focus to the Pacific region.

The summit was the target of several large protests – some violent – expressing the general dissatisfaction rife throughout much of the US and Europe, where economic recession and stagnating governmental performance have left citizens weary and angry. Protestors with messages ranging from the anarchic to those of the Occupy Movement, capitalized on the opportunity to assemble before one of the largest gatherings of international officials on US soil in recent history. Chicago 2012 marked only the third time NATO has held its summit in the US, and the first time it has convened outside of Washington, DC.

On the sidelines of the summit, the contentious relationship between the US and Pakistan over the latter’s failure to reopen ground transport routes to Afghanistan was on public display. The US-Pakistan relationship continues to be critical to the development and security of Afghanistan. A failure to mend the rift

in relations could signal further destabilization of the Pakistani government, presenting opportunities for a hardline regime to assume power and jeopardize the already fragile security situation on the ground.

Overall, the Chicago summit demonstrated that there still exists a cooperative spirit within NATO, though the means and methods of implementing the resulting objectives remain unclear. By reaching agreements on an exit from Afghanistan and initial smart defense projects, the membership has reaffirmed its commitment to the cooperative spirit of the organization. Whether this renewed commitment is capable of withstanding the financial constraints of individual member nations as projects are implemented remains a significant concern. The organization has clearly been impacted by the deepening Eurozone crisis; until a viable recovery plan is enacted by European officials, NATO will largely be at the mercy of its members’ not-so-deep pockets.

Conversely, the US may ultimately benefit from the agreements reached at the summit depending on how the smart defense initiative proceeds. The program presents a key opportunity to rebalance the financial burden between the US and Europe. If executed judiciously, this adjustment could allow for the US to allocate additional resources toward other strategic priorities. The US still recognizes NATO as a key partner in security and will remain a staunch defender of its mission; however, it is essential that the US capitalize upon the opportunity presented by smart defense to evaluate and pursue its own defense initiatives both in cooperation with NATO and independently.

ASP Fellow Joshua Foust attended the summit and has been broadcasting daily from the event, covering the key issues and having candid discussions with those in attendance including NATO Secretary General Rasmussen, Senators Dick Durbin and Jeanne Shaheen, and Former US Secretary of State Madeleine Albright, among many others. Catch all of Joshua’s podcasts on ASP’s multimedia page.

## The Challenge of Chinese Soft Power

Matthew Wallin

Flashpoint Blog

May 9, 2012

Much ado has been made about burgeoning Chinese soft power, and how China is increasing its public diplomacy and extending its soft power reach. From expanding the number of Confucius Institutes around the world, to a growing international broadcasting effort, China has been actively working to wield more significant soft power influence.

And then I read this CNN headline: “China says no pills made from human flesh in country.” This stems from a report by the Korea Times that the Korean Customs Service had arrested 29 smugglers who were attempting to bring in 11,000 of these pills, allegedly containing ground up aborted human fetuses. Levels of disgust aside, what does this say about perceptions of China?

More than this being a case of possible misinformation, this is a question of nation branding, and practices in China that could lead individuals, whether the story is true or not, to give it credence.

China’s unparalleled rate of industrialization and economic growth has not come without volumes of stories about lead contamination, counterfeiting, quality control, and pollution—all leading people to ask, “What’s next?” Aside from the horrible “blood-libelous” nature of this story, it’s almost not surprising given the stories of contaminants in consumables. Though certainly there is a difference between government black market activities and the conduct of legal business in China, China faces an image issue where that line is rather blurry.

The manufacturing capability of a country has immediate soft power connotations. Many products are inately linked to specific countries, and sometimes give people what they perceive to be a connection to that country. Think French wine, German cars, or Japanese electronics.

But what immediately comes to mind when you think of products made in China? Cheap. That’s not to say that cheap is necessarily a bad thing (and Americans

love cheap stuff)—just that “quality” is rarely associated with Chinese goods.

Yet product quality is just one issue amongst many for China. Even China’s most notable efforts at soft power management have not been without their issues.

Though the Beijing Olympics aimed to show China at its best (and it was certainly an impressive showing), some of China’s problems were visible right through the temporary façade. Beijing had to make a considerable, and widely reported effort to reduce air pollution in the city. Protests over Tibet interrupted the Olympic torch relay and culminated in the unfurling of a massive banner over an Olympics billboard outside China’s state TV headquarters, challenging the official Chinese narrative.

Most recently, the Chen Guangcheng fiasco at the U.S. Embassy hasn’t shined well upon the Chinese, nor the U.S. for that matter. And on top of that, China just kicked out Al Jazeera English.

In the end, despite China’s attention to improving its image abroad, it faces a great deal of soft power and branding challenges. These will not be easy issues to overcome, especially as much of China’s growth is characterized by questionable industry standards, and nation branding takes behavioral and perceptual changes over long periods of time. It will take far more than international broadcasting and cultural diplomacy to change China’s image—China will actually have to do things that actually change its image.

## CLIMATE AND ENERGY SECURITY



### Increasing our national security with new technology

Retired Lt. Gen. John Castellaw

The Hill

May 3, 2012

The United States military is the single largest purchaser of petroleum fuel in the world, burning through about 325,000 barrels of fuel per day. Almost all of that fuel is derived from oil. This is important not because of the vast carbon footprint (or boot print) that the military has – a separate, and important problem. It is actually the dependence on oil that presents the military with a long-term strategic risk.

Although today the military is able to buy fuel for operations anywhere around the world, access to oil is not guaranteed in the future. Finite global reserves of oil means that some time in the future, oil may become physically more difficult to acquire, no matter the price. Related to that risk, the military, like all consumers in the U.S., relies on oil from countries that do not align with our interests. This affects our foreign policy and undermines our national security. It also means that, in a shooting war, when our fighting men and women need access to fuel to effectively fight, we may not be able to guarantee access to the fuel we need. We can no longer afford to take it as a given that oil will always be available.

Unfortunately, this is not a problem that can be solved by drilling more for oil at home, for two reasons. First, the United States, with only a small percentage of the

world's oil reserves, simply cannot produce enough oil to meet the demands of both our consumers and the military. Second, the U.S. Military, particularly the Navy, is a fighting force with a global presence. They need the flexibility to be able to buy fuel from ports around the world, not just the American mainland.

Today, there is a new technology on the horizon that is rapidly developing as a real alternative to petroleum-based fuel. New, next-generation biofuels can provide a drop-in replacement for the fuels our military needs for combat and training operations. Companies like Solazyme, Virent, and Gevo can create refined fuels from feedstocks ranging from corn and sugarcane to waste oils, mustard seeds, algae or camelina. These fuels are not like the first generation ethanol that is blended as about 10% of the nation's gasoline supply. They are of better quality: designed to be chemically identical to the jet-fuel they are replacing. They also will be more sustainable than current biofuels, in that their feedstock does not need to compete directly with food sources.

Because of the national security importance of developing an alternative to oil, the military should be a leader in fostering these new energy sources. From the age of sail to steam to oil to nuclear, the United States Navy in particular has a history of swiftly transitioning to new energy sources when a strategic need arises. Today is no different: the dependence on oil for all flight operations and most sea transportation presents the Navy with long-term strategic risk.

The Department of the Navy has proposed to address this risk by using the Defense Production Act, in conjunction with the Department of Energy and the Department of Agriculture, to directly invest in commercial development of a domestic biofuels industry. This is not without cost – the government investment would be \$510 million, matched equally by private sector funds – but the returns would be large, both in terms of strict budgetary reasons and in national security. We know that this technology works, and we have evidence that costs are falling dramatically. Last year, a congressionally mandated study concluded that biofuels would be competitive early in the next decade – a timetable that it said could be moved forward if the government partnered with industry to speed up commercialization.

On March 12, the Senate Subcommittee on Water and Power held a field hearing, chaired by Senator

Jeanne Shaheen, at Naval Station Norfolk aboard the USS Kearsarge that looked at the Navy's efforts to help start a domestic biofuels industry. Navy Secretary Ray Mabus, former Virginia Republican Senator John Warner, and representatives of the Navy and Marine Corps convincingly argued that directly supporting a domestic biofuels industry would help our national security as well as ultimately reducing fuel costs.

Ultimately, the Department of the Navy knows that alternative fuel development is not about being green – it is about combat capability and making a strategic choice to increase our national security. We can reduce our military's crippling dependence on oil, but it will take a long-term strategic vision for creating a market for new alternatives to oil. They deserve credit for taking this strategic step, and Congress should make the necessary funding available. This is a unique opportunity to catalyze an important new industry that everyone in the United States who drives a car or flies in a plane will benefit from.

## **Running on empty: Failing to address high gas prices**

Andrew Holland

The Hill

April 17, 2012

The average price of regular gasoline around the country is \$3.92 per gallon. This is the third time in four years that prices have spiked above \$3.90 per gallon. Today, the American Security Project released a new report "Cause & Effect: U.S. Gasoline Prices" that looks more deeply at the root causes of today's high gasoline prices, and punctures some of the assertions and rhetoric that both political parties use about gas prices.

While Republicans offer legislation to expand domestic production of oil or remove regulations on energy production, Democrats call for tightening regulations of oil market manipulation and a release of oil from the Strategic Petroleum Reserve. Unfortunately, the global nature of the oil market means that none of these solutions will actually work to meaningfully and durably reduce gasoline prices.

It is true that the Republican policy of increasing domestic production of oil, by either opening up new federal lands for leasing or by reducing taxes or regulations on oil production, could produce more oil here at home. However, we should not expect that new production to reduce prices. The last five years should be an object lesson in this: domestic production of oil has increased by 20 percent since March, 2007, while U.S. consumption has dropped 12 percent. If changes in U.S. production were as important as Republicans or the oil industry makes it out to be, we should have expected that time period to see a rapid fall in gasoline prices. Unfortunately, we know that the opposite happened.

The reason is because the U.S. is only a small part of a global oil market. Our domestic oil boom increased production by one million barrels of oil per day over the last five years, but -- even with a fall in American demand for oil -- that was overwhelmed by global demand growth of 3.7 million barrels per day in that same time period.

Likewise, the policies of Democrats would also prove ineffective. Cracking down on "market manipulation" or "speculation" will not lower prices. Limiting financial speculation in oil markets could remove the ability of traders to drive prices up -- but it also removes the ability of short-selling traders to drive prices back down. Moreover, in our age of globalization, limits on speculation in the U.S. would only drive trades to foreign centers like London.

Another short-term fix that will do little is releasing oil from the Strategic Petroleum Reserve (SPR). Last year's release of oil from the SPR in response to the revolution in Libya reduced prices for a short time, but markets quickly adjusted and prices were higher within weeks. In addition, we should be careful about how we use our reserves: a release in the face of high prices would limit the ability of the government to respond in future cases of actual disruptions in supply, like a war.

There is one policy that will drive down gas prices in the short term, but neither party is talking about it: lifting the threat of conflict with Iran. Heightened sanctions on Iran are making it much more difficult for them to sell their approximately 2 million barrels per day of exports, but Iran's threat to world oil markets does not lie solely with the oil it produces.

They have threatened actions to block the Strait of Hormuz to sea traffic in response to an attack by either Israel or the U.S. This could stop over 15 million barrels per day (17 percent of total world supplies) of oil from reaching world markets – a catastrophic shock to global oil supplies. Just the threat of conflict has caused speculators to bid up the price of oil. If that risk premium were removed, prices would swiftly drop. So, in the short-term, the most effective policy to reduce gasoline prices is to find a diplomatic solution to the Iranian nuclear crisis.

Over the longer term, the best response to price spikes is to develop alternatives to oil. Luckily, America can do this; we're developing and commercializing the technology now that can reduce or replace the oil we need for transportation. Next generation biofuels, new electric vehicles, and increased fuel efficiency are succeeding in reducing America's dependence on oil. We need to sustain and accelerate these trends so that the next time the global price of oil spikes, it goes unnoticed by consumers here in the U.S.

Holland is a Senior Fellow for Energy and Climate at the American Security Project, which recently published "Cause and Effect: U.S. Gasoline Prices."

## Who Killed the Coal Plant?

Nicholas Cunningham

AOL Energy

June 18, 2012

The coal industry is ramping up its campaign against President Obama and the EPA, criticizing the administration for attempting to regulate the industry to death. A \$1 million ad buy from American Commitment, a conservative advocacy group, decries "Obama's war on coal" and targets EPA's recently finalized rule to limit toxic mercury pollutants from power plants, known as the "Utility MACT rule." The rule will require power plants to install technology to limit toxic mercury emissions. The Senate could soon vote on a resolution that would kill the rule. The coal industry and other conservative groups claim the rule will force utilities to install expensive equipment, which will drive up the cost of energy and kill jobs. EPA's proposal in March to begin regulating green-

house gases on new power plants further enraged the industry.

Coal's dominance in the electric power industry has begun a period of rapid decline. Data from the Energy Information Agency (EIA) shows that the share of electricity generation in March from coal was at its lowest monthly total since 1973. For decades, coal typically represented half of the nation's electricity generation, but it dropped to only 34% for the month of March. The decline can be partially attributed to warm weather, causing low demand for electricity overall, but there is a reason that coal's share fell much faster than other energy sources – and it's not the EPA's regulations.

The real threat to the coal industry is not some politically-motivated "War on Coal;" it is cheap natural gas that is killing coal. The EIA report represents a milestone in the energy industry, confirming trends underway for some time. Growing natural gas production across the country is rapidly eroding coal's share of the electricity market. Technological breakthroughs in hydraulic fracturing and horizontal drilling have allowed drillers to extract gas from shale rock at low cost. This has unlocked enormous quantities of natural gas, causing prices to plummet from above \$10.50 per million Btu (MMBtu) in 2008, down to below \$2/MMBtu this year. Low prices are forcing utilities to shift away from coal towards natural gas. The EIA projects that natural gas consumption in the electric power sector will increase by an astounding 21% in 2012 from a year earlier, while coal consumption will decrease by 13%.

Contrary to coal industry claims, the erosion of coal's position is due to market forces, not regulation, as many of the regulations proposed under the Obama administration so loathed by the coal industry have not yet taken effect. Instead, it is becoming increasingly difficult for coal to compete with natural gas on price.

Regardless of whether or not the campaign to kill the Utility MACT rule is successful, coal plants pose significant financial risks to investors. Coal plants require high fixed construction costs and their economic viability is based on 30-40 year lifespans. Investors must have long-term certainty that those costs can be recovered over that lifespan. A sustained period of cheap natural gas would put that return on investment into question.

Additionally, the coal industry's claim that government regulation is killing jobs seems to ignore the fact that the loss of jobs in the coal industry correspond to a surge in employment in the natural gas industry. IHS Global Insight estimates the natural gas industry supported 1 million jobs in 2010, and it will create an additional 500,000 jobs by 2015. Shale gas drilling has expanded so rapidly that the hotel industry in Pennsylvania is booming as local housing cannot satisfy the influx of new workers. This is an example of 'creative destruction,' a phenomenon that the free market enthusiasts like those claiming a "war on coal" supposedly support.

The coal industry and other conservative groups are spending millions of dollars to derail the Utility MACT rule and other environmental regulations, but they have identified the wrong enemy. The real threat to their long-term survival is the natural gas industry. They are being beaten in the very free market that they claim they support, and to overcome that open competition, coal is trying to rig the game by undermining critical environmental protections.

Nick Cunningham is a policy analyst at the American Security Project, a non-profit, bipartisan public policy and research organization dedicated to fostering knowledge and understanding of a range of national security issues.

## **UNEP Report: Does This Mean a Bright Future for Solar?**

Matthew Baker

Flashpoint Blog

June 19, 2012

The American solar industry is a lot like a child-star: young, has immense potential, and wants to make a lot of money when it grows up. But it is impossible to know how bright its future can be unless we give it the chance to fill a bigger role in our energy needs.

Last Monday we saw how this future star is growing in the findings of the United Nations Environment Program (UNEP) report entitled "Global Trends in Renewable Energy Investment 2012." The report presents a narrative of green energy investment from last year centered around two key points: huge growth

in the solar industry, and the rise of renewable energy investment in America.

In his foreword to the UNEP report Udo Steffens, President and CEO of Frankfurt School of Finance and Management, noted that although some actors have gone bankrupt and left the solar stage, the "sector shows all elements of a highly dynamic and vibrant industry." Furthermore, he is "convinced" that green energy led by solar will continue to "offer exciting career opportunities for years to come."

Many of these opportunities have come over the last twelve months as the introduction of cheaper photovoltaic (PV) panels – particularly those imported from China – have led to solar technology becoming accessible for more homes. The report notes that "with PV solar...prices falling rapidly, there is a 'promised land' in sight" where solar will at least be competitive without government subsidies.

What does the report tell us about solar in the US?

The possibility of not needing government subsidies to sustain a solar industry in the near future should be pleasing to everyone, but there is still a lot of work to be done before this can be a reality. The report notes one obstacle can be seen in recent criticisms toward government assistance of renewables, which occur "ironically at a time when fully competitive renewable power is starting to be a realistic possibility in a few years."

Unfortunately, the possibility of solar slowly weaning itself off government assistance has become victim to political opportunism. As the report alludes, the collapse of Solyndra has been used to move energy policy away from support of renewables in the US. Debate on this issue itself is problematic because such funding should not be controversial, just as it's not for liberal or conservative governments in the rest of the world. Germany's funding of renewable energy under a conservative government has led to record breaking power generation in solar this year.

Some antagonists have made solar the whipping boy of green technology. Opponents of solar have used Solyndra as a reflector for the entire industry; turning it into a political piñata to negate any success solar has had. But this is not an accurate depiction of the entire industry, and claiming Solyndra is somehow a mirror for solar's economic future is as absurd as using Enron to illustrate the reliability of natural gas

companies.

In the report, Steffens suggests “global competitors... are changing the game” for solar. Emerging markets frequently have failed enterprises as businesses become more in tune to market trends and develop accordingly. The solar industry is no exception, with Steffens acknowledging the “painful disparities between the performances of different companies.” But current inequalities should not lead to despair.

When Henry Ford began the first of his two failed automobile companies there were sixty aspiring automakers in the United States. From 1899-1919, 77% of the automobile firms that entered the industry went out of business. During this same period auto’s net product value went from 150th to 2nd in all American industries. Although solar is not likely to grow at that same rate any time soon, due partly to the European economic downturn, expansion of solar this year does dispel the argument that Solyndra in particular is some yardstick for solar’s economic viability.

Where do we go from here?

Current fossil fuel consumption is unsustainable. The need to invest in alternative energy will rise with increased energy demands, particularly in the US where we expect to see an increase 25% by 2035. It is important we keep our options open and give alternative sources of energy like solar a chance to prove themselves. The \$147 billion investment in solar last year is a good start. But more must be done to show the public how government support of solar will encourage future investment, allow solar to stand on its own two feet, and ultimately benefit us all.

## Are US Cities Prepared for Climate Change?

Catherine Foley

Flashpoint Blog

June 19, 2012

The US is lagging behind globally in climate change adaptation, both in number of cities considering climate change in their development plans and the extent to which they are preparing. Despite this finding, there are many US cities that are leading the trend in

preparing for the potential hazards of a changing climate.

In a recent USA Today article, the public works director of Coronado, California, Scott Huth, noted that adapting to climate change is not about politics, whether liberal or conservative. Instead, he said, “it’s simply about taking seriously our duty to make sure that we’re informed for things that might potentially happen.” Leaders in many vulnerable cities are not wasting time on politics while the already apparent impacts of climate change worsen. They are preparing for the future changes in their cities that may affect all aspects of society.

In the West, where recent wildfires like the one in Colorado have ravaged the region, cities like Tucson, Flagstaff and Salt Lake City are leading the country in climate change adaptation. The University of Arizona at Tucson hosted the 2nd International Conference on Climate Adaptation two weeks ago where representatives from these three cities discussed what they are doing individually to prepare and how they can work together in the future. These cities initiated the Western Adaptation Alliance in 2010 and have been joined by Aspen, Boulder County, Denver, Fort Collins, Las Vegas, Phoenix and Park City. This alliance allows cities to discuss common threats and to build capacities in terms of responses to disasters such as wildfires. Colorado houses 6 military bases, all of which border national forests. With wildfires becoming a larger issue as rainfall decreases and temperatures increase, military bases may be threatened by impending fires. Groups like the Western Adaptation Alliance will allow for better efficacy in preparing for a responding to these issues.

In other parts of the country, New York and Chicago are also moving past the Congressional debate about the scientific claims of climate change and are leading the way for climate change adaptation. As extreme weather intensifies, these cities must be prepared for the potential floods associated with extreme rain events and New York must prepare for flooding associated with hurricanes. These preparations include elevating pumps at wastewater treatment plants and replacing concrete sidewalks with permeable materials to better soak up rain water. New York City has a Panel on Climate Change which has been working on a risk management response to climate change. Part of this response includes planting a million trees and investing in a \$1.5 billion 20-year plan for green

infrastructure to handle storm-water runoff.

Other cities such as San Francisco and Seattle are also planning for a warming climate, with San Francisco requiring new projects to account for the projected sea-level rise and Seattle developing tools to take climate variability into account for new building projects.

Despite ranking last in global climate change adaptation, the progress US cities are making must not be overlooked. These cities are moving past the political deadlock in Congress and are working towards preparing their own cities to adapt to the anticipated conditions of the future.

## World Oil Market Oversupplied?

Nicholas Cunningham

Flashpoint Blog

June 15th, 2012

The three most recent price spikes in the oil markets (2008, 2011 and 2012) sparked concerns that the global oil markets would not be able to satisfy the world's insatiable appetite for oil. But, high prices typically do not last long, and prices dropped in all three cases almost as fast as they rose.

In all three situations, price spikes caused some demand destruction as consumers reached the limits on which they were willing to pay for gasoline without changing behavior. Clearly, a cratering global economy also contributed to a decline in oil demand including the ongoing Eurozone crisis.

However, many analysts believe that oil oversupply is also a major factor in driving down prices.

Global oil production has surged in the last two years, reaching an all-time high of 88.9 million barrels per day this year.

Oil production is booming in the Bakken in North Dakota, allowing it to surpass Alaska as the U.S.'s second largest oil producing state. As Daniel Yergin recently noted, "[I]n 2011, the United States registered the largest increase in oil production of any country outside of OPEC." With surging U.S. oil production, analysts and policymakers have U.S. energy independence in their sites.

But, perhaps most importantly, Saudi Arabia has rapidly ramped up production. It produced a record amount of oil in the past year to offset lost production from Libya. Even though oil production in Libya has recovered, Saudi Arabia has kept output up to offset a potential decline in Iranian production from western sanctions. An oil embargo of Iranian oil by the European Union is set to take effect on July 1.

Higher oil production over the last few months has resulted in world oil production exceeding demand for the first time since 2005.

In addition to Saudi output, geopolitical tensions between the U.S. and Iran have eased, causing prices to plunge from \$128 per barrel of Brent crude just a few months ago down to its current level of about \$96 per barrel.

Therefore, analysts were closely watching the latest meeting of OPEC, which met Thursday in Vienna. OPEC is a collection of 12 major oil producers, mostly in the Middle East, and they make collective decisions on output in order to reach their price targets. Saudi Arabia acts as the "swing" producer, essentially the central bank of oil, ramping up or cutting back on production to maintain price levels.

OPEC agreed at Thursday's meeting to keep its production ceiling at 30 million barrels per day due to ongoing economic weakness in the global economy, despite calls from some members to cut production.

Although OPEC attempts to speak with one voice, it is not a monolith, and members often disagree. Several countries, including Iraq, Venezuela, and Iran were calling for a cut in output to boost prices. For these nations, oil represents the vast majority of their export revenue. Venezuela has called for oil to stay above \$100 per barrel and it is believed that Iran needs oil prices to stay above \$100 in order for it to balance its budget. Iraq has also said that prices between \$100 and \$120 per barrel are "reasonable and acceptable." However, enough members resisted a production cut.

The latest decision will ensure that oil markets are oversupplied, at least in the short-term.

## Prudence Needed in Department of Commerce Tariff Decision

Carl Grote

Flashpoint Blog

June 8, 2012

The United States Department of Commerce recently reported that it has preliminarily opted to apply a 31% tariff to Chinese solar panel imports. The decision comes as a response to rising sales of inexpensive Chinese solar panels which have led to sharp profit declines for many companies producing solar panels in the U.S. Even in the face of tax breaks and stimulus financing, these American businesses have struggled. For instance, Solyndra filed for bankruptcy last year despite the \$535 million it received as part of President Obama's clean energy stimulus package. Similarly, First Solar, Inc. has seen a 62.3% decline in its share prices even with over \$3 billion in Department of Energy Loan guarantees.

Commerce believes American solar manufacturers have lost their ability to compete with their Chinese counterparts, and estimates that Chinese manufacturers on average sell their panels at 31% below market price having analyzed dumping margins for over 50 Chinese solar exporters. While this market development raises clear economic concerns for American manufacturers, it poses an even larger concern for consumers just when solar power is becoming competitive with conventional electricity generation.

In fact, solar installations have surged in the U.S. and other industrial nations largely due to a decline in panel prices. 2011 alone saw more than a twofold increase in solar installations from 2010 levels. The tariff would force consumers to pay higher prices for solar electricity, and could reverse that industry-wide trend. Further, the tariff is aimed solely at photovoltaic panel manufacturers who have experienced declining profit margins, and lost their competitiveness in the world market. On the other hand, solar installers are likely to see a slowdown on their end of the industry.

The U.S. has ample solar resources, making solar power an exciting opportunity for the U.S. to wean itself off of fossil fuels- a necessary step toward climate change mitigation. The biggest challenge to achieving a scalable solar infrastructure, however, is the capital-intensive nature of the industry. After all, sunlight is

free, but the physical capital and installation of solar technology is quite costly. Because tariffs serve to raise market prices to a "fair" level, Commerce will effectively raise the solar industry's cost of capital; hindering its further expansion.

Another drawback to a slowdown in domestic solar installations is the likelihood that solar financiers and installers will take on an increasing number of projects abroad. For instance, SunEdison has recently turned to African and Asian villages traditionally powered by diesel generators and subject to frequent blackouts for installation projects. The afore-mentioned glut of panels has made such projects more economical, and raised profitability expectations. If enacted, the DOC's tariff could accelerate solar companies' shifting focus to foreign markets. Whereas the U.S. energy industry has contributed nearly 30% to global emissions in the past 150 years, developing nations contribute significantly less. So, expansion of solar infrastructure into third-world villages will have a relatively smaller influence on climate change improvements than domestic development of the industry. While improving energy accessibility in these places is altruistic, it is certainly not ideal for the solar industry to seek expansion abroad as growth opportunities at home offer avenues for improvements to our own climate and energy security.

Before passing the tariff, Commerce should carefully consider the repercussions to the entire solar industry, not just the panel producers who oversupplied their inventories. By propping up those firms at the expense of other players in the industry, Commerce risks taking backward steps as the U.S. seeks to mitigate climate change and secure its energy future.

## Need to Address Water Security

Matthew Baker

Flashpoint Blog

June 1, 2012

Recently the New York Times 'Green Blog' published a harrowing article highlighting the possible impact of one of our most overlooked national security issues: water security. The article demonstrated the direct impact of insecure water supplies on an entire civilization – hugely important in itself — and

prompts the reader to ask “are we really prepared for serious constraints on access to fresh water reserves?”

Throughout history intricate river systems have allowed for the existence of civilization. Interestingly, finite river water makes up 0.0002% of the earth’s water and 0.06% of all freshwater. This scarcity shows how changes in water supplies have the potential to undermine security by increasing tensions between and within states.

Research conducted on the relationship between environment and conflict suggests the most persistent conflicts of the past twenty-five years — like the Rwandan genocide, the Darfur crisis, and Yemen’s instability — were indirectly caused by unsustainable water management.

As riparian states — states that border rivers — search for abundant freshwater supplies, it is possible we will see rivalries for scarce water sources arise, but we are also likely to see cooperation. Research by Aaron T. Wolf shows that from 1945-1999, “cooperative events between riparian states outnumbered conflicts by more than two to one.” As an aside, the degree to which our lives are reliant upon freshwater from river systems is interestingly highlighted when noting that the concept of “rivalry” derives from the Latin word *rivalis*, literally meaning “to use another’s river”.

Although we do not have a crystal ball to predict what will occur should we not take steps to combat this issue effectively, we do have existing barometers.

Possibly the most worrying trend is that of melting glaciers in the Himalayas, which have the potential to cause flooding followed by severe drought for millions in China, India, and Pakistan: three key states with nuclear capabilities and a history of geopolitical rivalry. Chinese water shortages alone are extremely problematic. Already water shortages in more than 300 of China’s 640 major cities cost China an estimated \$11.2 billion in annual industrial output.

As American foreign policy continues to shift toward Asia, it is important that we understand how long-term water security in the region will impact future conflict and cooperation.

Watch this space for future discussions on how to build long-term water and environmental security throughout this key region.

## AMERICAN COMPETITIVENESS



### Goodbye Discovery

Matthew Wallin

Flashpoint Blog

April 17, 2012

As onlookers crowded the grounds of the National Mall this morning, eyes across Washington turned to the skies for perhaps their first, and definitely their last glimpse of Space Shuttle Discovery perched majestically atop a modified Boeing 747. The awe-inspiring presence of this mated pair soaring over the skies of the nation’s capital served as a final goodbye to one of America’s greatest engineering feats. Yet the sight of these well-used birds brought with them a slew of emotions, ranging from proud to disappointed, and from hopeful to sad.

Proud because the space shuttle program has been a technological feat unmatched by any other nation, and transported on the back of another example of American engineering at its best: the 747. It is a testament to the ability of Americans to build and do things that inspire people worldwide: a shining emblem of American soft power. It has served as a vehicle for international cooperation, ferrying scores of astronauts from various nations in a prime example of science diplomacy. Discovery served for 27 years and launched 31 satellites in a world where most spacecraft are used only once. Even the famed Russian Soyuz capsules have a limited life-span of 6 months in space.

Disappointed, because the Shuttle Program has also seen its share of problems. Two of the 5 Shuttles were

tragically lost with all hands. The Shuttles were also originally intended to serve for 100 missions each. None of them got close to that goal. While providing us with a method for manned space missions, the Shuttles were tied to low-earth orbit, and their cost restricted our financial ability to venture beyond earth's gravity.

For the entirety of the Shuttle program, we went nowhere. Instead, we sent robots in our place. America put men on the moon less than 9 years after putting our first man in space, and we did it with slide-rules. Think of the sheer enormity of that accomplishment. Though robotic exploration as a whole has been wildly successful, looking at pictures of faraway lands simply does not have the same profound effect as going there in person. Postcards from Paris, or vacation to Paris?

Hopeful because the end of the Shuttle program represents the closing of this chapter of human space flight, and hopefully represents a new era in space exploration. While the Shuttle has been key in helping us to understand more about our own planet, our own physiology, and indeed the universe (the Hubble Space Telescope was launched aboard Discovery), it also represented stagnancy in our will to expand. Our last human mission beyond low earth orbit was in 1979.

The premise of human space exploration deserves better. The United States is a leader in space exploration, and we should continue to lead, partnering with other countries to develop the technologies that will lead us beyond our own planet, and to a greater understanding of our role in this massive universe. We should not need a competing power such as the Soviet Union to serve as the impetus behind our space endeavors. Other powers must now be partners.

Sad because as hopeful as I may be, I am also worried about the immediate future of human space flight. As a child growing up in Los Angeles, I would occasionally hear the famed double-sonic booms of a Space Shuttle landing at Edwards Air Force Base. It was unmistakable, and amazingly cool to realize a space shuttle had just flown over my head. It was inspiring. The entire Space Shuttle Program was inspiring—it inspired interest in science, technology, and space in the hearts of countless numbers of kids who believed that one day, they too could become astronauts and venture into space. Kids of my generation did not grow up playing with Apollo-era command modules.

We had Space Shuttles—Space Shuttles mounted to the backs of little plastic 747s. This is gone now. Who will be our future astronauts?

While there is a great deal of debate about the cost and utility of manned space exploration and the role of commercialization, it's important to understand that is something that Americans do well. It is something that Americans can be proud of. It is something that America does that demonstrates that life has to be about more than simply fulfilling our needs—it has to be about expanding our capabilities.

Goodbye Discovery, I'll see you soon in your new home.

## **Energy Development in the Arctic: Threats and Opportunities**

Andrew Holland

Consumer Energy Report

June 28, 2012

One of the most contentious domestic political issues in the debate between energy development and environmental policy for over 20 years has been how to develop America's energy resources in the Arctic. As Shell makes preparations to send offshore drilling rigs into the Beaufort and Chukchi Seas north of Alaska, I thought it would be important to walk through the history of energy exploration in Alaska.

Two weeks ago, I spoke as a part of a lecture series by the Massachusetts-based Manomet Center about energy development and ecosystems in the Arctic. Manomet is a conservation sciences organization that was founded to study migratory shorebirds; I was paired in the lecture with Stephen Brown, one of Manomet's foremost experts on Alaskan shorebirds. The event was very interesting because it allowed a frank and open discussion of the threats and opportunities in the Arctic. The discussion below is adapted from my presentation.

### **Long History of Arctic Energy Exploration**

Since the 1920s, Americans have known that there were vast reserves of oil in the North Slope of Alaska, when the Navy was given the territory now known as

the National Petroleum Reserve as reserve for oil production to supply the fleet as it transformed from coal to oil. The reserve was never tapped, however, because of new finds in more accessible areas like Texas, California, and Oklahoma.

In 1968, a vast reserve of oil, the largest single field in the U.S., was discovered in Prudhoe Bay. However, the oil field could not begin commercial production until there was a way to deliver the oil to markets in the Continental U.S. or around the world. First, an icebreaking oil tanker, the Manhattan was sent through the Northwest Passage to test the feasibility of such a commercial route. When that proved too difficult, it was decided that the only possible route to market for Alaska's oil was a pipeline from the North Slope.

This was a contentious debate, as landowners and native people wrestled with the environmental impact of such a pipeline. However, with the onset of the first Arab oil crisis in 1973, Congress authorized the expedited building of the Trans Alaska Pipeline System (TAPS). Completed in 1977 at a cost of \$8 billion (about \$32 billion in today's dollars), the pipeline marked a significant infrastructure investment. It transports crude oil from Alaska's North Slope, across 800 miles of tundra, rugged mountains and rivers to Valdez, North America's northernmost ice-free port.

TAPS carries approximately 15 percent of the nation's domestic oil production and has transported more than 15 billion barrels of crude oil in its lifetime. Importantly, it has a maximum daily capacity of 2.136 million barrels of oil, although it has never transported its full capacity.

In 2011, Alaska's North Slope oil production was 562,000 barrels of oil per day. That means that the pipeline is only operating at about ¼ capacity. At its peak production in 1989, Prudhoe Bay was producing about 2 million barrels per day – almost at the TAPS capacity. I don't know exactly why the field has seen a 71% drop in production over the last 22 years, but I would suspect that it can be attributed to a natural declining field.

ANWR: Trying to Find New Oil Production to Fill the Pipeline

The Arctic National Wildlife Reserve (ANWR) is the largest protected wilderness in the United States and was created by Congress under the Alaska National

Interest Lands Conservation Act of 1980. However, unlike other Wilderness areas that are protected from development in perpetuity, under this act, a 1.5 million acre sector of ANWR, the so-called 1002 Area, was designated for study of its hydrocarbon reserves. The Act left it up to a later Congress to open the Area to exploration.

A 1998 report by the U.S. Geological Survey estimated that there was between 5.7 billion barrels and 16.0 billion barrels of technically recoverable oil in the 1002 Area. However, we simply cannot know the actual production potential of the area because exploration wells have never been drilled. The USGS estimates are based on the geologic formations of adjacent lands, not actual exploration within ANWR.

In 1989, Congress was preparing legislation that would open the 1002 Area of ANWR to oil exploration, and it was predicted to 'sail through'. However, the Exxon Valdez disaster in March of that year quickly stopped consideration of the legislation. The return of Republicans to power in Congress after the 1994 election saw the issue return in Congress. President Clinton vetoed an effort to open ANWR to drilling in 1996, and the early years of the Bush Administration saw several close votes on opening the refuge to drilling. Ultimately, however, the environmentalists won the argument, and ANWR has remained closed.

By the time I was working on staff in the Senate, in 2006, the issue had become ritualized. Everyone knew how each Senator was going to vote on an annual vote, Senator Ted Stevens would get very angry, but the legislation would ultimately fail. Since the 2010 mid-term elections, House Republicans have included an opening of ANWR in their drilling bills, but the Democratic Senate has not even taken them up, and President Obama would veto them.

### Offshore Drilling in Alaska's North Slope

Since 2007, a warming Arctic sea has seen dramatic reductions in summer sea ice. This has allowed energy companies like Shell to contemplate how to extract some of the 22% of the world's undiscovered energy resources that the US Geological Survey estimates are under the Arctic Sea.

Shell is preparing to send exploration ships to the Chuckchi and Beaufort Seas this summer to explore for oil. They have received permission from the EPA and Department of Interior, and are awaiting permits

from the National Marine Fisheries Service and the Fish and Wildlife Service. While these are expected to go through, we should expect to see some significant litigation between now and then. Shell plans to bring about 30 ships and over 500 people to handle the exploration operations. The U.S. Coast Guard, too, will operate a full-time presence in the Arctic this summer for the first time, with a Cutter on patrol at each of the drilling sites. There will be more people off that stretch of beachfront — over 1000 miles from the nearest deepwater port — than probably has ever been there.

I understand that the sea floor in this area is fairly shallow, so the technical problems of drilling at high depth that we all became familiar with during the Deepwater Horizon disaster will not be there. Instead, we will see entirely different threats, like surface ice and severe storms. Shell has experience operating in Russia's Sea of Okhotsk, but this will remain an extreme environment.

If all goes well, Shell anticipates that the first production of oil will begin in less than ten years, and peak production will be about 1.7 million barrels of oil per day.

#### Blocking ANWR Production led to Offshore Drilling

Notably, that production figure for offshore oil will be just enough to bring the TAPS back up to full capacity. I believe that if exploration in ANWR had not been blocked, there would not be a push to drill offshore. With new oil pumping through the pipeline, there would not have been enough capacity to accommodate offshore drilling as well. However, as it is now, offshore drilling is the only way to increase capacity to meet the capacity limits of the pipeline. So long as this already existing infrastructure is not fully utilized, there will be pressure, both from oil companies and from Alaska's politicians, to fill the pipeline.

## US Must Ratify Law of the Sea Convention

Robert Gardner

Flashpoint Blog

June 13, 2012

Tensions over resource claims in the Arctic have come a long way since Russia planted a flag on the North Pole's seabed to claim the entire region in 2007, but challenges remain especially to United States interests. Five out of six nations bordering the Arctic are settling their claims to the Arctic seabed while the US is stuck on the sidelines

The US could be left out of valuable Arctic resources if it does not ratify the United Nations Convention on the Law of the Sea Treaty (UNCLOS), the legal authority on the status of Arctic resources. 162 nations, including all nations bordering the Arctic, except the US, are party to the treaty.

Nations are claiming portions of the Arctic seabed based on the extension of the continental shelves they lie on and existing territorial agreements.

The UNCLOS Commission on the Limits of the Continental Shelf is currently considering states territorial claims to Arctic seabed, where resources could be recovered. Canada, Denmark (for Greenland), Norway, Iceland, and Russia have all put forth claims for Arctic seabed on their extended continental shelves. Without being party to the treaty, the US cannot make claims to Arctic seabed beyond 200 miles off its coast, as designated by the treaty.

The US is literally on the outside looking in as nations divide valuable resources it could be legally claiming.

The US continental shelf is estimated to extend at least 600 miles into the Arctic Sea off the coast of Alaska. This region, called the Arctic Alaska Province, is an incredibly resource richest area, estimated by the USGS to hold 29.96 billion barrels of oil and 72 billion barrels of natural gas (about 33% of technically recoverable oil and 18% of technically recoverable gas in the Arctic).

Supporters of the treaty assert that through acquiring resource rights, the US could substantially increase its domestic oil and natural gas production in the long term. Such production would lead to greater US ener-

gy security and greater investment and employment in the energy sector.

With the US now having so much to lose and a great deal to gain, supporters of the treaty have been pushing congress to ratify UNCLOS. The treaty has been overwhelming backed by US industries, military officials, previous presidential administrations and the Obama administration as a way to confirm US sovereignty in Arctic.

Yet, a small opposition to the treaty remains. The opposition asserts that US should be advancing its resource claims without ratifying what they believe to be a constraining international agreement. Opposition leaders claim that US territorial disputes over the Arctic (with Canada) should be settled through bilateral treaties, not UNCLOS.

Secretary of State Clinton attempted to debunk this argument in a recent Senate Foreign Relations Committee hearing. Clinton asserted that companies have expressed their need for “the maximum level of international legal certainty before they will or could make the substantial investments” in expensive and risky Arctic exploration. In addition Clinton stated “our ability to challenge other countries’ behavior should stand on the firmest and most persuasive legal footing available.”

Supporting Clinton, the chairman of Lockheed Martin (along with other business leaders) has written to the senate supporting the treaty, saying investment in the region “is only going to be secured for rights clearly recognized and protected within the established treaty-based framework.” In sum, companies won’t drill in the Arctic until they are backed by the legal framework of UNCLOS. UNCLOS provides the legal certainty companies need; bi-lateral treaties won’t cut it.

Treaty critics and supporters will continue to debate UNCLOS in a second round of hearings this Thursday. Congressional supporters hope to stomp out critic’s claims before holding a vote on legislation that could change the course of US energy development and international resource management.

Further explanation of UNCLOS can be found in Andrew Holland’s Race for Arctic Energy Resources Shows Need for U.S. to Ratify Law of the Sea Treaty.

## It’s Time for Magnetic Fusion to Have a Seat at the Energy Table

Matthew Baker

Flashpoint Blog

June 25, 2012

What if there was a source of energy that had the potential to supply almost infinite amounts of clean energy, making our reliance on foreign oil and concerns surrounding fossil fuel emissions obsolete? Public enthusiasm behind this technology would be immense, right?

Unfortunately for magnetic fusion energy, this is not the case. We can see this lack of support through funding cuts proposed by the Obama Administration, which could force some of the leading fusion programs in the country to close. A systematic effort using public and private partnerships over the next few decades could make fusion the solution to some of the greatest challenges of the 21st century such as climate change and energy security. Therefore, it is vital that we make fusion part of the public discourse surrounding our inevitable transition away from harmful fossil fuels.

What is fusion?

Fusion energy is a process that facilitates our very existence. By fusing hydrogen atoms to produce vast amounts of energy, the sun and the stars are examples of the fusion process at work. Based on Einstein’s formula of  $E=MC^2$ , the process can be replicated by physicists here on earth through magnetic fusion.

Magnetic fusion uses hydrogen isotopes commonly found in nature: deuterium, found in seawater; and tritium, which can be bred from lithium. Unimaginably hot plasma (the fourth state of matter) is then used to circulate these atoms through a tokamak – a doughnut-shaped magnetic casing with superconducting coils – to help fuse them together and release vast amounts of energy.

Some of magnetic fusion’s benefits can help solve the biggest issues we face in the 21st century.

America’s energy needs are expanding rapidly, and by 2035 we will need a further 25% in energy output to meet demands. The world will still need more. Our

transition away from fossil fuels will be the largest energy decision we will make since the Industrial Revolution, so it is essential that we consider all options available. Fusion should be one of those options.

Fusion is clean.

It would provide almost unlimited amounts of clean energy. This means zero harmful emissions which would greatly reduce our impact on climate change. A world powered by fusion would be significantly more sustainable.

Fusion would be accessible to all

This is important because we are already seeing conflicts across the globe arise over scarce resources. The civil war that led to the partitioning of Sudan last year is an example of a conflict exacerbated by resource control. All states would have access to an almost inexhaustible amount of energy, reducing the likelihood of these types of conflicts.

Fusion is safe

Aside from the benefits of zero emissions, fusion does not require uranium which can then be enriched to make nuclear weapons. The risk nuclear proliferation would be significantly reduced and states like Iran would no longer be able to use nuclear fission energy programs to veil the acquisition of nuclear weapons.

Fusion would boost the economy

Job creation is at the forefront of most voters' minds and fusion would help alleviate unemployment. Fusion will create a sophisticated supply chain of jobs, particularly in construction and manufacturing.

What needs to be done?

The United States is falling behind in fusion at a time when it is being developed rapidly in the rest of the world, particularly in East Asia. The Fusion White Paper released by ASP highlights our need to push forward with fusion, noting that China already has looked to fast-track development with a goal of possible net power demonstrations in its facilities in the next decade. Relative U.S. decline in fusion, an area it has historically dominated, is also being exacerbated by internal pressures such as budget cuts.

The ASP is currently working diligently with some of the world's best fusion experts to make fusion part of

the energy policy debate. Making the public aware of fusion is an important first step. A total investment of \$30-40 billion over 15 years would be required to develop a fusion power demonstration. This sum is less than one-third of the Apollo program's cost and only about 10% of the cost of bank bailouts after the global financial crisis; short-term expenses would be dwarfed by the long-term ancillary benefits of feasible fusion.

Fusion should be a regular fixture in future discussions on energy policy.

## **Race for Arctic Energy Resources Shows Need for U.S. to Ratify Law of the Sea Treaty**

Andrew Holland

Flashpoint Blog

May 17, 2012

As I have been researching and writing about Arctic energy development recently, there's one important – and easy – policy prescription that often comes up: joining the UN Convention on the Law of the Sea (UNCLOS). As I mentioned in my article, "Energy Development in the Arctic: Threats and Opportunities" the USGS estimates that the Arctic region has 22% of the world's undiscovered energy resources – and 84% of those resources are expected to occur offshore (so 18.5% of the undiscovered resources are on or under the Arctic seabed).

In the Arctic Sea, where there has been very little economic, social, or military activity, borders are not clearly defined and tested by international law. That is changing swiftly, as Shell prepares to move significant personnel and drilling equipment to the Chukchi and Beaufort Seas north of Alaska this summer for the first time. Other countries to are joining a "Race for the Arctic" as countries and companies seek access to newly available oil and gas. As countries compete for these resources, the U.S. needs to become a party to the UN Convention on the Law of the Sea in order to define American exclusive rights.

Under customary maritime law, the U.S. has access to its exclusive economic zone (EEZ) out to 200 nautical miles from shore. That means that the U.S. can allow, regulate, tax, or prohibit any economic activ-

ity in this area. The most obvious economic activities are offshore drilling and fishing. The EEZ is different from territorial waters in that the EEZ is considered international waters, but territorial waters — through which states must still allow ‘innocent passage’ of ships — are considered fully part of sovereign territory.

Under UNCLOS, the EEZ for resources on or under the seabed can be extended a further 150 nautical miles (for a total of 350 nautical miles from shore) if it can be proved that the continental shelf extends that far.

In the Arctic, all the other littoral states — Canada, Denmark (for Greenland), Norway, Iceland, and Russia — have put their claim for extended seabed EEZs into the UNCLOS secretariat for the purposes of claiming the seabed rights to the undiscovered resources, but because the U.S. is not a party to UNCLOS, the U.S. has not submitted any claim. The map, provided in the IISS’ (my former employer) 2012 Military Balance, shows how some of those claims overlap. Because the U.S. has not ratified the Convention, American diplomats are not at the table when those territorial claims are arbitrated.

This past Wednesday, I attended a forum hosted by the Pew Charitable Trusts and the Atlantic Council which brought together some of the nation’s most important business and national security leaders to call for a ratification of the Law of the Sea. Secretary of Defense Panetta and Chairman of the Joint Chiefs Dempsey, former Senators Lott, Warner, and Hagel, and former Director of National Intelligence Negroponte all expressed their strong support for passage of the treaty. Pew has founded a group called the American Sovereignty Campaign ([www.ratifythetreatynow.org](http://www.ratifythetreatynow.org)) to call for a ratification of the UNCLOS in the Senate. Not surprisingly, two of the most supportive Senators are Alaska’s Senators Begich and Murkowski.

Ratification of the Law of the Sea Treaty is a tool to expand and confirm American sovereignty without resorting to military force. The Arctic Ocean is the region in which American sovereignty is most in doubt. The Navy and Coast Guard can unilaterally protect and extend American sovereignty in that region, but joining the UNCLOS would be a better way to confirm that sovereignty in law.

## ASYMMETRIC OPERATIONS



### What We Misunderstand About Drones

Joshua Foust

The Atlantic

June 8, 2012

The New York Times’ blockbuster article on President Obama’s counterterrorism policies has sparked wide discussion of his evolution into a president focused very strongly on killing terrorists. Americans are also debating the effectiveness and morality of drones. These are important conversations to be having, to which I’d add some of the common misconceptions about drones. The first is that drones are cheap, and the second is that they’re replacing other forms of military operations.

Drones might seem like a cheap and easy way to wage war, but that’s not always the case. They require a substantial base of operations and support staff to function, which means they can actually cost more than traditional aircraft to purchase and function. And public anger over drones in the targeted countries has created severe political blowback, adding challenges for U.S. diplomacy and influence in parts of the world that are already tough enough to manage.

There’s also a common assumption that defeating terrorism requires a fundamentally kinetic approach. Obviously, that’s often true, but the point is that it’s not categorically true. And sometimes the kinetic approach can be costly. In Yemen, there is very little evidence that the growing use of drones has actually reduced the threat posed by al-Qaeda in the Arabian Peninsula. In Pakistan, while drones have reduced the presence and reach of al-Qaeda Central, they have not necessarily diminished the global challenge posed by

the group's ideology. Furthermore, this drone-associated political turmoil has had disastrous consequences for that country's internal politics and economy -- meaning there is some risk that our drones might contribute to further destabilizing a country armed with a hundred nuclear weapons.

There are other ways of addressing the problem of terrorism. Current U.S. strategy is primarily about violence: hunt down and kill suspected terrorists. But allowing the Defense Department and the CIA to target people they cannot identify -- to kill people who behave suspiciously without knowing who they are or what their intentions are -- doesn't really seem like self-defense. And it risks creating more instability, more state failure, and thus bigger problems in the future.

Yemen is a perfect example of what can go wrong. In 2007, AQAP was a worrying presence in the country's hinterlands, but not yet a major force in national politics. The U.S. lavished the regime of Yemeni President Ali Abdullah Saleh with hundreds of millions of dollars in training, equipment, and U.S. personnel. The U.S. also made Yemen its second most active battlefield for "surgical strikes" and drone operations, after Pakistan. However, after years of increasingly violent actions against AQAP, there are more al Qaeda terrorists in Yemen than ever before. The Saleh government lied to the U.S. about targets, possibly exploiting them to take out his rival. The U.S. has said that it treats opponents to the current government in Yemen as part of the same larger threat as al-Qaeda terrorists. Talk about mission creep.

The policy of thwacking terrorists with drones (or even with small special forces teams or aircraft) has not, so far, been hugely successful at changing the targeted environments such that terrorism is neither growing nor a major threat to the U.S. It has killed a lot of people associated with al-Qaeda (in addition to people not associated with al-Qaeda). But the movement and potentially affiliated branches are on the march in Northern Africa, in Nigeria, in Mali, in Somalia, and in Yemen.

A broader approach could, for example, place more emphasis on affecting social and political currents that presently support the terrorist movements and ideologies. One interesting project is the Center for Strategic Counterterrorism Communications, an inter-agency shop created last September and run out of

the State Department. The group recently posted, to a jihadi forum, Photoshopped images meant to reverse al-Qaeda's online propaganda -- and, in the process, created a lot of nervous responses from al-Qaeda posters about the unreliability of the internet.

The Center for Strategic Counterterrorism Communications's gambit was a small victory, but one that could presage a more creative, less invasive approach to countering terrorists; using their own tools against them. Creativity, agility, and innovation -- things the U.S. is actually quite good at -- seem more promising as a long-term counterterrorism strategy than throwing drones at every country with a security problem.

The problem with drones is not the drones themselves, but the trend of killing first and asking questions later.

## How Strong Is al Qaeda Today, Really?

Joshua Foust

The Atlantic

May 1, 2012

This week marks one year since Osama bin Laden's death. We're hearing a lot about what the anniversary means for the larger struggle against Islamist violence around the world. Most assessments of the "War on Terror" fall into one of two categories: al-Qaeda is stronger than ever or al-Qaeda is dead or dying. Whatever you think about al-Qaeda specifically, the global movement of violent Islamism is more complicated.

Analyst Seth Jones is leading the argument that al-Qaeda is doing better than we realize, that "the obituaries are premature" (Jones also has a book coming out soon taking a similar position). This argument is based in part on the idea that al-Qaeda's affiliates are part of the same larger collective as the and Pakistan-based group that Osama bin Laden helped lead. Mary Habeck says that al-Qaeda in Pakistan commands its subordinate groups in Iraq, Somalia, Yemen, and the Sahel through "broad strategic guidance and resources as needed, but not specific daily orders with daily reportage back up the chain of command." This control is not perfect, she concedes, but the argument rests on the assumption that the groups are so similar, and so interlinked, that they can all be accurately referred

to as “al-Qaeda.”

Of course, lots of groups take on the role of advisers and mentors. The U.S. is fond of using proxies in many wars -- the mujahidin who defeated the Soviet Army in Afghanistan in the 1980s, for example -- but we don't assume that “mujahidin” and “American forces” are analytically interchangeable. Their goals and interests aligned for a time and thus they joined forces; they did not, however, become the same force. The relationship between Pakistan-based al-Qaeda Central (AQC) and its many affiliates is similar: they came into being separately, and only later did they reach out to the central group in Pakistan for legitimacy and support.

Terrorism is not getting worse. According to data released by the National Counter Terrorism Center on worldwide terrorist attacks, current levels of violence, though high, are far below their peak in 2006. The most recent year for which the NCTC has data, 2011, shows only a moderate reduction in violence from 2010, but it is still a reduction in violence.

While AQAP in Yemen is gaining some territory (by essentially usurping the southern secessionist movement, which is itself an interesting political move), in Somalia the local al-Qaeda affiliate (which only became official two months ago) is actually losing territory. In Iraq, the al-Qaeda in Iraq group never held any to begin with. At this point, no one can say for certain whether the Sahel affiliates will be able to consolidate and control their very modest gains in Mali.

In November 2001, Vice President Dick Cheney articulated the one percent doctrine. “If there's a one percent chance that Pakistani scientists are helping al-Qaeda build or develop a nuclear weapon, we have to treat it as a certainty in terms of our response. It's not about our analysis,” he said. “It's about our response.” That idea is still informing our understanding of al-Qaeda's strength. “It only takes one attack to be successful,” Jones warns in his piece.

On the other end of the spectrum, some analysts, many of them working for the Obama administration, say we've got al-Qaeda on the run. National Journal reporter Michael Hirsch quoted a State Department official last week as saying “The war on terror is over,” in part because the core elements of al-Qaeda -- its vast network and logistics trail for planning and launching attacks -- are essentially destroyed. It's true

that the primary elements of al-Qaeda that attacked us on September 11 are gone, but it's not yet time to declare victory against the broader movement.

The last successful attack by Islamist terrorists on a Western country took place in 2005 in London. But that doesn't mean the threat is gone; rather, the threat has changed.

Probably the most difficult challenge facing the U.S. right now is not so much al-Qaeda itself but the growing number of insurgencies reaching out to al-Qaeda for legitimacy and support. These groups are spread across the Middle East and North Africa -- coincidentally, perhaps, along the periphery of the Arab Spring, in countries that did not experience a rapturous collapse of their tyrannical regimes. They confound easy attempts at labeling, too, since they combine elements of insurgencies, terrorist movements, local concerns (and local names -- al-Qaeda in Iraq, al-Qaeda in the Arabian Peninsula, and so on), and global allies.

Those local affiliate groups do not pose the same threat that al-Qaeda once did. Despite the danger and chaos al-Shabab can sow in Somalia, it is not blowing up embassies, punching holes in U.S. Navy vessels, or flying airplanes into American buildings. And even the most virulent, violent of these groups -- al-Qaeda in the Arabian Peninsula, the Yemen-based group, seems to be the analysts' choice -- couldn't even manage to pull off a tiny underwear bomb that wouldn't have destroyed the airplane it was on anyway.

The many successes in the fight against al-Qaeda have also come with substantial costs. In Pakistan and Yemen, an obsession with kinetic activities -- killing the bad guys -- has worsened political chaos and entrenched anti-Americanism. Some other countries now deny the U.S. permission to fly drones over their territory because they fear the political backlash that Obama's favorite weapon could bring. We don't know yet if these political consequences can be overcome, though it's a safe bet that continuing the same terror policies won't lessen them.

The struggle isn't hopeless, but it does require some new thinking. I edited a collection of essays published this week, asking some new questions on how the conflict between violent Islamism and the rest of the world is progressing -- the writers identify some good things about the last ten years of policy but also

try to see where we could be doing this better. This is not always an easy discussion, especially after over a decade of politicization of how and when and where and why we fight terrorism. But it is a discussion that we nevertheless very much need to have.

## **Ambiguous public opinion of the War on Terror**

Carolyn Deady

San Antonio Express-News

May 1, 2012

Americans were taken by surprise May 1 one year ago with the news that Osama bin Laden was dead. Over the course of many hours, details of the U.S. military action would begin to unfold. This would be one of the biggest news stories of 2011.

An overwhelming majority of Americans would approve of the killing of the al Qaeda leader. Justice had been served in the eyes of many. Yet when considering what the demise of bin Laden meant for the broader issue of the war on terrorism, public opinion was much more reserved.

About half of all Americans first heard the news of Bin Laden's death from television. As the story developed, television would be the primary source of information for three-quarters of the public. Interest in this story was initially very high, yet for the week overall (May 1- 8, 2011) many Americans felt that the Osama bin Laden story had been overcovered.

A Pew Research poll revealed that 69 percent of news coverage that week was on the al Qaeda leader but actual interest in the story was at only 42 percent. The mainstream media was covering the same themes — what lead up to the raid, what happened during the raid and national and international reaction to it — over and over in the first few days and people became saturated.

Fear of retaliation was one of the main points of interest in the news coverage. One poll found that 57 percent of Americans were concerned about a terrorist attack on the U.S. in retribution for the killing of bin Laden. Another reported a much higher 71 percent were concerned although they felt that an attack

would not happen right away.

Retaliation was just one of many facets of this tremendous story covered by the press. Accounts of the events, details of the raid, political fallout, the role of Pakistan, U.S. and global reaction and the life of Osama bin Laden were also examined over the days of coverage.

In the days immediately following, polling companies garnered public opinion on the events at the compound in Pakistan and the resulting death of bin Laden. Perhaps not surprising, most Americans felt that killing the al Qaeda leader instead of capturing him was the right thing to do. A Gallup poll showed that 93 percent approved of the military action that killed him.

Pollsters also looked for public opinion on the overall threat of terrorism. Were people afraid that the threat had increased because the U.S. had killed bin Laden? Or did they think that there was less of a threat now that the al Qaeda leader was gone? It turns out that neither answer held a majority.

In fact, over half of Americans felt that there was no change in the threat level as a result of bin Laden's death. However, when asked if the death of bin Laden makes the U.S. safer or less safe, 54 percent said safer and 28 percent said less so.

The polling questions seem very similar in scope yet the wording (“threat”, “safer”) clearly has an impact on the response.

The ambiguity of these responses — the country is safer, but the threat is not diminished — is puzzling.

Americans don't seem to know whether they are winning or losing the struggle against Islamist terrorism. When asked in a CBS poll given last November, “Who do you think is currently winning the war against terrorism?” 42 percent of those polled said the U.S. and its allies, 42 percent said neither the U.S. and its allies nor terrorists.

A CNN/ORC poll taken the day after bin Laden's death posed the same question with similar results: 44 percent said that the U.S. and its allies were winning the war on terrorism and 45 percent said neither was winning. In both polls, just 9 percent thought that terrorists were winning.

The effect on the war on terrorism by the U.S. military and intelligence communities' success in tracking down and killing Osama bin Laden has been met with a measured response rather than exuberance.

The death of bin Laden, the most wanted man in the world, had the approval of a majority of Americans and was considered a victory for the U.S. It would be expected that more Americans would perceive the U.S. and its allies as winning the war on terror.

Yet Americans were more guarded, realizing that removing the leader would wound but not eradicate al Qaeda therefore the threat of terrorism is still very real.

It remains to be seen how much longer the public will tolerate a war it can't say "our side" is winning. Now that bin Laden is off the scene, it will probably become more difficult for the government to justify the enormous scope of the war over the past 10 years.

So, the real question is how long the public's patience will last.

## **A Radically Different Way of Bringing U.S. Aid to Pakistan**

Joshua Foust

The Atlantic

April 30, 2012

In July 2010, heavy rains and devastating flooding in Pakistan displaced upwards of 20 million people. As part of the relief effort, the United States Agency for International Development (USAID) swung into action, distributing millions of dollars worth in temporary shelters, food, fresh water, and medical help. It was a stunning display of how quickly the U.S. can mobilize humanitarian relief when disaster strikes.

There was just one problem: a number of the affected Pakistanis didn't seem to want American help. Some expressed being upset at getting huge bags of charity labeled "USA." American aid to Pakistan has been fraught with problems for many years, facing charges of politicization, corruption, and ulterior motives. It was so bad that, by October 2010, the Pakistan Hu-

manitarian Forum, a consortium of NGOs that work in Pakistan, submitted an official request to the U.S. government to re-brand their aid. The American label had become a liability.

So while USAID is very good at quickly mobilizing assistance to disaster-afflicted communities, it carries a lot of political baggage -- so much so in places like Pakistan that the U.S. might be better off in the long run by downsizing USAID's direct activities there and working through alternative programs.

One good model might be the Rural Support Programmes Network. A sprawling collection of local NGOs, the RSPN was founded by the Agha Khan Network in 1982, and has since become its own, separate program. While the stats about its reach are impressive -- reaching millions of the poorest homes across a vast swath of Pakistan -- what's especially fascinating about RSPN are its methods.

Put simply, RSPN has a different focus than normal aid programs. They emphasize the development of institutions first, and only after that institution is established do they worry about its output or performance. The NGO also heavily invests in the smallest scale of the community, from conceptualization to execution, hiring mostly locals to administer projects. Lastly, they have extraordinarily long project timelines -- sometimes as long as 15 years from start to finish.

Focusing on short term projects is a critical weakness of how the U.S. conducts both warfare and aid. Put simply, you make very different decisions if you have to show progress next year than if you have to show progress next decade. RSPN's longer term focus lets it work on more difficult goals, such as creating institutional capacity that can exist without foreign input. It also means RSPN can build out micro-infrastructure projects like micro-hydro power plants that allow communities to finance their own development -- again, without foreign input.

But the most interesting project RSPN has done in rural Pakistan is a collaborative micro-healthcare insurance system. For very little money -- \$3.50 a year in some cases -- poor people can get access to basic medical care (especially maternity care) and assistance if they face hospitalization.

A hyper-local focus on poor, isolated communities

has created an unexpected way to provide previously unfathomable sorts of services to the poor at very low cost. The RSPN affiliates who provide microinsurance reach almost a million people, and at very little cost, by employing local community members for expertise, services, and administration.

This structure applies to much of what RSPN does: local projects, run by locals. It is a sharp contrast to even the ostensibly locally focused aid projects administered by U.S. and European NGOs and aid agencies, which focus on establishing a strong presence in capital cities and rely on expensive expatriate administrators. RSPN's local focus carries significant spillover effects in its communities as well: providing opportunities and improving the quality of life makes those communities significantly better off as a consequence. The "brain drain" of young people leaving to find opportunity elsewhere is diminished, and with better health and finances they can develop themselves, without the distorting effect of foreign money.

The Agha Khan Rural Support Programme, which birthed RSPN, has been operating in India for 25 years and sees similar success -- sometimes in collaboration with Pakistani organizations. The president of Pakistan's Rural Support Programme Network, Shoaib Sultan Khan, routinely visits Indian communities implementing this model, and it has led to a flowering of rural institutions developing India's countryside.

If anything, what the RSPN shows is that focusing on the small scale, and on the hyper-local, is actually a more effective way of developing isolated, poor, rural communities. It makes for a jarring contrast with how USAID operates, with its love of budget-busting showcase projects that are tough to make work and especially to maintain in the long term. Aid agencies would do well to focus on the small, on the achievable, and on the local -- and leave the enormous symbol construction to the local governments.

## Keeping the lights on in Pakistan

Ashley Boyle

Flashpoint Blog

May 30, 2012

US relations with Pakistan are being jeopardized by Pakistan's economic conditions, which have recently worsened on account of the nation's first sovereign default on payments to Independent Power Producers (IPPs). This new economic crisis is being cited as a greater threat to Pakistan's stability than the ongoing Islamist insurgency in the northern Federally Administered Tribal Area (FATA) and could be a tipping point in the nation's security environment.

In early May, the government of Pakistan failed to pay IPPs approximately Rs45 billion out of an outstanding Rs232 billion. The sovereign default is the result of the government's inability to resolve a circular debt in its power sector, estimated to be in excess of Rs400 billion (approximately US\$4.3 billion). The default may have significant ramifications for Pakistan's sovereign credit ratings, a B-minus/stable from S&P and B-3/stable from Moody's as of February 28, 2012.

The default has prompted power providers to begin "load shedding" via daily 5-10 hour rolling blackouts in urban areas and 18-20 hour blackouts in rural areas. In FATA, the poorest region of Pakistan and the one most affected by the insurgency, blackouts lasting 22 hours per day are not uncommon. Massive protests have targeted utility companies and government offices, and it is estimated that the energy crisis has resulted in a 4% loss of GDP compared to the 2% loss attributed to the insurgency.

Pakistan is the recipient of the second-largest USAID program valued at US\$865 million in 2012, of which US\$112 million is earmarked for improvements in energy supply and infrastructure. With an estimated US\$24 billion in aid sent to Pakistan over the last ten years and few positive results to show for it, the US is quickly losing patience with its Major non-NATO Ally.

Pakistan's sovereign default presents the US with several concerns. First, the inability of the government to provide a constant power supply has increased resentment amongst citizens who are unable to go about their daily routines. The increasingly restive populace

provides insurgents and terror cells with an opportunity to manipulate public opinion for their own purposes. Secondly, the energy crisis illustrates the fragility of President Zardari's administration and its inability to manage its finances, policies, and military. This makes for a weak Pakistani state and therefore, weak US ally in the fight against terrorism rooted in the country's tribal areas. Finally, it sheds light on the ineffectiveness of many US foreign assistance programs in building a stronger, more secure Pakistan.

Pakistan's first sovereign default in the energy sector hints at the shape of things to come. The government has been facing a balance-of-payments crisis and runaway inflation rates since 2008. A sovereign default is possible if the country does not figure out how to pay down its approximately US\$1.4 billion in commercial debt and other foreign obligations. It is also an opportunity for the US to achieve certain objectives in its complicated partnership with Pakistan by:

Further reducing military aid. Pakistan is reliant on foreign assistance to prop up its military operations, with the US providing nearly US\$2.4 billion in 2010. The US recently cut aid to Pakistan by US\$800 million over its unwillingness to reopen ground transport routes to Afghanistan and for the 33-year jail sentence leveled against Dr. Shakil Afridi. Reduction in military aid by an additional US\$800 million would convey the message that until Pakistan agrees to reopen transport routes and cooperate on other matters, the US will not be complicit in funding military oversight in the country.

Increasing development assistance only if coupled with capacity building. Cutting military aid to Pakistan allows for the funds to be reallocated towards improving aid efficacy through technical assistance in capacity building. Pakistan receives huge influxes of aid from the US, but its use returns few results because it has not been coupled with the necessary tools to administer the funds. While technical assistance and institution building requires a long-term commitment, it will increase the absorptive capacity of Pakistani institutions and ensure judicious use foreign assistance. Continuing development assistance will support Pakistan in recovering from the economic crises it faces in meeting its financial obligations and reduce the opportunity for insurgents to capitalize on public outrage.

Continuing drone strikes with the understanding that the US may reconsider the program when Pakistan no longer provides a safe haven for terrorist activity. The contentious practice of using Unmanned Aerial Vehicles (UAVs) to target and kill suspected al Qaeda operatives in Pakistan is unlikely to end in the short-term. Though the strikes are allowed by the Zardari regime, they are widely criticized by the international community and unpopular amongst Pakistanis. If Pakistan cooperates with US efforts, regains control over its restive tribal areas and military forces, and proves itself capable of securing the entirety of its territory, then the US might consider ending lethal strikes within its borders. This offer appeals to Pakistan in that it would lead to an end to US "presence" in the nation, and create a sense of Pakistani ownership of the process of regaining control over its own security situation.

Over the last decade, the US has provided Pakistan with a significant opportunity to cooperate on security and development initiatives; now Pakistan must do its part. Cooling relations over the last several weeks have impeded progress on cooperative efforts and further revealed the fragility of the Pakistani state. The US is growing impatient with Pakistan's inability to honor its commitments to reopen supply routes to Afghanistan, gain control over its restive territories, and consolidate power in its weakening government. With the exit of most US forces present in Afghanistan set for 2014, Pakistan may never have a better opportunity to secure its future than it does now.

## **The Annals of Chicken Diplomacy**

Joshua Foust

The Atlantic

April 12, 2012

The government of Uzbekistan -- no stranger to the bizarre and upsetting -- recently made a truly head-scratching decision. A new voluntary service, according to a report in RFE/RL, now allows teachers and even some doctors to receive part of their salary in Serbian chickens.

Of course, like most “voluntary” programs in Uzbekistan, it is nothing of the sort -- and RFE/RL quotes plenty of people saying they were given the live animals against their will. The Uzbek government has distributed tens of thousands of chickens: 10 chicks per public sector employee. These civil servants are then expected to fulfill a February decree by cabinet ministers to increase the domestic production of milk, eggs, dairy, poultry, and vegetables.

How teachers and doctors, who are most certainly not farmers, will succeed in raising these animals remains unclear. It's not even a cost-saving measure: the Serbian chicks appear to cost a bit more than their domestic Uzbek counterparts. So what on earth is happening?

Chickens are a surprising bellwether for international economic and political issues. Sounding for all the world like some modern-day Khrushchevian Red Plenty economic master plan, the Uzbek government has demanded that not only agriculture do more, but that industry reduce costs and increase production -- just like that. More more more for less less less. So why the chicken handouts?

One indication might be in the dramatic increase this year in remittances back to Uzbekistan. The Central Bank of Russia recently released a report that suggests a nearly 50% increase in remittances from Russia to Uzbekistan in 2011, which indicates a flagging economy in the Central Asian nation. Uzbekistan, a gas-exporting country, has also been experiencing gas shortages and is globally ranked as poorly on economic freedom as it is on human rights or political liberties.

But Uzbekistan is hardly the only country to react to a changing political climate through chickens. In the early 1990s, a collapsing Gorbachev-era Russia was experiencing food shortages and hunger. President George H.W. Bush came up with a win-win solution: give surplus U.S. chicken meat to Russia. The U.S. has an insatiable appetite for white chicken breast meat, but in the process produces far more dark chicken leg meat than it could possibly consume. President Bush took that excess and sent it to Russia. The Russians devoured it, proclaiming the beauty of such enormous drumsticks, and to this day chicken hindquarters in Russian are often called “Bush's Legs.”

Of course, good will and chicken gratitude did not last. By the 2000s, Russian President Vladimir Putin

was complaining about the Americans' use of antibiotics, hormones, and sterilization in U.S. chicken. Russia may have accounted for 22% of American chicken exports, but the fears over the quality of U.S. chicken prompted a drastic curtailment of its production in 2010.

Did it matter that this explosion of concern in the quality of chicken -- which first saw widespread public expression in 2002 or so -- just happened to coincide with the rise in Russian oil-driven economic vitality and a souring of relations with the U.S. over missile defense? Or that Vladimir Putin's 2010 ban on Bush's Legs also took place right when there was a souring of relations (again) over missile defense negotiations and the New Start de-nuclearization treaty?

It certainly couldn't be because Russian chicken is any better. The Russian Consumer Rights Protection Society found in a June 2010 survey that 8 in 10 domestic Russian chickens sold at the supermarket tested positive for salmonella. Even so, Russians prefer fresh Russian chickens to frozen U.S. chickens, and buy them accordingly (China is following a similar trend -- leading to an incredible oversupply in the U.S. of dark meat chicken). But Moscow isn't above giving their own chicken farmers a little boost.

The U.S. has engaged in its own odd chicken diplomacy as well. Peter van Buren, a career Foreign Service Officer with the State Department, published a memoir last year of his time serving in Iraq. One of the the most memorable chapters in his book, appropriately titled “Chicken Sh\*t,” is about efforts to revive the Iraqi chicken industry. Van Buren describes the lavish funding a nearby chicken factory received to get new equipment and to hire people.

The factory, it turned out, was worthless. Brazil dominated the the global market for frozen whole chickens and Iraq just couldn't produce poultry cheaply enough to compete (Brazil defends this domination zealously). Worse still, van Buren recounted for NPR, the factory didn't have refrigeration because it did not have electricity -- which makes the idea of a frozen chicken factory rather moot. But rather than admitting failure, van Buren and his team actually created a false factory for when touring VIPs came by, hiring random people to sit on the production line while it processed worthless chickens they could never sell, all to impress a Congressional delegation or administration official into thinking the Iraqi economy was

thriving under U.S. leadership.

Even in Afghanistan, chickens can ignite the most bizarre behavior. Last summer, the Taliban tried to ban the sale of frozen chickens in Ghazni province because they thought the chickens were not killed in accordance to Halal food rituals (which are similar to Kosher rules). When I was in Afghanistan in 2009, we would read reports that the Taliban were telling locals that it was their Islamic duty to support local Muslim farmers instead of foreign non-Muslim factory workers, so they should buy locally produced meats.

The Taliban are locavores, in other words. They're also protectionists and, to an extent, mercantilists. But they're also in good company, at least when it comes to chickens. Around the world, frozen chickens can tell us much about how an economy is doing and what its leadership thinks of it.

## NUCLEAR SECURITY



### **New START is working to enhance US national security**

Terri Lodge

The Hill

June 20, 2012

The New START Treaty is one year old, and the results are in. This Treaty, the result of years of negotiations between the United States and Russia, works. New START enhances U.S. national security, bringing U.S. nuclear policies in line with the security challenges of the 21st century.

Yet there are rumblings that some Senators are unhappy with nuclear weapons funding provisions and will seek to halt New START implementation as a result. The Senate Foreign Relations Committee will hold a New START hearing this week. The hearing will show that the Treaty, regardless of funding issues, deserves support.

There are five key benefits to the New START Treaty. First, New START enhances US nuclear force planning. Without the treaty, the U.S. would be flying blind, with no way of understanding Russia's nuclear plans. The U.S. military would have to plan for a "worst case scenario" and spend more money on nuclear capabilities than necessary. With the Treaty, the U.S. military can avoid wasting money on unneeded nuclear weapons at a time when military resources are stretched thin.

Second, New START verification measures enhance transparency regarding our U.S. and Russian deployed strategic systems. Data exchanges provide

each side with information on numbers, locations, and other details of nuclear forces. On-site inspections and data exchanges allow the U.S. to verify the size and composition of the Russian nuclear arsenal. The Treaty also guarantees that U.S. national technical means of surveillance, such as satellites, are not subject to Russian interference, and the United States will have a variety of tools at its disposal for monitoring Russian compliance.

Since the treaty entered into force over one year ago, the U.S. and Russia have each conducted 23 on-site inspections and exchanged thousands of data notifications. These verification measures provide critical insight into Russian nuclear forces. Our relationship with Russia has its ups and downs. The treaty's transparency means both nations can understand each other's strategic forces activities, no matter the state of U.S.-Russia relations.

Third, U.S. nuclear modernization is preserved under New START. Much has been made of nuclear modernization funding, or lack thereof, but the New START Treaty itself does not stipulate the "right level" of modernization funding. Indeed, one of the benefits of the treaty is that it provides for strategic stability between the U.S. and Russia, without impacting U.S. or Russian force modernization programs or limiting funding for nuclear infrastructure upgrades.

Under the New START Treaty, Congress is free to fund necessary modernization efforts to keep the nuclear enterprise safe and secure, while policymakers are free to plan nuclear weapons reductions and adjust the nuclear force structure to reflect 21st century priorities.

Fourth, the Treaty does not limit U.S. missile defense programs. Claims of a secret missile defense deal in the treaty are the stuff of fantasy, not reality. There is no secret missile defense deal as part of New START. U.S. negotiators understood that no treaty can limit U.S. missile defense programs. Since the ratification of New START the U.S. has advanced its missile defense plans while pursuing a missile defense cooperation agreement with Russia. A possible cooperation agreement would allay Russian concerns about U.S. missile defense initiatives but not limit U.S. plans.

Finally, the success of New START provides a sound basis for future nuclear negotiations. Reductions in tactical nuclear weapons, where Russia has a large advantage, could be the next step. The Congress at-

tached a provision in the New START resolution of ratification directing the Administration to pursue reductions in U.S. tactical nuclear weapons deployed in Europe.

The Treaty also sets the stage for a new treaty further reducing the strategic nuclear forces of both sides. Many agree that further reductions are desirable and practical, considering the success of New START, our excess strategic forces and their waning utility in the face of more urgent threats.

Former defense and national security officials, including former STRATCOM commanders, have endorsed this approach to updating U.S. nuclear policy. The recent Global Zero Commission brought some of these officials together, from General James Cartwright to Senator Chuck Hagel to Ambassador Thomas Pickering. The Commission Report highlighted the strategic irrelevance of nuclear weapons and called for steep nuclear reductions, using the New START treaty as a starting point.

The New START Treaty still has its critics. But the charges leveled at the treaty are based partly political rhetoric and partly in misunderstanding of the treaty provisions. An impartial look at the evidence sets the record straight. One year of New START implementation has enhanced U.S. interests. And it will continue to benefit U.S. national security as policymakers build on the treaty's success to bring U.S. nuclear policy into the 21st century.

## **Is There Light at the End of the Nuclear Tunnel?**

Bryan Gold

Flashpoint Blog

May 8, 2012

Over the past two weeks there have been a series of amazing and promising developments with the Iranian nuclear program and its situation. Beginning with the P5+1-Iran meeting two weeks ago, the American view on Iran's intractability for dealing with its nuclear program has begun to soften. Now, experts believe that the threat of conflict with Iran is less likely and that the revival of negotiations has tempered the rhetoric on both sides.

The effects of recent sanctions has created an economic crisis in Iran, causing the Rial to lose half its value since the sanctions were stepped up in two years ago and forcing Iran to pay for imports with gold or accept foreign currency to pay for Iranian exports. This makes it appear that the affects of enhanced sanctions from the United States and the EU along with the specter of additional sanctions beginning in July has made the Iranian's more flexible in their dealings with the United States.

Whatever the reason, the negotiations that occurred two weeks ago were more successful than either the American or European negotiators envisioned. Iranian leaders as well have worked to portray the negotiations as a success raising the possibility that Iran is preparing for a deal with the west.

Furthermore, Iran is considering a proposal by Russia to halt the expansion of its nuclear program in order to avert new sanctions. Under this proposal, Iran would stop building centrifuges and mothball the ones that have not yet been installed. However this does not halt Iranian enrichment, a key demand of the United States and the EU, and only stops the expansion of the program.

Another major development is the stinging retributions of Benjamin Netanyahu's leadership and dealings with Iran. Two former Israeli government officials, Yuval Diskin, the former head of Shin Bet, the Israeli internal security service and Ehud Olmert, a former Prime Minister, have taken shots at Mr. Netanyahu's handling of the situation in the past week.

Mr. Diskin accused the Prime Minister of "misleading the public" about the effectiveness of Israeli strikes against Iranian nuclear facilities. And Mr. Olmert cautioned the Netanyahu-led government against rushing into attacking Iran.

Another Israeli official, Lt. Gen. Benny Gantz the IDF Chief of Staff, told Haaretz that he believes that not only is Iran rational but has not decided to make a nuclear weapon. This view is consistent with the US and Israeli military and intelligence services that Iran has not yet made a decision to build a bomb.

What affect if any, these recent statements will have are not yet clear but it is interesting that retired and active members of Israel's security services and military are breaking with the Israeli government. But the views of former Israeli leadership will not greatly

affect PM Netanyahu, who still views the Iranian nuclear program and enrichment capability as an existential threat to Israel.

Therefore, there are still major obstacles in the way of a deal on the Iranian nuclear program. At the core of the problem is crafting an agreement that will satisfy the all three parties who have vastly different threat perceptions and political challenges. The divergent views and demands for each side are summed up by James Fallows of the Atlantic:

- the Iranians, who insist on the right to some uranium-enriching capacity within their borders, for "peaceful" purposes, as in principle they can do under the terms of the Non-Proliferation Treaty;

- the United States (and a slew of other countries), who insist on for-real, intrusive inspections to make sure that the enrichment stays within those peaceful terms; and

- the Israeli government, which is so skeptical of any guarantees, commitments, or even inspections involving the Iranians that it believes it cannot safely live with any Iranian enrichment capacity at all.

Reconciling all three countries will be a monumentally difficult task and it is not clear yet whether or not these negotiations that will take place on the 23rd will do much to achieve this goal. Whether this is the light at the end of the tunnel or just the headlight of another crisis is yet to be seen.

## **Time to Ratify the Nuclear Test Ban Treaty**

Stephen A. Cheney

Flashpoint Blog

April 19, 2012

During the course of the Cold War, the United States and Soviet Union developed the nuclear capacity to destroy each other several times over. Before the Berlin Wall fell these countries possessed more than 65,000 nuclear weapons combined. Some strategists even promoted a war fighting strategy where both powers would launch nuclear weapons as if they were artillery in first, second, or limited strikes.

Today, the post-Cold War, post-9/11 threat requires

us to rethink our nuclear strategy and stockpiles, and review what is required for modern deterrence. These threats means we need strategies to fight nuclear terrorism rather than actual large-scale nuclear war.

Our greatest threat is not that of a nuclear attack from an enemy country, but homemade “dirty” bombs, powered by conventional explosives but designed to contaminate a wide area with radioactive material. Money spent on military advanced technology and training aimed at combating low technology threats such as “dirty” bombs, have proven more effective in protecting the lives of our troops and that of our allies than any of our large nuclear assets.

There is still a role for a small United States nuclear force while other nations maintain their own strategic nuclear forces. It would be unsafe and imprudent to retire or drastically reduce our nuclear forces while others maintain a larger force. Thus, the United States should continue to maintain a safe and reliable nuclear deterrent. Our triad of missiles, bombers, and submarines is still effective at providing deterrence to our enemies; though we no longer need a Cold War sized force nor require actual nuclear testing.

After conducting more than 1,000 nuclear test explosions, the United States maintains a nuclear test moratorium—a policy of no nuclear weapons testing. We have not explosively tested a nuclear weapon in nearly 20 years, instead we maintain a robust stockpile stewardship program to ensure the reliability of our nuclear arsenal. A recent National Academy of Sciences study found that our nuclear stewardship program is working better than ever and we know more about the health of our nuclear stockpile than ever before.

In order for the United States to gain greater advantage for our no testing policy we should ratify the Comprehensive Test Ban Treaty (CTBT). This would institute a worldwide ban on nuclear tests and the use of networks to apply pressure against states like Iran and North Korea.

These networks of pressure are exactly what we need against rogue states that aren't deterred from our triad of thousands of strategic nuclear weapons. But we can only use them if the United States were to ratify the CTBT. By ratifying the CTBT, at no consequence to our own nuclear capabilities, the United States further establishes an international norm and technological processes that pressures Iran and North Korea to ratify the treaty as well. We no longer need to test,

but these states do in order to bridge their knowledge gaps.

Therefore, part of our post cold war nuclear strategy should include the Comprehensive Test Ban Treaty (CTBT). By ratifying the CTBT the United States would gain yet another tool to shrink Iran and North Korea's nuclear programs and prevent future nuclear weapons programs. By preventing nuclear testing the CTBT limits countries abilities to advance their nuclear weapons program.

Technological advances and new science has made it possible to pinpoint and accurately determine the size and scope of a nuclear explosion. The international community and the United States were able to show the accuracy of this technology when it determined the size and scope of North Korea's 2006 and 2009 nuclear tests. The CTBT's network of sensors can detect even the smallest of nuclear tests and is a vital tool that the United States can use against rogue states that aren't deterred by our triad of strategic nuclear weapons.

Over a decade ago the Senate rejected the CTBT in a rush, never having the time to consider the complicated science and verification elements that is the basis for understanding the treaty. We know more than ever about maintaining a safe, secure and reliable deterrent and our ability to verify the Treaty has been well established. Now is the time has come for the Senate to learn how much progress has been made and to ratify a treaty that will only increase the security of the United States while pressuring our adversaries.

## Further Reading

### American Security Quarterly

2nd Edition: April 2012  
1st Edition: January 2012

### One Year On

One year ago, Osama bin Laden was killed in a daring nighttime raid by Navy SEALs on his compound in a small military garrison town in Pakistan. Since then, how has the war on terror changed? Should we be looking at it more critically than we are? In this essay collection, we examine the war on terror from several angles not often found in the popular discourse.

### 20 Years After the Fall: The U.S. and Russia in the post-Soviet World

A collection of essays from our fellows, board members, and adjunct fellows analyzing the evolution of U.S. foreign policy in the 20 years after the collapse of the USSR. Published in partnership with The Atlantic Monthly. These essays examine the last two decades of change in nuclear security, energy policy, the defense industry, regional and bilateral politics, and U.S. posture and geostrategy.

You can find a pamphlet containing the whole series here:

### ASP Major Reports:

Climate and Energy Security

America's Energy Choices

Nuclear Security Initiative

Nuclear Security Index

Climate and Energy Security

Fusion Energy: An Opportunity for  
American Leadership and Security

Terrorism

Measuring Success: Are We Winning?  
10 Years in Afghanistan

## ASP Fact sheets and Perspectives

Fact Sheet: Law of the Sea – separating fact from fiction

U.S. Missile Defense and European Security

American Security Enhanced: The Benefits of the New START Treaty

Cause and Effect: U.S. Gasoline Prices

FACT SHEET: Bio Fuels and National Security

Abu Sayyaf: The Father of the Swordsman

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## **Building a New American Arsenal**

The American Security Project (ASP) is a nonpartisan initiative to educate the American public about the changing nature of national security in the 21st century.

Gone are the days when a nation's strength could be measured by bombers and battleships. Security in this new era requires a New American Arsenal harnessing all of America's strengths: the force of our diplomacy; the might of our military; the vigor of our economy; and the power of our ideals.

We believe that America must lead other nations in the pursuit of our common goals and shared security. We must confront international challenges with all the tools at our disposal. We must address emerging problems before they become security crises. And to do this, we must forge a new bipartisan consensus at home.

ASP brings together prominent American leaders, current and former members of Congress, retired military officers, and former government officials. Staff direct research on a broad range of issues and engages and empowers the American public by taking its findings directly to them.

We live in a time when the threats to our security are as complex and diverse as terrorism, the spread of weapons of mass destruction, climate change, failed and failing states, disease, and pandemics. The same-old solutions and partisan bickering won't do. America needs an honest dialogue about security that is as robust as it is realistic.

ASP exists to promote that dialogue, to forge consensus, and to spur constructive action so that America meets the challenges to its security while seizing the opportunities the new century offers.



American Security Project

[www.americansecurityproject.org](http://www.americansecurityproject.org)